

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2023-24

## DEPARTMENT OF LOCAL AFFAIRS

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

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## HOW TO USE THIS DOCUMENT

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

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

## DEPARTMENT OVERVIEW

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

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

## SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$326,146,188	\$47,566,505	\$177,126,262	\$18,870,766	\$82,582,655	209.6
Other legislation	115,932,883	7,775,044	104,677,159	3,488,829	(8,149)	12.3
SB 23-124 (Supplemental)	8,035,166	10,435	8,007,140	11,392	6,199	0.0
<b>TOTAL</b>	<b>\$450,114,237</b>	<b>\$55,351,984</b>	<b>\$289,810,561</b>	<b>\$22,370,987</b>	<b>\$82,580,705</b>	<b>221.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$450,114,237	\$55,351,984	\$289,810,561	\$22,370,987	\$82,580,705	221.9
R1 DOLA/HCPF voucher increase	1,607,112	1,607,112	0	0	0	0.7
R2 Fort Lyon Supportive Residential Community	750,000	750,000	0	0	0	0.0
R3 Resiliency and disaster recovery capacity increase	143,968	143,968	0	0	0	1.6
R4 Property valuation database forecast staff	155,457	155,457	0	0	0	1.6
R5 Manufactured Buildings Program	422,871	0	422,871	0	0	4.0
R6 EDO capacity expansion	166,965	146,704	2,379	17,882	0	1.6
R6 Indirect cost recovery refinance	0	(139,259)	0	139,259	0	0.0
R7 Moffat Tunnel District lease renewal	290,000	0	290,000	0	0	0.0
R8 Architectural support for rural main streets	0	0	0	0	0	1.0
Non-prioritized requests	871,096	294,738	270,273	116,856	189,229	0.0
Other statewide requests	0	(5,002,336)	5,002,336	0	0	0.0
Technical adjustments	36,149,221	(1,666,652)	922,261	(4,800,000)	41,693,612	(0.4)
Centrally appropriated line items	1,965,045	1,087,690	355,880	224,977	296,498	0.0
Indirect cost assessment	588,523	0	586,650	(135,410)	137,283	0.0
Annualize prior year legislation	(114,334,362)	(6,374,100)	(104,960,262)	(3,000,000)	0	0.6
Annualize prior year budget actions	(1,571,749)	6,377,307	(8,007,139)	64,283	(6,200)	0.6
<b>TOTAL</b>	<b>\$377,318,384</b>	<b>\$52,732,613</b>	<b>\$184,695,810</b>	<b>\$14,998,834</b>	<b>\$124,891,127</b>	<b>233.2</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$72,795,853)</b>	<b>(\$2,619,371)</b>	<b>(\$105,114,751)</b>	<b>(\$7,372,153)</b>	<b>\$42,310,422</b>	<b>11.3</b>
Percentage Change	(16.2%)	(4.7%)	(36.3%)	(33.0%)	51.2%	5.1%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	(\$12,783,326)	\$1,649,490	(\$14,851,625)	\$487,041	(\$68,232)	2.3

## DESCRIPTION OF INCREMENTAL CHANGES – FY 2020-21

**INTERCONNECTIVITY GRANT PROGRAM ROLL-FORWARD:** Staff recommends the \$5.0 million appropriation originally provided in FY 2020-21 by H.B. 21-1289 (Funding for Broadband Deployment) for the Interconnectivity Grant Program be amended to allow for expenditure through December 31, 2026, consistent with federal guidance for American Rescue Plan Act funds.

## DESCRIPTION OF INCREMENTAL CHANGES – FY 2023-24

**R1 RESOURCES FOR DOLA/HCPF VOUCHER PROGRAM:** The recommendation includes \$1,607,112 General Fund and an associated 0.7 FTE in FY 2023-24 and \$3,240,538 General Fund and 1.5 FTE in FY 2024-25 and ongoing to fund and administer an additional 400 Community Access Team – Transition Services vouchers. These vouchers support persons with disabilities that require long-term services and support to transition out of institutions, or prevent institutionalization, using Medicaid’s Transition Services benefit. The recommendation differs from the request due to assumptions used to calculate the cost of new FTE.

**R2 FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY:** The recommendation includes \$750,000 General Fund in FY 2023-24 and ongoing to continue operating the Fort Lyon Supportive Residential Community. This facility has been operational since 2013 and serves up to 250 people per year struggling with homelessness and substance use disorders. The recommendation includes operating funds to eliminate gaps that have been filled by grants in recent years (\$100,000), staffing resources to support educational, vocational, and housing services (\$350,000), and facilities management staff to implement long-term maintenance and energy efficiency projects (\$300,000).

**R3 RESILIENCY AND DISASTER RECOVERY CAPACITY INCREASE:** The recommendation includes \$143,968 General Fund and an associated 1.6 FTE in FY 2023-24 and \$192,989 General Fund and 2.0 FTE in FY 2024-25 and ongoing for additional staff to implement the Department’s resiliency and disaster recovery duties. The recommendation funds a Local Resiliency Specialist in the Colorado Resiliency Office and a dedicated Disaster Housing Recovery Specialist in the Division of Housing. The recommendation differs from the request due to assumptions used to calculate the cost of new FTE.

**R4 PROPERTY VALUATION DATABASE FORECAST STAFF:** The recommendation includes \$155,457 General Fund and 1.6 FTE in FY 2023-24 and \$216,457 General Fund and 2.0 FTE in FY 2024-25 and ongoing for additional staff in the Division of Property Taxation. This includes a Property Valuation Data Manager responsible for property valuation data collection, analysis, mapping, and publishing and a Property Valuation Analyst that will provide property valuation and tax analysis for specific executive and legislative proposals. The recommendation differs from the request due to assumptions used to calculate the cost of new FTE.

**R5 MANUFACTURED BUILDINGS PROGRAM:** The recommendation includes an increase of \$422,871 cash funds and an associated 4.0 FTE in FY 2023-24 and \$472,637 cash funds and 4.0 FTE in FY 2024-25 and ongoing for the Manufactured Buildings Program. This program supports, licenses, and regulates the residential and non-residential factory-built industry in Colorado and is entirely fee-funded. Demand for plan review and inspection services has rebounded substantially since the Great Recession while staffing has remained unchanged for the last eleven years, resulting in significant processing delays. The recommendation differs from the request due to assumptions used to calculate the cost of new FTE.

**R6 EDO CAPACITY EXPANSION AND R6 INDIRECT COST RECOVERY REFINANCE:** The recommendation includes \$166,965 total funds (including \$7,445 General Fund) and an associated 1.6 FTE in FY 2023-24 for additional staff in the Executive Director’s Office and an increase for the Information Technology - Asset Maintenance line item. The additional positions consist of:

- 0.5 FTE Payroll Technician;
- 0.5 FTE Timekeeping and Leave Coordinator; and
- 1.0 FTE Revolving Loan Funds Accounting Specialist.

Staff considers the additional FTE recommended in this request to be General Funded positions that are refinanced by indirect cost recoveries. The recommendation differs from the request due to the exclusion of the requested 1.0 FTE Business Product Manager and assumptions used to calculate the cost of new FTE.

**R7 MOFFAT TUNNEL DISTRICT LEASE RENEWAL:** The recommendation includes \$290,000 cash funds from the Moffat Tunnel Cash Fund, with roll-forward authority through FY 2024-25, for the renegotiation of a lease with Union Pacific Railroad that expires in January 2025. The Department of Local Affairs is the custodian of the Moffat Tunnel Improvement District and administers leases with Union Pacific and Century Link.

**R8 ARCHITECTURAL SUPPORT FOR RURAL MAIN STREETS:** The recommendation includes an informational adjustment of 1.0 FTE in FY 2023-24 and ongoing, paid for by existing reappropriated funds, to permanently hire an architect for the Colorado Main Street Program. These architectural services were historically funded by a State Historical Fund grant from History Colorado; this funding is no longer available to DOLA. The request will use existing reappropriated Energy and Mineral Impact Assistance funds to begin paying the existing architect as a state employee rather than as a consultant.

**NON-PRIORITIZED REQUESTS:** The recommendation includes adjustments related to non-prioritized requests that originate in other departments. *These request items will be addressed in separate staff figure settings for the Department of Personnel and the Governor’s Office.*

NON-PRIORITIZED REQUESTS							
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE	
OIT IT Accessibility testing and remediation	\$579,813	\$229,433	\$219,401	\$20,641	\$110,338	0.0	
OIT Budget package	114,505	33,976	23,250	37,094	20,185	0.0	
DPA Statewide operating expenses inflation	68,952	9,948	444	22,189	36,371	0.0	
DPA Capitol Complex inflation	51,099	16,370	11,203	13,800	9,726	0.0	
OIT Real time billing	35,166	10,435	7,140	11,392	6,199	0.0	
DPA Capitol complex staffing	27,311	8,186	5,602	8,659	4,864	0.0	
DPA Risk legal adjustment correction	5,892	2,123	1,452	2,317	0	0.0	
DPA Transfer performance budgeting to DPA	5,150	1,528	1,046	1,668	908	0.0	
DPA COE Common Policy	3,620	1,074	735	1,173	638	0.0	
DPA Annual fleet request	(20,412)	(18,335)	0	(2,077)	0	0.0	
<b>TOTAL</b>	<b>\$871,096</b>	<b>\$294,738</b>	<b>\$270,273</b>	<b>\$116,856</b>	<b>\$189,229</b>	<b>0.0</b>	

**OTHER STATEWIDE REQUESTS:** The recommendation includes substituting the \$5,002,336 General Fund base appropriation for the Fort Lyon Supportive Residential Community with cash funds from the Revenue Loss Restoration Cash Fund that originate as federal American Rescue Plan Act dollars in FY 2023-24 and FY 2024-25.

**TECHNICAL ADJUSTMENTS:** The recommendation includes an increase of \$41.7 million federal funds and \$0.9 million cash funds shown in the Long Bill for informational purposes, a decrease of \$4.8 million reappropriated funds related to a technical issue addressed in the prior year, and a decrease of \$1.7 million General Fund to account for the impact of S.B. 23-072 (Sunset Defense Counsel on First Appearance Grant Program).

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Informational funds adjustment	\$42,615,873	\$0	\$922,261	\$0	\$41,693,612	0.0
Reappropriated funds adjustment	(4,800,000)	0	0	(4,800,000)	0	0.0
DCFA Grant Program sunset adjustment	(1,666,652)	(1,666,652)	0	0	0	(0.4)
<b>TOTAL</b>	<b>\$36,149,221</b>	<b>(\$1,666,652)</b>	<b>\$922,261</b>	<b>(\$4,800,000)</b>	<b>\$41,693,612</b>	<b>(0.4)</b>

**CENTRALLY APPROPRIATED LINE ITEMS:** The recommendation includes adjustments to centrally appropriated line items, as detailed in the table below. *These request items will be addressed in separate staff figure settings for Compensation Common Policies, the Department of Personnel, and the Governor’s Office.*

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$956,230	\$288,707	\$172,018	\$268,031	\$227,474	0.0
Legal services	735,518	491,039	247,437	(2,958)	0	0.0
Health, life, and dental	412,341	218,488	(7,439)	48,911	152,381	0.0
Health, life, dental true-up	129,828	43,471	27,836	30,406	28,115	0.0
DPA Pay plan	124,046	34,672	23,526	65,848	0	0.0
AED	15,059	18,369	(34,325)	779	30,236	0.0
SAED	15,059	18,369	(34,325)	779	30,236	0.0
Administrative law judge services	453	0	453	0	0	0.0
PERA Direct Distribution	(192,934)	18,462	(68,021)	(84,078)	(59,297)	0.0
CORE adjustment	(190,742)	(43,785)	(13,949)	(72,461)	(60,547)	0.0
Capitol Complex leased space	(34,818)	(216)	36,879	(18,631)	(52,850)	0.0
Payment to risk management & property funds	(3,159)	(319)	3,707	(6,547)	0	0.0
Workers’ compensation	(1,640)	80	3,224	(4,944)	0	0.0
Short-term disability	(196)	353	(1,141)	(158)	750	0.0
<b>TOTAL</b>	<b>\$1,965,045</b>	<b>\$1,087,690</b>	<b>\$355,880</b>	<b>\$224,977</b>	<b>\$296,498</b>	<b>0.0</b>

**INDIRECT COST ASSESSMENT:** The recommendation includes a net increase for the Department’s updated indirect cost plan. The Indirect Cost Plan is discussed in detail at the end of this document.

**ANNUALIZE PRIOR YEAR LEGISLATION:** The recommendation includes a net decrease of \$114.3 million total funds to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE	
HB 22-1389 Financial literacy exchange program	\$197,226	\$197,226	\$0	\$0	0.5	
HB 22-1242 Regulate tiny homes manufacture sale & install	130,664	(227,612)	358,276	0	4.0	
HB 22-1287 Protections mobile home residents	19,827	19,827	0	0	0.2	
HB 22-1083 CO homeless contribution income tax credit	7,509	7,509	0	0	0.5	
SB 22-211 Repurpose Ridge View campus	(45,000,000)	0	(45,000,000)	0	(2.3)	
SB 22-1356 Small community-based nonprofit grant program	(35,000,000)	0	(35,000,000)	0	(0.5)	
SB 22-146 Middle income access expansion program	(25,000,000)	0	(25,000,000)	0	0.0	
SB 22-005 Law enforcement agency peace officer services	(6,000,000)	(3,000,000)	0	(3,000,000)	(2.5)	
HB 22-1013 Microgrids for community resilience grant program	(3,368,292)	(3,368,292)	0	0	0.4	
SB 22-168 Backcountry search and rescue	(318,538)	0	(318,538)	0	0.0	
HB 22-1416 Property tax administrative procedures	(2,000)	(2,000)	0	0	0.0	
SB 22-206 Disaster preparedness & recovery resources	(758)	(758)	0	0	0.3	
<b>TOTAL</b>	<b>(\$114,334,362)</b>	<b>(\$6,374,100)</b>	<b>(\$104,960,262)</b>	<b>(\$3,000,000)</b>	<b>0.6</b>	

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The recommendation includes a net increase of \$6,377,307 General Fund for prior year budget actions, as detailed in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 BA1 State housing vouchers	\$6,387,742	\$6,387,742	\$0	\$0	\$0	0.3



ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 R1 Operational staff adjustment	75,675	0	0	75,675	0	0.3
Prior year salary survey	0	0	1	0	(1)	0.0
Emergency rental assistance supplemental	(8,000,000)	0	(8,000,000)	0	0	0.0
OIT real-time billing supplemental	(35,166)	(10,435)	(7,140)	(11,392)	(6,199)	0.0
<b>TOTAL</b>	<b>(\$1,571,749)</b>	<b>\$6,377,307</b>	<b>(\$8,007,139)</b>	<b>\$64,283</b>	<b>(\$6,200)</b>	<b>0.6</b>

## MAJOR DIFFERENCES FROM THE REQUEST

- Cumulative recommended funding for all new FTE requests is lower by \$502,455 total funds and \$172,207 General Fund. This is due to differences in assumptions used to calculate new FTE as well as the exclusion of 1.0 Business Product Manager requested in R6 EDO Capacity Expansion.
- The recommendation for the Defense Counsel on First Appearance Grant Program is lower than the request by \$1,666,652 General Fund in order to account for S.B. 23-072 (Sunset Defense Counsel First Appearance Grant Program), which will provide the remaining funding if the General Assembly chooses to continue the program as recommended in the sunset review.
- The request incorrectly calculated the annualization of H.B. 22-1389 (Financial Literacy Exchange Program). The recommendation is \$180,000 General Fund more and \$180,000 cash funds less than the request.
- The recommendation does not include the requested \$14,924,660 Marijuana Tax Cash Fund reduction for affordable housing.
- The recommendation includes updates to the Department's Indirect Cost Plan that result in additional indirect cost assessments for cash, reappropriated, and federal funds.

## DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

### → R3 RESILIENCY AND DISASTER RECOVERY CAPACITY INCREASE

*REQUEST:* The request includes \$186,714 General Fund and 1.8 FTE in FY 2023-24 and \$187,732 General Fund and 2.0 FTE in FY 2024-25 and ongoing for additional staff to implement the Department’s resiliency and disaster recovery duties. The request would fund a Local Resiliency Specialist in the Colorado Resiliency Office in the Division of Local Government and a dedicated Disaster Housing Recovery Specialist in the Division of Housing.

*RECOMMENDATION:* Staff recommends approving the request with differences in FTE calculations, as shown below.

R3 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Request</b>			
Personal Services	\$138,090	\$150,097	\$12,007
Centrally Appropriated	33,273	36,165	2,892
Operating Expenses	15,352	1,470	(13,882)
FTE	1.8	2.0	0.2
<b>Total Request</b>	<b>186,715</b>	<b>187,732</b>	<b>1,017</b>
<b>Recommendation</b>			
Personal Services	\$128,198	\$153,838	\$25,640
Centrally Appropriated	0	36,451	36,451
Operating Expenses	15,770	2,700	(13,070)
FTE	1.6	2.0	0.4
<b>Total Recommendation</b>	<b>143,968</b>	<b>192,989</b>	<b>49,021</b>
Request Above/(Below) Recommendation	42,747	(5,257)	

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions, including salary range adjustments for FY 2023-24 approved as part of Statewide Compensation Policies Figure Setting. Staff recommendation differs from the request due to funding salaries at the range minimum versus the midpoint, the exclusion of certain centrally appropriated items (POIS), application of the General Fund pay date shift, and differences in cost assumptions for computer and software license subscriptions.

*EVIDENCE LEVEL:* The Department indicated that this request item is theory-informed. When a request item is designated ‘theory-informed’ it means that the program “reflects a moderate to low or promising level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by tracking and evaluating performance measures including pre- and post-intervention evaluation of program outcomes, evaluation of program outputs, identification and implementation of a theory of change, or equivalent measures.” (Section 2-3-210 (2)(f), C.R.S.). While the concept of resiliency planning itself may be theory-informed, staff disagrees with this designation on the grounds that two additional employees will not have a quantifiable impact on statewide resiliency efforts or economic losses avoided from future disasters.

*ANALYSIS:*

The Colorado Resiliency Office was created in the aftermath of the historic fires and floods of 2012 and 2013 with the primary task of creating and maintaining the state’s Resiliency and Community Recovery Program. The Colorado Resiliency and Recovery Office was originally established within the Governor’s Office, and was moved to the Department of Local Affairs and renamed the Colorado Resiliency Office in 2017. In 2018, the CRO’s responsibilities were codified in statute by H.B. 18-1394 (Update Colorado Disaster Emergency Act)<sup>1</sup> as part of a larger update to the Colorado Disaster Emergency Act. This legislation made the CRO subject to available grant funding and established a repeal date of September 1, 2022, with a sunset review occurring in 2021. The CRO received funding through H.B. 19-1292 (Colorado Resiliency Office Reauthorization Funding) for 3.0 FTE for FY 2019-20, and through the Long Bill in the years following. H.B. 22-1225 (Sunset Continue Colorado Resiliency Office) continued the CRO for another fifteen years through 2037, per the recommendation of the [Colorado Resiliency Office 2021 Sunset Review](#).

The CRO hosts peer exchanges and the Colorado Resiliency Working Group, sponsors webinars and other trainings, facilitates grants, and provides technical assistance. Additionally, the CRO administers the Rural Economic Development Initiative Grant Program and has helped the Energy/Mineral Impact Assistance Program and the Division of Homeland Security and Emergency Management in the Colorado Department of Public Safety incorporate resiliency criteria into those programs. The CRO also leads and participates in several interagency groups.

Sunset reviews examine whether a program or regulation is still necessary and performs a function that protects the public interest. The review stated that because disasters are becoming more frequent and larger in magnitude, the conversation around resiliency has never been more salient. Between 1980 and 2020, Colorado experienced at least 52 events costing \$1.0 billion or more in 2021 dollars, with 30 of those occurring since 2010.<sup>2</sup> To that end, the review recommended that the CRO seek funding for additional staff. Additional resources will allow the CRO to focus on long-term efforts to improve resiliency, rather than reactively dealing with one disaster after another.

The request would fund a Local Resiliency Specialist in the Colorado Resiliency Office and a dedicated Disaster Housing Recovery Specialist in the Division of Housing. The Department has responsibilities related to three plans and a state law:

- Colorado Disaster Emergency Act;
- State Emergency Operations Plan (SEOP);
- Colorado Resiliency Framework; and
- DOLA Disaster Resiliency, Response, and Recovery Operations Plan.

The requested Local Resiliency Specialist (Community and Economic Development IV) for the Colorado Resiliency Office will advance implementation of the Resiliency Roadmaps Program and the Colorado Resilient Communities Program to reach more communities, seek new resiliency grant funding and leverage existing state and federal funding, and expand the CRO’s programming.

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<sup>1</sup> Section 24-32-121, C.R.S.

<sup>2</sup> Colorado Resiliency Office 2021 Sunset Review, Colorado Office of Policy, Research & Regulatory Reform, Colorado Department of Regulatory Agencies

The Division of Housing has responsibilities related to the Colorado Disaster Emergency Act, State Emergency Operations Plan, and Colorado Resiliency Framework which are currently dealt with by diverting existing staff after disasters occur. The Disaster Housing Recovery Specialist (Community and Economic Development IV) would provide a point person in response to housing-related executive orders, chair the Disaster Housing Task Force, and serve as a liaison to working groups in the aftermath of disasters. This position would also serve as the Division of Housing representative to the State Emergency Operations Center and the Colorado Resiliency Working Group

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

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

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$12,565,394	\$3,467,674	\$2,160,034	\$5,026,314	\$1,911,372	22.9
Other legislation	106,640	134,678	(8,718)	(11,171)	(8,149)	0.0
SB 23-124 (Supplemental)	35,166	10,435	7,140	11,392	6,199	0.0
<b>TOTAL</b>	<b>\$12,707,200</b>	<b>\$3,612,787</b>	<b>\$2,158,456</b>	<b>\$5,026,535</b>	<b>\$1,909,422</b>	<b>22.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$12,707,200	\$3,612,787	\$2,158,456	\$5,026,535	\$1,909,422	22.9
Centrally appropriated line items	1,965,045	1,087,690	355,880	224,977	296,498	0.0
Non-prioritized requests	816,227	284,790	269,829	108,750	152,858	0.0
R7 Moffat Tunnel District lease renewal	290,000	0	290,000	0	0	0.0
R6 EDO capacity expansion	166,965	146,704	2,379	17,882	0	1.6
R6 Indirect cost recovery refinance	0	(139,259)	0	139,259	0	0.0
R5 Manufactured Buildings Program	19,034	0	19,034	0	0	0.0
Indirect cost assessment	3,386	0	3,224	0	162	0.0
Annualize prior year budget actions	(469,188)	(160,400)	(131,093)	(53,108)	(124,587)	0.3
Annualize prior year legislation	(93,866)	(123,886)	30,020	0	0	0.0
<b>TOTAL</b>	<b>\$15,404,803</b>	<b>\$4,708,426</b>	<b>\$2,997,729</b>	<b>\$5,464,295</b>	<b>\$2,234,353</b>	<b>24.8</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,697,603</b>	<b>\$1,095,639</b>	<b>\$839,273</b>	<b>\$437,760</b>	<b>\$324,931</b>	<b>1.9</b>
Percentage Change	21.2%	30.3%	38.9%	8.7%	17.0%	8.3%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$15,615,721</b>	<b>\$4,708,426</b>	<b>\$2,995,854</b>	<b>\$5,676,943</b>	<b>\$2,234,498</b>	<b>26.2</b>
Request Above/(Below) Recommendation	\$210,918	\$0	(\$1,875)	\$212,648	\$145	1.4

**DECISION ITEMS - EXECUTIVE DIRECTOR'S OFFICE****→ R6 EXECUTIVE DIRECTOR'S OFFICE CAPACITY EXPANSION****REQUEST:**

The Department requests \$379,613 total funds (including \$369,789 reappropriated funds from indirect cost recoveries and \$7,445 General Fund) and 3.0 FTE to address increasing administrative workload in the EDO. The requested total also includes an increase of \$27,706 for Information Technology – Asset Maintenance.

*RECOMMENDATION:*

**Staff recommends partially approving this request.** The recommendation includes \$139,259 General Fund to be refinanced with indirect cost recoveries and an associated 1.6 FTE for FY 2023-24, annualizing to \$186,629 and 2.0 FTE (including estimates for centrally appropriated costs) in FY 2024-25 and ongoing. The recommendation also includes \$27,706 total funds for Information Technology – Asset Maintenance. Staff does not recommend funding for the Business Product Manager included in the request.

*EVIDENCE LEVEL:*

The Department indicated that this request item is theory-informed; staff disagrees with this designation. When a request item is designated ‘theory-informed’ it means that the program “reflects a moderate to low or promising level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by tracking and evaluating performance measures including pre- and post-intervention evaluation of program outcomes, evaluation of program outputs, identification and implementation of a theory of change, or equivalent measures.” (Section 2-3-210 (2)(f), C.R.S.). The only quantifiable outcomes in this scenario are the number of audit findings, payroll transactions corrected, and employee satisfaction and turnover. However, there will not be evidence that proves those outcomes were caused by the addition of new positions. Employee satisfaction can be measured by surveys, which meets the definition of an opinion-based, rather than theory-informed, practice.

*ANALYSIS:*

The Department requests \$379,613 total funds (including \$369,789 reappropriated funds from indirect cost recoveries and \$7,445 General Fund) and 3.0 FTE to address increasing administrative workload in the EDO. The R6 request seeks funding to hire the following positions:

- 0.5 Payroll Technician;
- 0.5 Timekeeping and Leave Coordinator;
- 1.0 FTE Revolving Loan Funds Accounting Specialist; and
- 1.0 FTE Business Product Manager.

The request assumes a cost of \$351,907 paid for by indirect costs collected from federal and cash funded programs throughout the Department. Staff’s recommendation is that these are General Funded positions, which are then offset by the application of indirect cost recoveries to the Personal Services and Operating Expenses line items in the EDO.

The Department received funding for a similar request in FY 2022-23 based on increased workload from FY 2013-14 through FY 2021-22. The FY 2022-23 request allowed the Department to hire a full-time housing program accountant, a budget analyst, and a human resources specialist. In addition to increased total funding, number of programs, and complexity of accounting for grant programs, employee turnover in the EDO due to unmanageable workloads was also a major driver of last year’s request.

The Department cites the significant number of permanent programs created in the 2022 legislative session as the primary driver for this request. The bills shown below provided \$211.0 million in new funding and will result in an estimated 35.1 new permanent FTE to implement the legislation (as annualized for FY 2023-24). This is a 16.7 percent increase in FTE from the 209.6 FTE estimated in the FY 2022-23 Long Bill.

	FUNDING	FY 2023-24 FTE
HB 22-1083 Colorado Homeless Contribution Income Tax Credit	\$129,613	1.7
HB 22-1242 Regulate Tiny Homes Manufacture Sale and Install	227,612	4.0
HB 22-1287 Protections for Mobile Home Park Residents	89,870	1.0
HB 22-1389 Financial Literacy Exchange Program	103,355	1.0
SB 22-146 Middle Income Access Program Expansion (CHFA program w/ DOLA reporting requirements)	25,000,000	0.0
SB 22-159 Revolving Loan Fund Invest Affordable Housing	150,000,000	19.0
SB 22-160 Loan Program Resident-owned Communities	35,000,000	6.0
SB 22-168 Backcountry Search and Rescue (Transfer program to DNR)	(314,123)	-1.3
SB 22-188 Behavioral Health Support for Criminal Justice Advocates (interagency grant program)	500,000	0.0
SB 22-206 Disaster Resilience Rebuilding Program Administration	233,837	3.1
HB 22-1329 Annualize FY 2022-23 Long Bill appropriated FTE		0.6
<b>Total</b>	<b>\$210,970,164</b>	<b>35.1</b>

The following position descriptions were included in the request:

Payroll Technician (Accounting Technician III, 0.5 FTE)

The Payroll Technician will be responsible for auditing and running the Department’s payrolls. The position will be responsible for balancing all biweekly and monthly payrolls, identifying any errors, and working with the division staff to make corrections. The position will audit division assignment of staff to accounting templates to reduce the occurrence of later reversing transactions.

**Staff recommends funding this position, as shown in the “R6 Request and Recommendation” table.**

Timekeeping and Leave Coordinator (Human Resources Specialist III, 0.5 FTE)

The purpose of this position is to support the Department by utilizing internal processes and systems to review and audit employee leave balances and usage and to provide technical assistance to staff and management regarding leave regulation, rules and policies. This includes but is not limited to Family Medical Leave and short-term disability. The position will serve as the primary point of contact for leave and time-off issues and administer the Department’s timekeeping system.

**Staff recommends funding this position, as shown in the “R6 Request and Recommendation” table.**

Revolving Loan Funds Accounting Specialist (Accountant III, 1.0 FTE)

The Revolving Loan Funds (RLF) Specialist will be the Department’s authority delegated with responsibility for managing all aspects of accounting and reporting in relation to the Department’s increasing portfolio of revolving loan funds and their expanding balances of long-term receivables. The position will lead other accountants in daily RLF activities and be responsible for financial statements and audit exhibits relevant to the revolving loan funds. The position will monitor policies and procedures that are in place to protect the RLF from the risk of borrower default, as well as produce regular financial statements and reports so RLF program managers can ensure that funds are replenished in a manner to ensure continued credit availability and maintain consistent streams of capital replenishment to preserve the Department’s ability to make new loans. The position will also be instrumental in successful completion of annual audits for a growing area of financial assets and liabilities.



PROGRAMS WITH REVOLVING LOAN COMPONENTS
HB 21-1329 American Rescue Plan Act Money to Invest Affordable Housing
SB 21-242 Housing Development Grants Hotels Tenancy Support Program
SB 22-146 Middle Income Access Program Expansion
SB 22-159 Revolving Loan Fund Invest Affordable Housing
SB 22-160 Loan Program Resident-owned Communities
SB 22-206 Disaster Resilience Rebuilding Program Administration

**Staff recommends funding this position, as shown in the “R6 Request and Recommendation” table.**

Business Product Manager (Project Manager I, 1.0 FTE)

This Business Product Manager will operate as a strategic business resource for the Department’s technology portfolio. The position serves as the Department’s project management authority and will be primary contact for the Department’s OIT Director and reports to the Deputy Executive Director. The position ensures that all OIT and contractor efforts align with the Department’s strategic goals through leading effective governance, fostering and promoting necessary change management, negotiating and monitoring service level commitments, managing department-wide prioritization processes and ensuring the timely delivery of systems and change orders. The position will also work closely with the Department’s Director of Communications to ensure the Department’s website, digital media, and other software platforms meet statewide accessibility standards and mitigate barriers to access among historically disadvantaged populations. The position will promote solutions and process improvements to advance department-level business objectives. The position will work closely with the Department’s Accounting and Financial Services and Budget unit to monitor technology billing, project budgets, and utilization estimates. The position will serve as the product owner on key technology projects, agreements, and rules.

**Staff does not recommend funding this position.** In staff’s opinion, the request does not demonstrate a nexus between the increased workload created by recent legislation and the need for this position. Additionally, no information was provided on how this position relates to the non-prioritized IT Accessibility request originating in OIT (which will be evaluated as a common policy), which appears to address some of the same accessibility components.

The request and recommendation also includes an increase of \$27,706 in the Department’s Information Technology – Asset Maintenance line, which funds routine replacement of technology to keep it current and minimize work interruptions. This includes personal computers, non-capitalized IT equipment, and annual information system maintenance licensing and subscription renewals. The increase is projected to accommodate personal computer replacements on OIT’s standard four-year rotation cycle and is based on the Department’s current staffing levels and equipment replacement costs.

Staff recommends \$139,259 General Fund to be refinanced with indirect cost recoveries and an associated 1.6 FTE for FY 2023-24, as well as \$27,706 total funds for Information Technology – Asset Maintenance.

R6 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Request</b>			
Personal Services	\$270,219	\$270,219	\$0

R6 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
Centrally Appropriated	58,483	58,483	0
Operating Expenses	23,205	2,205	(21,000)
FTE	3.0	3.0	0.0
IT Asset Maintenance	27,706	27,706	0
<b>Total Request</b>	<b>379,613</b>	<b>358,613</b>	<b>(21,000)</b>
<b>Recommendation</b>			
Personal Services	\$123,354	\$148,024	\$24,670
Centrally Appropriated	0	35,905	35,905
Operating Expenses	15,905	2,700	(13,205)
FTE	1.6	2.0	0.4
IT Asset Maintenance	27,706	27,706	0
<b>Total Recommendation</b>	<b>166,965</b>	<b>214,335</b>	<b>47,370</b>
Request Above/(Below) Recommendation	212,648	144,278	

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions, including salary range adjustments for FY 2023-24 approved as part of Statewide Compensation Policies Figure Setting. Staff recommendation differs from the request due to funding salaries at the range minimum versus the midpoint, the exclusion of certain centrally appropriated items (POTS), application of the General Fund pay date shift, and differences in cost assumptions for computer and software license subscriptions.

→ R7 MOFFAT TUNNEL DISTRICT LEASE RENEWAL

*REQUEST:*

The Department requests an increase of \$290,000 cash funds from the Moffat Tunnel Cash Fund, with roll-forward authority in FY 2024-25, for the renegotiation of the Union Pacific Railroad that expires in January 2025.

*RECOMMENDATION:*

**Staff recommends approving the request.** This includes adding language to the existing footnote related to Moffat Tunnel to provide roll-forward authority through FY 2024-25.

*ANALYSIS:*

The Department requests an increase of \$290,000 cash funds from the Moffat Tunnel Cash Fund, with roll-forward authority in FY 2024-25, for the renegotiation of a lease with Union Pacific Railroad that expires in January 2025.

The Department requests an appropriation to utilize up to the entire fund balance of the Moffat Tunnel Cash Fund to ensure adequate spending authority for costs incurred during upcoming renegotiation of the railroad lease. The Department administers the Moffat Tunnel and currently manages two leases: one with Union Pacific Railroad (the Railroad), which is a 99-year lease, beginning in 1926 and expiring in January 2025, the other is the CenturyLink lease, which was renewed in 1992 and expires in 2091. The leases require the Railroad to pay the District \$12,000 per year and Century Link to pay \$17,659 per year, with their lease payment rate adjusting every ten years by the Consumer Price Index. Under current law, lease payment revenue is to be distributed to the nine Improvement District counties (Adams, Boulder, Denver, Eagle, Gilpin, Grand, Jefferson, Moffat, and Routt) after

the Department has set aside sufficient revenue for administrative costs. However, the Department has been retaining lease payment revenues in the Moffat Tunnel Cash Fund and suspending distribution payments to Improvement District counties to build up a fund balance to be used for future costs associated with the lease renewal. This scenario is documented in an annual Long Bill footnote.

Spending authority in this line item has been set at \$5,000 since FY 2020-21 to reflect minimal expenditures out of the fund. Anticipated costs include legal issues, assessment of health concerns and transportation alternatives, evaluation of the fair market value and associated insurance costs, engineering review of the structural integrity of the tunnel, drafting and negotiating a new lease, as well as any other responsibilities required to facilitate a successful lease renewal. The Department requests \$295,000 cash funds spending authority for FY 2023-24, with roll-forward authority through FY 2024-25. The Attorney General’s Office has advised DOLA that they will need to enter into contracts that will span multiple fiscal years and roll-forward authority is therefore necessary.

LINE ITEM DETAIL — EXECUTIVE DIRECTOR’S OFFICE

(A) ADMINISTRATION

PERSONAL SERVICES

This line item supports 16.9 FTE in the Executive Director's Office, including:

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

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

*REQUEST:* The Department requests \$2,208,916 reappropriated funds (from indirect cost recoveries) and 20.2 FTE, which includes salary increases that were awarded in FY 2022-23, the annualization of FY 2022-23 R1 Operational Staff Adjustment, and costs associated with R6 EDO Capacity Expansion.

***RECOMMENDATION:* Staff recommendation is shown below and differs from the request due to differences in R6, discussed earlier in this document.**

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,740,149	\$0	\$0	\$1,740,149	\$0	16.9
<b>TOTAL</b>	<b>\$1,740,149</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,740,149</b>	<b>\$0</b>	<b>16.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,740,149	\$0	\$0	\$1,740,149	\$0	16.9
Annualize prior year budget actions	140,065	0	0	140,065	0	0.3
R6 EDO capacity expansion	123,354	123,354	0	0	0	1.6

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R6 Indirect cost recovery refinance	0	(123,354)	0	123,354	0	0.0
<b>TOTAL</b>	<b>\$2,003,568</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,003,568</b>	<b>\$0</b>	<b>18.8</b>
<b>INCREASE/(DECREASE)</b>	<b>\$263,419</b>	<b>\$0</b>	<b>\$0</b>	<b>\$263,419</b>	<b>\$0</b>	<b>1.9</b>
Percentage Change	15.1%	0.0%	0.0%	15.1%	0.0%	11.2%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,208,916</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,208,916</b>	<b>\$0</b>	<b>20.2</b>
Request Above/(Below) Recommendation	\$205,348	\$0	\$0	\$205,348	\$0	1.4

## HEALTH, LIFE, AND DENTAL

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

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

*REQUEST:* The Department requests \$2,888,228 total funds, including \$949,848 General Fund.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,346,059	\$687,889	\$586,628	\$597,390	\$474,152	0.0
<b>TOTAL</b>	<b>\$2,346,059</b>	<b>\$687,889</b>	<b>\$586,628</b>	<b>\$597,390</b>	<b>\$474,152</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,346,059	\$687,889	\$586,628	\$597,390	\$474,152	0.0
Centrally appropriated line items	542,169	261,959	20,397	79,317	180,496	0.0
<b>TOTAL</b>	<b>\$2,888,228</b>	<b>\$949,848</b>	<b>\$607,025</b>	<b>\$676,707</b>	<b>\$654,648</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$542,169</b>	<b>\$261,959</b>	<b>\$20,397</b>	<b>\$79,317</b>	<b>\$180,496</b>	<b>0.0</b>
Percentage Change	23.1%	38.1%	3.5%	13.3%	38.1%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,888,228</b>	<b>\$949,848</b>	<b>\$607,025</b>	<b>\$676,707</b>	<b>\$654,648</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 State employees' short-term disability insurance premiums.

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

*REQUEST:* The Department requests \$26,415 total funds (including \$7,820 General Fund).

**RECOMMENDATION: Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$26,068	\$7,462	\$5,785	\$7,413	\$5,408	0.0
<b>TOTAL</b>	<b>\$26,068</b>	<b>\$7,462</b>	<b>\$5,785</b>	<b>\$7,413</b>	<b>\$5,408</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$26,068	\$7,462	\$5,785	\$7,413	\$5,408	0.0
Centrally appropriated line items	347	358	(1,138)	377	750	0.0
<b>TOTAL</b>	<b>\$26,415</b>	<b>\$7,820</b>	<b>\$4,647</b>	<b>\$7,790</b>	<b>\$6,158</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$347</b>	<b>\$358</b>	<b>(\$1,138)</b>	<b>\$377</b>	<b>\$750</b>	<b>0.0</b>
Percentage Change	1.3%	4.8%	(19.7%)	5.1%	13.9%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$26,415</b>	<b>\$7,820</b>	<b>\$4,647</b>	<b>\$7,790</b>	<b>\$6,158</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

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

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

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

*REQUEST:* The Department requests \$893,575 total funds (including \$269,797 General Fund).

**RECOMMENDATION: Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
<b>TOTAL</b>	<b>\$872,902</b>	<b>\$249,852</b>	<b>\$193,722</b>	<b>\$248,231</b>	<b>\$181,097</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
Centrally appropriated line items	20,673	19,945	(33,256)	3,748	30,236	0.0
<b>TOTAL</b>	<b>\$893,575</b>	<b>\$269,797</b>	<b>\$160,466</b>	<b>\$251,979</b>	<b>\$211,333</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$20,673</b>	<b>\$19,945</b>	<b>(\$33,256)</b>	<b>\$3,748</b>	<b>\$30,236</b>	<b>0.0</b>
Percentage Change	2.4%	8.0%	(17.2%)	1.5%	16.7%	n/a

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$893,575</b>	<b>\$269,797</b>	<b>\$160,466</b>	<b>\$251,979</b>	<b>\$211,333</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

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

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

*REQUEST:* The Department requests \$893,575 total funds (including \$269,797 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
<b>TOTAL</b>	<b>\$872,902</b>	<b>\$249,852</b>	<b>\$193,722</b>	<b>\$248,231</b>	<b>\$181,097</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$872,902	\$249,852	\$193,722	\$248,231	\$181,097	0.0
Centrally appropriated line items	20,673	19,945	(33,256)	3,748	30,236	0.0
<b>TOTAL</b>	<b>\$893,575</b>	<b>\$269,797</b>	<b>\$160,466</b>	<b>\$251,979</b>	<b>\$211,333</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$20,673</b>	<b>\$19,945</b>	<b>(\$33,256)</b>	<b>\$3,748</b>	<b>\$30,236</b>	<b>0.0</b>
Percentage Change	2.4%	8.0%	(17.2%)	1.5%	16.7%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$893,575</b>	<b>\$269,797</b>	<b>\$160,466</b>	<b>\$251,979</b>	<b>\$211,333</b>	<b>0.0</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 \$61,117 total funds (including \$18,462 General Fund).

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$254,051	\$0	\$78,991	\$101,217	\$73,843	0.0
<b>TOTAL</b>	<b>\$254,051</b>	<b>\$0</b>	<b>\$78,991</b>	<b>\$101,217</b>	<b>\$73,843</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$254,051	\$0	\$78,991	\$101,217	\$73,843	0.0
Centrally appropriated line items	(192,934)	18,462	(68,021)	(84,078)	(59,297)	0.0
<b>TOTAL</b>	<b>\$61,117</b>	<b>\$18,462</b>	<b>\$10,970</b>	<b>\$17,139</b>	<b>\$14,546</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$192,934)</b>	<b>\$18,462</b>	<b>(\$68,021)</b>	<b>(\$84,078)</b>	<b>(\$59,297)</b>	<b>0.0</b>
Percentage Change	(75.9%)	n/a	(86.1%)	(83.1%)	(80.3%)	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$61,117</b>	<b>\$18,462</b>	<b>\$10,970</b>	<b>\$17,139</b>	<b>\$14,546</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### SALARY SURVEY

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

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

*REQUEST:* The Department requests \$1,068,505 total funds (including \$320,222 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$573,826	\$164,247	\$127,349	\$163,181	\$119,049	0.0
<b>TOTAL</b>	<b>\$573,826</b>	<b>\$164,247</b>	<b>\$127,349</b>	<b>\$163,181</b>	<b>\$119,049</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$573,826	\$164,247	\$127,349	\$163,181	\$119,049	0.0
Centrally appropriated line items	1,068,505	320,222	193,403	327,406	227,474	0.0
Annualize prior year budget actions	(573,826)	(164,247)	(127,349)	(163,181)	(119,049)	0.0
<b>TOTAL</b>	<b>\$1,068,505</b>	<b>\$320,222</b>	<b>\$193,403</b>	<b>\$327,406</b>	<b>\$227,474</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$494,679</b>	<b>\$155,975</b>	<b>\$66,054</b>	<b>\$164,225</b>	<b>\$108,425</b>	<b>0.0</b>
Percentage Change	86.2%	95.0%	51.9%	100.6%	91.1%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,068,505</b>	<b>\$320,222</b>	<b>\$193,403</b>	<b>\$327,406</b>	<b>\$227,474</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### WORKERS' COMPENSATION

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

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

*REQUEST:* The Department requests \$102,149 total funds (including \$36,797 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$103,789	\$36,717	\$21,956	\$45,116	\$0	0.0
<b>TOTAL</b>	<b>\$103,789</b>	<b>\$36,717</b>	<b>\$21,956</b>	<b>\$45,116</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$103,789	\$36,717	\$21,956	\$45,116	\$0	0.0
Centrally appropriated line items	(1,640)	80	3,224	(4,944)	0	0.0
<b>TOTAL</b>	<b>\$102,149</b>	<b>\$36,797</b>	<b>\$25,180</b>	<b>\$40,172</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,640)</b>	<b>\$80</b>	<b>\$3,224</b>	<b>(\$4,944)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(1.6%)	0.2%	14.7%	(11.0%)	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$102,149</b>	<b>\$36,797</b>	<b>\$25,180</b>	<b>\$40,172</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department requests \$175,167 total funds, paid entirely by indirect cost recoveries.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision related to statewide operating expenses inflation.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action. Staff recommends the base appropriation, annualization of prior year budget actions, and changes recommended in R6, which is offset entirely by indirect cost recoveries. [More information about the Department's indirect cost assessments is provided at the end of this packet.]

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						



EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1329 (Long Bill)	\$156,479	\$0	\$0	\$156,479	\$0	0.0
<b>TOTAL</b>	<b>\$156,479</b>	<b>\$0</b>	<b>\$0</b>	<b>\$156,479</b>	<b>\$0</b>	<b>0.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$156,479	\$0	\$0	\$156,479	\$0	0.0
R6 EDO capacity expansion	15,905	15,905	0	0	0	0.0
R6 Indirect cost recovery refinance	0	(15,905)	0	15,905	0	0.0
Non-prioritized requests	14,083	0	0	14,083	0	0.0
Annualize prior year budget actions	(18,600)	0	0	(18,600)	0	0.0
<b>TOTAL</b>	<b>\$167,867</b>	<b>\$0</b>	<b>\$0</b>	<b>\$167,867</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$11,388</b>	<b>\$0</b>	<b>\$0</b>	<b>\$11,388</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	7.3%	n/a	n/a	7.3%	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$175,167</b>	<b>\$0</b>	<b>\$0</b>	<b>\$175,167</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$7,300	\$0	\$0	\$7,300	\$0	0.0

### LEGAL SERVICES

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

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

*REQUEST:* The Department requests \$1,011,577 total funds (including \$681,293 General Fund) to purchase legal services from the Department of Law.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
HB 22-1329 (Long Bill)	\$240,771	\$175,469	\$51,583	\$13,719	\$0	0.0
Other legislation	\$66,041	\$66,041	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$306,812</b>	<b>\$241,510</b>	<b>\$51,583</b>	<b>\$13,719</b>	<b>\$0</b>	<b>0.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$306,812	\$241,510	\$51,583	\$13,719	\$0	0.0
Centrally appropriated line items	735,518	491,039	247,437	(2,958)	0	0.0
Annualize prior year legislation	(30,753)	(51,256)	20,503	0	0	0.0
<b>TOTAL</b>	<b>\$1,011,577</b>	<b>\$681,293</b>	<b>\$319,523</b>	<b>\$10,761</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$704,765</b>	<b>\$439,783</b>	<b>\$267,940</b>	<b>(\$2,958)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	229.7%	182.1%	519.4%	(21.6%)	n/a	n/a

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,011,577</b>	<b>\$681,293</b>	<b>\$319,523</b>	<b>\$10,761</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 is used to purchase administrative law services from the Department of Personnel.

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

*REQUEST:* The Department requests \$453 cash funds.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (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 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Centrally appropriated line items	453	0	453	0	0	0.0
<b>TOTAL</b>	<b>\$453</b>	<b>\$0</b>	<b>\$453</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>						
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

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

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

*REQUEST:* The Department requests \$125,220 total funds (including \$45,108 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$122,487	\$43,304	\$25,707	\$53,476	\$0	0.0
<b>TOTAL</b>	<b>\$122,487</b>	<b>\$43,304</b>	<b>\$25,707</b>	<b>\$53,476</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$122,487	\$43,304	\$25,707	\$53,476	\$0	0.0
Non-prioritized requests	5,892	2,123	1,452	2,317	0	0.0
Centrally appropriated line items	(3,159)	(319)	3,707	(6,547)	0	0.0
<b>TOTAL</b>	<b>\$125,220</b>	<b>\$45,108</b>	<b>\$30,866</b>	<b>\$49,246</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,733</b>	<b>\$1,804</b>	<b>\$5,159</b>	<b>(\$4,230)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.2%	4.2%	20.1%	(7.9%)	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$125,220</b>	<b>\$45,108</b>	<b>\$30,866</b>	<b>\$49,246</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### VEHICLE LEASE PAYMENTS

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

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

*REQUEST:* The Department requests \$125,883 total funds (including \$87,428 General Fund), including an increase associated with R5.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$117,744	\$105,763	\$0	\$11,981	\$0	0.0
Other legislation	\$2,379	\$2,379	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$120,123</b>	<b>\$108,142</b>	<b>\$0</b>	<b>\$11,981</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$120,123	\$108,142	\$0	\$11,981	\$0	0.0
R5 Manufactured Buildings Program	19,034	0	19,034	0	0	0.0
Annualize prior year legislation	7,138	(2,379)	9,517	0	0	0.0
Non-prioritized requests	(20,412)	(18,335)	0	(2,077)	0	0.0
<b>TOTAL</b>	<b>\$125,883</b>	<b>\$87,428</b>	<b>\$28,551</b>	<b>\$9,904</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$5,760</b>	<b>(\$20,714)</b>	<b>\$28,551</b>	<b>(\$2,077)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.8%	(19.2%)	n/a	(17.3%)	n/a	n/a

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$125,883</b>	<b>\$87,428</b>	<b>\$28,551</b>	<b>\$9,904</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INFORMATION TECHNOLOGY ASSET MAINTENANCE

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

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

*REQUEST:* The Department requests \$102,656 total funds (including \$36,158 General Fund).

*RECOMMENDATION:* **Staff recommends approving the request**, which includes the increase recommended in R6.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, INFORMATION TECHNOLOGY ASSET MAINTENANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$74,950	\$28,713	\$11,530	\$34,707	\$0	0.0
<b>TOTAL</b>	<b>\$74,950</b>	<b>\$28,713</b>	<b>\$11,530</b>	<b>\$34,707</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$74,950	\$28,713	\$11,530	\$34,707	\$0	0.0
R6 EDO capacity expansion	27,706	7,445	2,379	17,882	0	0.0
<b>TOTAL</b>	<b>\$102,656</b>	<b>\$36,158</b>	<b>\$13,909</b>	<b>\$52,589</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$27,706</b>	<b>\$7,445</b>	<b>\$2,379</b>	<b>\$17,882</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.0%	25.9%	20.6%	51.5%	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$102,656</b>	<b>\$36,158</b>	<b>\$13,909</b>	<b>\$52,589</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LEASED SPACE

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

SUMMARY OF LEASED SPACE				
CITY	ADDRESS	FY 2020-21 LEASE PAYMENTS	FY 2021-22 LEASE PAYMENTS	SPACE (SQ. FEET)
Alamosa	610 State Street	\$6,240	\$6,240	291
Loveland	150 East 29th Street	15,796	15,796	955
Pueblo	132 West B Street	15,500	15,500	900
Sterling	109 North Front Street	6,070	6,070	500
<b>Total</b>		<b>\$43,606</b>	<b>\$43,606</b>	<b>2,646</b>

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

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

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

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

**CAPITOL COMPLEX LEASED SPACE**

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

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

*REQUEST:* The Department requests \$792,082 total funds (including \$261,607 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CAPITOL COMPLEX LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$748,490	\$237,267	\$119,581	\$211,362	\$180,280	0.0
<b>TOTAL</b>	<b>\$748,490</b>	<b>\$237,267</b>	<b>\$119,581</b>	<b>\$211,362</b>	<b>\$180,280</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$748,490	\$237,267	\$119,581	\$211,362	\$180,280	0.0
Non-prioritized requests	78,410	24,556	16,805	22,459	14,590	0.0
Centrally appropriated line items	(34,818)	(216)	36,879	(18,631)	(52,850)	0.0
<b>TOTAL</b>	<b>\$792,082</b>	<b>\$261,607</b>	<b>\$173,265</b>	<b>\$215,190</b>	<b>\$142,020</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$43,592</b>	<b>\$24,340</b>	<b>\$53,684</b>	<b>\$3,828</b>	<b>(\$38,260)</b>	<b>0.0</b>
Percentage Change	5.8%	10.3%	44.9%	1.8%	(21.2%)	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$792,082</b>	<b>\$261,607</b>	<b>\$173,265</b>	<b>\$215,190</b>	<b>\$142,020</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAYMENTS TO OIT**

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

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

*REQUEST:* The Department requests \$3,147,230 total funds (including \$850,159 General Fund). This amount includes an annual adjustment for the cost of OIT services, as well as non-prioritized requests that were initiated from OIT.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,990,309	\$798,498	\$517,292	\$1,143,171	\$531,348	0.0
Other legislation	\$77,501	\$77,501	\$0	\$0	\$0	0.0
SB 23-124 (Supplemental)	\$35,166	\$10,435	\$7,140	\$11,392	\$6,199	0.0
<b>TOTAL</b>	<b>\$3,102,976</b>	<b>\$886,434</b>	<b>\$524,432</b>	<b>\$1,154,563</b>	<b>\$537,547</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,102,976	\$886,434	\$524,432	\$1,154,563	\$537,547	0.0
Non-prioritized requests	149,671	44,411	30,390	48,486	26,384	0.0
Annualize prior year legislation	(70,251)	(70,251)	0	0	0	0.0
Annualize prior year budget actions	(35,166)	(10,435)	(7,140)	(11,392)	(6,199)	0.0
<b>TOTAL</b>	<b>\$3,147,230</b>	<b>\$850,159</b>	<b>\$547,682</b>	<b>\$1,191,657</b>	<b>\$557,732</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$44,254</b>	<b>(\$36,275)</b>	<b>\$23,250</b>	<b>\$37,094</b>	<b>\$20,185</b>	<b>0.0</b>
Percentage Change	1.4%	(4.1%)	4.4%	3.2%	3.8%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,147,230</b>	<b>\$850,159</b>	<b>\$547,682</b>	<b>\$1,191,657</b>	<b>\$557,732</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 \$432,249 total funds (including \$128,258 General Fund).

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$617,841	\$170,515	\$100,670	\$210,820	\$135,836	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$617,841</b>	<b>\$170,515</b>	<b>\$100,670</b>	<b>\$210,820</b>	<b>\$135,836</b>	<b>0.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$617,841	\$170,515	\$100,670	\$210,820	\$135,836	0.0
Non-prioritized requests	5,150	1,528	1,046	1,668	908	0.0
Centrally appropriated line items	(190,742)	(43,785)	(13,949)	(72,461)	(60,547)	0.0
<b>TOTAL</b>	<b>\$432,249</b>	<b>\$128,258</b>	<b>\$87,767</b>	<b>\$140,027</b>	<b>\$76,197</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$185,592)</b>	<b>(\$42,257)</b>	<b>(\$12,903)</b>	<b>(\$70,793)</b>	<b>(\$59,639)</b>	<b>0.0</b>
Percentage Change	(30.0%)	(24.8%)	(12.8%)	(33.6%)	(43.9%)	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$432,249</b>	<b>\$128,258</b>	<b>\$87,767</b>	<b>\$140,027</b>	<b>\$76,197</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

STATEWIDE TRAINING (NEW LINE ITEM)

This line item provides funding for payments to the Center for Organizational Effectiveness, which provides professional development and training services for state employees.

*STATUTORY AUTHORITY:* Section 24-50-122, C.R.S.

*REQUEST:* The Department of Local Affairs requests \$3,620 total funds, including \$1,074 General Fund, for creation of a new line item to accommodate a new common policy to provide annual funding for employee training.

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action. The table below reflects the Department’s request.

IT ACCESSIBILITY (NEW LINE ITEM)

This line item provides funding for payments to the Governor's Office of Information Technology for implementation of the statewide effort to meet digital accessibility standards outlined in H.B. 21-1110 (Colorado Laws for Persons with Disabilities). IT systems must be compliant before July 1, 2024, when potential penalties can be awarded to civil plaintiffs.

*STATUTORY AUTHORITY:* Sections 24-34-802 and 24-85-103, C.R.S.

*REQUEST:* The Department requests \$579,813 total funds, including \$229,433 General Fund, for creation of a new line item to accommodate

*RECOMMENDATION:* **Staff recommendation is pending a Committee common policy decision that affects this line item.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action. The table below reflects the Department’s request.

MOFFAT TUNNEL IMPROVEMENT DISTRICT

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

Freight trains, passenger trains, and fiber optic cables run through the tunnel bore. DOLA is provided custodial authority by statute, with rights to enter into contracts and to effect sale of the property. However, revenue from the property is to be distributed to the nine Improvement District counties, after the Department has set aside sufficient revenue for administrative costs.<sup>3</sup>

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

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

*REQUEST:* The Department requests \$295,000 from the Moffat Tunnel Cash Fund and one year of roll-forward authority, as described in R7 Moffat Tunnel District Lease Renewal.

*RECOMMENDATION:* **Staff recommends approving the request** as discussed earlier in this document.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, MOFFAT TUNNEL IMPROVEMENT DISTRICT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,000	\$0	\$5,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$5,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,000	\$0	\$5,000	\$0	\$0	0.0
R7 Moffat Tunnel District lease renewal	290,000	0	290,000	0	0	0.0
<b>TOTAL</b>	<b>\$295,000</b>	<b>\$0</b>	<b>\$295,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$290,000</b>	<b>\$0</b>	<b>\$290,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5,800.0%	n/a	5,800.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$295,000</b>	<b>\$0</b>	<b>\$295,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

<sup>3</sup> Administrative costs do not include physical maintenance of the tunnel, since, pursuant to statute, the users of the tunnel are responsible for the cost of maintaining the tunnel, its approaches, and equipment. Users also have the right to construct and repair, for their own benefit and at their sole cost, improvements to the Tunnel.



(B) STATE DEMOGRAPHY OFFICE

PROGRAM COSTS

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

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

*REQUEST:* The Department requests \$622,001 total funds (including \$496,665 General Fund) and 6.0 FTE. The request includes salary increases that were awarded in FY 2022-23.

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

EXECUTIVE DIRECTOR'S OFFICE, STATE DEMOGRAPHY OFFICE, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$603,662	\$482,383	\$102,321	\$0	\$18,958	6.0
<b>TOTAL</b>	<b>\$603,662</b>	<b>\$482,383</b>	<b>\$102,321</b>	<b>\$0</b>	<b>\$18,958</b>	<b>6.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$603,662	\$482,383	\$102,321	\$0	\$18,958	6.0
Annualize prior year budget actions	18,339	14,282	3,396	0	661	0.0
<b>TOTAL</b>	<b>\$622,001</b>	<b>\$496,665</b>	<b>\$105,717</b>	<b>\$0</b>	<b>\$19,619</b>	<b>6.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$18,339</b>	<b>\$14,282</b>	<b>\$3,396</b>	<b>\$0</b>	<b>\$661</b>	<b>0.0</b>
Percentage Change	3.0%	3.0%	3.3%	n/a	3.5%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$622,001</b>	<b>\$496,665</b>	<b>\$105,717</b>	<b>\$0</b>	<b>\$19,619</b>	<b>6.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

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

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

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

*REQUEST:* The Department requests \$13,290 total funds (\$10,828 cash funds and \$2,462 reappropriated funds).

*RECOMMENDATION:* Staff recommends \$15,020 total funds, which is based on the Department’s updated indirect cost plan. [More information about the Department’s indirect cost assessments is provided at the end of this packet.]

EXECUTIVE DIRECTOR'S OFFICE, STATE DEMOGRAPHY OFFICE, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$11,634	\$0	\$9,479	\$0	\$2,155	0.0
<b>TOTAL</b>	<b>\$11,634</b>	<b>\$0</b>	<b>\$9,479</b>	<b>\$0</b>	<b>\$2,155</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$11,634	\$0	\$9,479	\$0	\$2,155	0.0
Indirect cost assessment	3,386	0	3,224	0	162	0.0
<b>TOTAL</b>	<b>\$15,020</b>	<b>\$0</b>	<b>\$12,703</b>	<b>\$0</b>	<b>\$2,317</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,386</b>	<b>\$0</b>	<b>\$3,224</b>	<b>\$0</b>	<b>\$162</b>	<b>0.0</b>
Percentage Change	29.1%	0.0%	34.0%	0.0%	7.5%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$13,290</b>	<b>\$0</b>	<b>\$10,828</b>	<b>\$0</b>	<b>\$2,462</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$1,730)	\$0	(\$1,875)	\$0	\$145	0.0

## (2) PROPERTY TAXATION

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

PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$3,991,957	\$2,442,245	\$1,272,343	\$277,369	\$0	49.4
Other legislation	2,000	2,000	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,993,957</b>	<b>\$2,444,245</b>	<b>\$1,272,343</b>	<b>\$277,369</b>	<b>\$0</b>	<b>49.4</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,993,957	\$2,444,245	\$1,272,343	\$277,369	\$0	49.4
R4 Property valuation database forecast staff	155,457	155,457	0	0	0	1.6
Annualize prior year budget actions	123,822	81,231	41,770	821	0	0.0
Indirect cost assessment	(56,925)	0	(40,501)	(16,424)	0	0.0
Annualize prior year legislation	(2,000)	(2,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$4,214,311</b>	<b>\$2,678,933</b>	<b>\$1,273,612</b>	<b>\$261,766</b>	<b>\$0</b>	<b>51.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$220,354</b>	<b>\$234,688</b>	<b>\$1,269</b>	<b>(\$15,603)</b>	<b>\$0</b>	<b>1.6</b>
Percentage Change	5.5%	9.6%	0.1%	(5.6%)	n/a	3.2%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$159,216	\$77,269	\$60,079	\$21,868	\$0	0.2

### DECISION ITEMS – PROPERTY TAXATION

#### → R4 PROPERTY VALUATION DATABASE FORECAST STAFF

**REQUEST:** The Department requests \$232,726 General Fund and 1.8 FTE in FY 2023-24 and \$237,744 General Fund and 2.0 FTE in FY 2024-25 and ongoing for additional staff in the Division of Property Taxation (DPT).

**RECOMMENDATION:** Staff recommends approving the request with differences in FTE calculations, as shown below.

R4 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Request</b>			
Personal Services	\$180,150	\$195,815	\$15,665
Centrally Appropriated	37,224	40,459	3,235
Operating Expenses	15,352	1,470	(13,882)
FTE	1.8	2.0	0.2
<b>Total Request</b>	<b>\$232,726</b>	<b>\$237,744</b>	<b>\$5,018</b>

R4 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Recommendation</b>			
Personal Services	\$135,687	\$171,634	\$35,947
Centrally Appropriated	0	38,123	38,123
Operating Expenses	19,770	6,700	(13,070)
FTE	1.6	2.0	0.4
<b>Total Recommendation</b>	<b>\$155,457</b>	<b>\$216,457</b>	<b>\$61,000</b>
Request Above/(Below) Recommendation	77,269	21,287	

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions, including salary range adjustments for FY 2023-24 approved as part of Statewide Compensation Policies Figure Setting. Staff recommendation differs from the request due to funding salaries at the range minimum versus the midpoint, the exclusion of certain centrally appropriated items (POTS), application of the General Fund pay date shift, and differences in cost assumptions for computer and software license subscriptions. The recommendation also includes a \$4,000 ongoing cost for ESRI ArcGIS licenses for both employees, which was inadvertently omitted from the request.

*ANALYSIS:*

The level and types of data currently collected and administered by the Division of Property Taxation (DPT) are insufficient to conduct detailed analysis and reporting at a property, tax schedule, or tax area level. For example, the DPT is currently unable to analyze the total combined mill levy for all taxing jurisdictions for a specific geography. The elimination of the Gallagher Amendment has resulted in a significant increase in requests for information from the DPT, as has recent legislation such as S.B. 22-138 (2023 and 2024 Property Tax), S.B. 21-293 (Property Tax Classification and Assessment Rates), and H.B. 21-1312 (Insurance Premium Property Sales Severance Tax). The Division’s current available data is not granular enough to satisfy these requests.

Legislative Council Staff contracts annually for an assessment audit which provides detailed data. The Division of Property Taxation did not previously receive the data; starting this year, LCS has included in its contract a requirement to share the data with DPT. The requested new employees for DPT would be able to perform economic analyses on the data using mapping capabilities in ArcGIS and create a public facing database to allow the public to use and analyze the data as well. This would significantly increase the quality of property tax analyses available to the Legislative and Executive branches, policy organizations, and individuals. It would also substantially decrease the number of Colorado Open Records Act requests that DPT responds to.

The Property Valuation Analyst (Statistical Analyst III) will have an economics background and be able to provide property valuation and tax analysis for specific executive and legislative proposals. The Property Valuation Data Manager (Data Management IV) will have an ArcGIS and data analysis background and be responsible for property valuation data collection, analysis, mapping, and publishing a public facing dataset.

LINE ITEM DETAIL — PROPERTY TAXATION

DIVISION OF PROPERTY TAXATION

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

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

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

The line item supports 36.2 FTE, including:

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

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

*REQUEST:* The Department requests \$3,467,622 total funds (including \$2,177,627 General Fund) and 38.0 FTE. The request includes salary increases that were awarded in FY 2022-23 and costs associated with R4.

*RECOMMENDATION:* Staff recommends **\$3,390,353 total funds (including \$2,100,358 General Fund) and 37.8 FTE.** The recommendation differs from the request due to FTE calculations associated with R4.

PROPERTY TAXATION, DIVISION OF PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,129,431	\$1,877,952	\$1,012,361	\$239,118	\$0	36.2
<b>TOTAL</b>	<b>\$3,129,431</b>	<b>\$1,877,952</b>	<b>\$1,012,361</b>	<b>\$239,118</b>	<b>\$0</b>	<b>36.2</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,129,431	\$1,877,952	\$1,012,361	\$239,118	\$0	36.2
R4 Property valuation database forecast staff	155,457	155,457	0	0	0	1.6

PROPERTY TAXATION, DIVISION OF PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year budget actions	105,465	66,949	37,695	821	0	0.0
<b>TOTAL</b>	<b>\$3,390,353</b>	<b>\$2,100,358</b>	<b>\$1,050,056</b>	<b>\$239,939</b>	<b>\$0</b>	<b>37.8</b>
<b>INCREASE/(DECREASE)</b>	<b>\$260,922</b>	<b>\$222,406</b>	<b>\$37,695</b>	<b>\$821</b>	<b>\$0</b>	<b>1.6</b>
Percentage Change	8.3%	11.8%	3.7%	0.3%	n/a	4.4%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,467,622</b>	<b>\$2,177,627</b>	<b>\$1,050,056</b>	<b>\$239,939</b>	<b>\$0</b>	<b>38.0</b>
Request Above/(Below) Recommendation	\$77,269	\$77,269	\$0	\$0	\$0	0.2

## STATE BOARD OF EQUALIZATION

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

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

The State Board supervises the administration of property taxation laws by local county assessors. In this regard, the State Board meets at least once annually to review real and personal property valuations, hear complaints concerning valuation (including petitions by tax-levying authorities), redirect assessments, and set the residential assessment ratio. The Board also approves training manuals, appraisal standards, and written instructions issued by the Property Tax Administrator.

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

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

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

*REQUEST:* The Department requests \$12,856 General Fund, which is a continuation level of funding.

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

## BOARD OF ASSESSMENT APPEALS

The Board of Assessment Appeals is a quasi-judicial body that operates as a "type 1" agency within DOLA. The Board hears appeals by individual taxpayers who disagree with county boards of equalization, county boards of commissioners, and the Property Tax Administrator on the valuation

of real and personal property, property tax abatements (reductions), and property tax exemptions. State assessed properties and exemptions are first appealed to the Property Tax Administrator. These cases may then be appealed to the Board. Appeals to the Board must be made in writing within 30 days of the decision that is being appealed. After the appeal is docketed, a receipt of appeal is sent to the Petitioner. A notice of hearing is mailed to all parties at least 30 days prior to the scheduled hearing. The Board's decision is transmitted in a written order and mailed to all parties, and is posted on the Board's website. Board decisions may be appealed to the Colorado Court of Appeals.

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

In recent years, the number of appeals heard by the Board has ranged from 1,300 to nearly 4,000 cases per year, depending upon whether it is an assessment or non-assessment year. Cases are typically resolved within one year. The Board is partially supported by statutory filing fees that are credited to the Board of Assessment Appeals Cash Fund. The Department spends the full amount of available cash fund revenues before spending General Fund.

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

*REQUEST:* The Department requests \$692,208 total funds (including \$565,719 General Fund) and 13.2 FTE. The request includes salary increases that were awarded in FY 2022-23.

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

PROPERTY TAXATION, BOARD OF ASSESSMENT APPEALS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$673,851	\$551,437	\$122,414	\$0	\$0	13.2
Other legislation	2,000	2,000	0	0	0	0.0
<b>TOTAL</b>	<b>\$675,851</b>	<b>\$553,437</b>	<b>\$122,414</b>	<b>\$0</b>	<b>\$0</b>	<b>13.2</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$675,851	\$553,437	\$122,414	\$0	\$0	13.2
Annualize prior year budget actions	18,357	14,282	4,075	0	0	0.0
Annualize prior year legislation	(2,000)	(2,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$692,208</b>	<b>\$565,719</b>	<b>\$126,489</b>	<b>\$0</b>	<b>\$0</b>	<b>13.2</b>
<b>INCREASE/(DECREASE)</b>	<b>\$16,357</b>	<b>\$12,282</b>	<b>\$4,075</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	2.2%	3.3%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$692,208</b>	<b>\$565,719</b>	<b>\$126,489</b>	<b>\$0</b>	<b>\$0</b>	<b>13.2</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

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

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

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

*REQUEST:* The Department requests \$200,841 total funds.

*RECOMMENDATION:* **Staff recommends appropriating \$118,894 total funds based on the Department’s updated indirect cost plan.** [More information about the Department’s indirect cost assessments is provided at the end of this packet.]

PROPERTY TAXATION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$175,819	\$0	\$137,568	\$38,251	\$0	0.0
<b>TOTAL</b>	<b>\$175,819</b>	<b>\$0</b>	<b>\$137,568</b>	<b>\$38,251</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$175,819	\$0	\$137,568	\$38,251	\$0	0.0
Indirect cost assessment	(56,925)	0	(40,501)	(16,424)	0	0.0
<b>TOTAL</b>	<b>\$118,894</b>	<b>\$0</b>	<b>\$97,067</b>	<b>\$21,827</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$56,925)</b>	<b>\$0</b>	<b>(\$40,501)</b>	<b>(\$16,424)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(32.4%)	n/a	(29.4%)	(42.9%)	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$200,841</b>	<b>\$0</b>	<b>\$157,146</b>	<b>\$43,695</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$81,947	\$0	\$60,079	\$21,868	\$0	0.0



### (3) DIVISION OF HOUSING

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

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

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$116,208,501	\$27,281,473	\$18,201,098	\$1,992,872	\$68,733,058	78.3
Other legislation	70,419,314	419,314	70,000,000	0	0	6.2
SB 23-124 (Supplemental)	8,000,000	0	8,000,000	0	0	0.0
<b>TOTAL</b>	<b>\$194,627,815</b>	<b>\$27,700,787</b>	<b>\$96,201,098</b>	<b>\$1,992,872</b>	<b>\$68,733,058</b>	<b>84.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$194,627,815	\$27,700,787	\$96,201,098	\$1,992,872	\$68,733,058	84.5
Technical adjustments	37,407,242	0	0	0	37,407,242	0.0
R1 DOLA/HCPF voucher increase	1,607,112	1,607,112	0	0	0	0.7
R2 Fort Lyon Supportive Residential Community	750,000	750,000	0	0	0	0.0
Indirect cost assessment	610,641	0	657,493	(140,389)	93,537	0.0
R5 Manufactured Buildings Program	403,837	0	403,837	0	0	4.0
R3 Resiliency and disaster recovery capacity increase	71,984	71,984	0	0	0	0.8
Non-prioritized requests	42,643	5,747	444	5,843	30,609	0.0
Other Statewide Requests	0	(5,002,336)	5,002,336	0	0	0.0
Annualize prior year legislation	(69,550,908)	120,836	(69,671,744)	0	0	2.9
Annualize prior year budget actions	(1,381,754)	6,424,935	(7,947,701)	46,765	94,247	0.3
<b>TOTAL</b>	<b>\$164,588,612</b>	<b>\$31,679,065</b>	<b>\$24,645,763</b>	<b>\$1,905,091</b>	<b>\$106,358,693</b>	<b>93.2</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$30,039,203)</b>	<b>\$3,978,278</b>	<b>(\$71,555,335)</b>	<b>(\$87,781)</b>	<b>\$37,625,635</b>	<b>8.7</b>
Percentage Change	(15.4%)	14.4%	(74.4%)	(4.4%)	54.7%	10.3%

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$149,370,243</b>	<b>\$31,563,261</b>	<b>\$9,380,442</b>	<b>\$2,103,037</b>	<b>\$106,323,503</b>	<b>93.4</b>
Request Above/(Below) Recommendation	(\$15,218,369)	(\$115,804)	(\$15,265,321)	\$197,946	(\$35,190)	0.2

DECISION ITEMS – DIVISION OF HOUSING

→ R1 DOLA/HCPF VOUCHER INCREASE

*REQUEST:* The Department requests an increase of \$1,659,303 General Fund and an associated 0.8 FTE for FY 2023-24 to provide additional housing vouchers that enable individuals to transition from institutions to living in the community, or prevent institutionalization. The cost of the request increases to \$3,417,069 General Fund and 1.6 FTE in FY 2024-25 and ongoing.

*RECOMMENDATION:* **Staff recommends approving the request, with differences in FTE calculations.** Staff recommends \$1,607,112 General Fund and 0.7 FTE in FY 2023-24, annualizing to \$3,372,019 General Fund (including estimated centrally appropriated costs) and 1.5 FTE in FY 2024-25, as shown below.

R1 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Request</b>			
Personal Services	\$59,529	\$119,058	\$59,529
Centrally Appropriated	14,417	28,836	14,419
Operating Expenses	28,049	28,637	588
FTE	0.8	1.6	0.8
Housing Vouchers	1,557,308	3,240,538	1,683,230
<b>Total Request</b>	<b>\$1,659,303</b>	<b>\$3,417,069</b>	<b>\$1,757,766</b>
<b>Recommendation</b>			
Personal Services	\$42,189	\$97,036	\$54,847
Centrally Appropriated	0	25,615	25,615
Operating Expenses	7,615	8,830	1,215
FTE	0.7	1.5	0.8
Housing Vouchers	1,557,308	3,240,538	1,683,230
<b>Total Recommendation</b>	<b>\$1,607,112</b>	<b>\$3,372,019</b>	<b>\$1,764,907</b>
Request Above/(Below) Recommendation	52,191	45,050	

*EVIDENCE LEVEL:* The Department indicated that this request item is proven. Staff agrees with this designation, as discussed in greater detail below. When a request item is designated ‘proven’ it means that the program “reflects a high or well-supported level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by one or more high-quality randomized control trials, multiple evaluations with strong comparison groups, or an equivalent measure.” (Section 2-3-210 (2)(a), C.R.S.)

*ANALYSIS:*

*Housing Vouchers*

Staff recommends funding for housing vouchers in the Low Income Rental Subsidies line as requested. The additional funding will help ensure that persons who are willing and able to live in a

community setting have opportunities to do so, consistent with a U.S. Supreme Court decision (Olmstead Decision) concerning state services for individuals with disabilities. Providing additional housing vouchers paired with supportive services will result in an overall reduction in State expenditures due to the lower relative cost of community-based care compared to institutional settings.

The Department of Local Affairs and HCPF have partnered on the Community Access Team – Transition Services (CAT-TS) voucher program since FY 2014-15 to provide housing vouchers for persons with disabilities that require long-term services and support to transition out of institutions, or prevent institutionalization, using Medicaid’s Transition Services benefit. These vouchers were previously referred to as CCT, or Colorado Choice Transitions. This subset of vouchers currently serves 590 households and receives an average of 21 new applications per month.

The request seeks to expand the number of CAT-TS vouchers in effect by 200 in FY 2023-24 and up to 400 when the increase is fully phased-in at the end of FY 2024-25. The existing CAT-TS vouchers have demonstrated savings of \$44,785 per person per year. The request estimates General Fund savings in the HCPF Medical Services Premiums line of approximately \$9.0 million, with statewide savings of \$5.7 million. However, the average annual cost of a voucher used for the request was \$8,101, which is outdated. The Department provided an updated estimate of \$11,040, which would result in lower total savings as shown in the table below. Nonetheless, these vouchers still generate significant savings to the State.

ANNUAL SAVINGS AFTER FULL IMPLEMENTATION		
	REQUEST ESTIMATE	UPDATED ESTIMATE
New voucher funding	\$3,240,538	\$3,240,538
Average voucher cost	\$8,101	\$11,040
Number of vouchers	400	294
HCPF Savings per person per year	\$44,785	\$44,785
Total HCPF savings	\$17,914,000	\$13,145,606
General Fund HCPF savings	\$8,957,000	\$6,572,803
<b>Statewide General Fund cost (savings)</b>	<b>(\$5,716,462)</b>	<b>(\$3,332,265)</b>

*Additional FTE*

The Department requests funding for an additional 0.8 FTE in FY 2023-24, increasing to 1.6 FTE in FY 2024-25, to administer the additional vouchers. Staff recommends 0.7 FTE in FY 2023-24 and 1.5 FTE in FY 2024-25. Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions, including salary range adjustments for FY 2023-24 approved as part of Statewide Compensation Policies Figure Setting. Staff recommendation differs from the request due to funding salaries at the range minimum versus the midpoint, the exclusion of certain centrally appropriated items (POTS), application of the General Fund pay date shift, and differences in cost assumptions for computer and software license subscriptions.

The request also includes an ongoing \$20,461 operating cost for the Elite Database system that is used to track vouchers. The request estimates that the new vouchers account for 11 percent of the Division’s total vouchers and should therefore pay 11 percent of the total database cost. But the total cost of the Elite Database is not increasing as a result of this request; staff therefore did not include this component in the recommendation.

*Evidence*

There is substantial evidence that providing supportive services with housing vouchers reduces public costs. Specifically, a recent study of the Denver Supportive Housing Social Impact Bond Initiative<sup>4</sup> found that people with previous instances of jail utilization who were on Medicaid and homeless had an average public cost savings of \$6,875. This five-year randomized control trial of 724 individuals compared those who received supportive services with a housing voucher to a control group that received usual care services in the community. Key findings include:

- **The program resulted in increased housing stability:** Of those housed through the program, 86 percent remained in stable housing after one year. At two years, 81 percent remained in stable housing, and at three years, 77 percent remained.
- **The program caused a reduction in participants' interactions with the criminal justice system:** In the three years after being randomized into the evaluation, people referred to supportive housing had a 34 percent reduction in police contacts and a 40 percent reduction in arrests when compared with those who received services as usual in the community.
- **The program resulted in fewer emergency health care visits and more office-based health care:** Two years after participants were referred to supportive housing, they had a 40 percent decrease in emergency department visits, a 155 percent increase in office-based visits, and a 29 percent increase in unique prescription medications to support their wellbeing when compared with the control group.
- **The program helped people reduce their use of short-term, city-funded detoxification facilities:** After three years in the program, participants receiving supportive housing had a 65 percent reduction in the use of detoxification facilities, which don't provide follow-up treatment, compared to the control group.

Numerous other studies from throughout the country yielded similar results. JBC staff agrees that assignment of a “proven” level of evidence for this program is appropriate.

## → R2 FORT LYON SUPPORTIVE RESIDENTIAL COMMUNITY

*REQUEST:* The Department requests \$750,000 General Fund in FY 2023-24 and ongoing to continue operating the Fort Lyon Supportive Residential Community. This represents a 15.0 percent increase in the program's budget, which has remained flat since FY 2016-17.

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

*EVIDENCE LEVEL:* The Department indicated that this request item is evidence-informed. While staff agrees that the program itself may be evidence-informed, staff disagrees that incremental increases to operate the facility and hire additional staff can be evaluated as evidence-based. The request does not seek to expand the program's capacity or significantly change the services offered. When a request item is designated ‘evidence-informed’ it means that the program “reflects a moderate, supported, or promising level of confidence related to the effectiveness, ineffectiveness, or harmfulness as determined by an evaluation with a comparison group, multiple pre- and post-evaluations, or an equivalent measure.” (Section 2-3-210 (2)(a), C.R.S.)

<sup>4</sup><https://www.urban.org/research/publication/breaking-homelessness-jail-cycle-housing-first-results-denver-supportive-housing-social-impact-bond-initiative>

*ANALYSIS:*

This Fort Lyon Supportive Residential Community is located at the historic Fort Lyon campus in the rural town of Las Animas. This facility was previously the Fort Lyon Veterans Administration Hospital (from 1922 to 2001) and a state prison (decommissioned in 2012). The Division of Housing contracts with the Colorado Coalition for the Homeless to administer the program's residential and supportive services, and with Bent County for facility maintenance and operations. The current appropriation includes \$2.63 million for the contract with the Colorado Coalition for the Homeless, \$2.25 million for the contract with Bent County, and the remainder for the Division of Housing for oversight and contingencies. The appropriation for Fort Lyon has remained at just under \$5.0 million General Fund since FY 2016-17, increasing only for salary adjustments for the Program Manager. Because Fort Lyon provides residential and peer-based support services as opposed to clinical treatment, it cannot be funded by Medicaid or other federal funding.

Starting in 2016, the contract between the Division of Housing and the Colorado Coalition for the Homeless set program participation levels at 250 on average each month. Since 2018, Fort Lyon has graduated about 40 percent of participants successfully. This means participants are able to maintain their recovery and reintegrate to their community of origin or choice. The Substance Abuse and Mental Health Services Administration notes that long term residential recovery programs nationally have about a 40 percent graduation rate, so Fort Lyon is performing as expected. The Department prepares an [annual report](#) with data related to program utilization and completion.

The staff at Colorado Coalition for the Homeless (CCH) administering the program includes a four-member team that provides onsite leadership and over 30 additional staff members both on- and off-site. Support staff includes case managers, peer mentors, kitchen staff, administrative staff, reintegration specialists, security staff, a referral coordinator, a benefits specialist, and a discharge planner.

Participants must be referred by a homelessness service organization or health care provider, or any other public or non-profit agency that works directly with homeless persons and who will follow up with that individual after he or she leaves the program. Client participation is voluntary and cannot be court-ordered. program entrance requirements are:

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

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

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

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

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

The program is designed as a two-year program, but participants are not required to stay for any specific length of time and may stay for up to three years. For the first 30 days, participants are encouraged to focus on rest, becoming physically healthy, and obtaining deferred medical treatment. After 30 days, participants may leave the campus during the day and after 90 days may request an overnight pass. The program also has a life skills program that emphasizes basic knowledge essential to independent living (budgeting, establishing leases and accounts, etc.). Participants may also participate in paid work on campus (up to 10 hours per week at minimum wage), and some participants have employment in the surrounding communities.

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

Fort Lyon has experienced increasing operating and maintenance costs that have crowded out funds that can be used for vocational and educational programs and dedicated support for finding housing post-graduation from the facility. The Department's request is broken into three categories:

Operating funds to eliminate gaps filled by grants (\$100,000)

The request includes \$100,000 to decrease reliance on grants for operating funds. As inflation has eaten away at the program's budget in recent years, staff have increasingly relied on grants to cover shortfalls in operating funds. These include State Weatherization Funds, AmeriCorps VISTA

programs, Acts in Society grants for art therapy services, Substance Abuse and Mental Health Services Administration funds, EPA Brownfields Clean-up and Job Training grants, and Native scholarships. This is a piecemeal approach that does not guarantee steady funding in any given year. If the requested funding is approved, staff will be able to strategically leverage funding opportunities and apply for grants that enhance the program, rather than just help it stay afloat.

Staffing resources to support educational, vocational, and housing services (\$350,000)

The recommended staff to client ratio for this type of program is 1:15. Fort Lyon’s current ratio is closer to 1:25. The request includes \$350,000 for three additional staff and programming increases focused on connecting residents with educational and vocational support such as access to GED testing and employment opportunities, as well as permanent housing upon program graduation.

Facilities management staff for long-term maintenance and energy efficiency projects (\$300,000)

The Fort Lyon maintenance staff includes twelve full-time staff and four seasonal staff for landscaping needs in the summer. Staff currently only have the capacity to address existing and immediate maintenance issues. They do not have the ability to make recommended controlled maintenance and efficiency improvements outlined in a 2015 energy efficiency study completed in conjunction with the Colorado Energy Office (CEO) such as upgrading to LED lights, replacing outdated HVAC equipment, or reinforcing inefficient windows, doors, etc. The request includes \$350,000 for an estimated four additional staff and ongoing increase in the maintenance budget. This will allow for the implementation of CEO recommendations while also addressing essential life/safety repairs and ongoing maintenance needs.

DOLA is working on a Facilities Master Plan (FMP) with the Office of the State Architect for future maintenance needs that will include a detailed list of all energy efficiency projects and estimated costs. The Department plans to transition the campus to 100 percent renewable energy sources by 2040 to align with the Governor’s Roadmap to Renewable Energy goals.

**→ R5 MANUFACTURED BUILDINGS PROGRAM**

*REQUEST:* The Department requests \$540,471 cash funds and 4.0 FTE in FY 2023-24 and \$522,471 cash funds and 4.0 FTE in FY 2024-25 and ongoing for the Manufactured Buildings Program. The Department also requests making the Building Regulation Fund continuously appropriated.

*RECOMMENDATION:* **Staff recommends approving the request with differences in FTE calculations, as shown below.** Staff does not recommend legislation to change the Building Regulation Fund from annually appropriated to continuously appropriated.

R5 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
<b>Request</b>			
Personal Services	\$393,093	\$393,093	\$0
Centrally Appropriated	81,057	81,057	0
Operating Expenses	47,287	29,287	(18,000)
Vehicle Lease Payments	19,034	19,034	0
FTE	4.0	4.0	0.0
<b>Total Request</b>	<b>\$540,471</b>	<b>\$522,471</b>	<b>(\$18,000)</b>
<b>Recommendation</b>			
Personal Services	\$345,410	\$345,410	\$0

R5 REQUEST AND RECOMMENDATION			
	FY 2023-24	FY 2024-25	Out-year Increase
Centrally Appropriated	0	76,446	76,446
Operating Expenses	58,427	31,747	(26,680)
Vehicle Lease Payments	19,034	19,034	0
FTE	4.0	4.0	0.0
<b>Total Recommendation</b>	<b>\$422,871</b>	<b>\$472,637</b>	<b>\$49,766</b>
Request Above/(Below) Recommendation	117,600	49,834	

Staff recommendation for personal services and operating expenses is calculated consistent with Committee policy and uses Legislative Council Staff Fiscal Note assumptions, including salary range adjustments for FY 2023-24 approved as part of Statewide Compensation Policies Figure Setting. Staff recommendation differs from the request due to funding salaries at the range minimum versus the midpoint, the exclusion of certain centrally appropriated items (POTS) and differences in cost assumptions for computer and software license subscriptions. The recommendation assumes a July 1<sup>st</sup> start date.

*EVIDENCE LEVEL:* The Department indicated that this request item is theory-informed; staff disagrees with this designation. When a request item is designated ‘theory-informed’ it means that the program “reflects a moderate to low or promising level of confidence of effectiveness, ineffectiveness, or harmfulness as determined by tracking and evaluating performance measures including pre- and post-intervention evaluation of program outcomes, evaluation of program outputs, identification and implementation of a theory of change, or equivalent measures.” (Section 2-3-210 (2)(f), C.R.S.).

*ANALYSIS:*

The request seeks to hire two engineers and two inspectors to help the Manufactured Buildings Program process certifications and inspections more quickly. The program registers and certifies manufacturers, sellers, installers, and independent installation inspectors. It also reviews and approves construction plans for factory-built structures prior to construction and certifies factory-built structures once they have passed inspections. Additionally, the program inspects and certifies the installation of manufactured homes before occupancy. The Manufactured Buildings Program is entirely fee-funded by revenue collected from the registration, certification, and inspection fees paid by manufactured home sellers and installers. Fees are set administratively with approval from the State Housing Board and deposited in the Building Regulation Fund. There is sufficient revenue in the Building Regulation Fund to pay for the requested FTE without increasing fees

The program’s staffing levels have remained flat since FY 2015-16 while manufactured housing activity has gradually rebounded from the Great Recession. Demand for plan review and inspections services has seen a marked increase in the last seven years. The Department requests this additional spending authority to hire more employees in order meet the demand for plan review and inspection services in a timely manner. Plan review activity has grown 100 percent in the last six years and the number of inspections preformed has grown 50 percent in the last four years. The increase in demand has resulted in significant service backlogs in recent years.

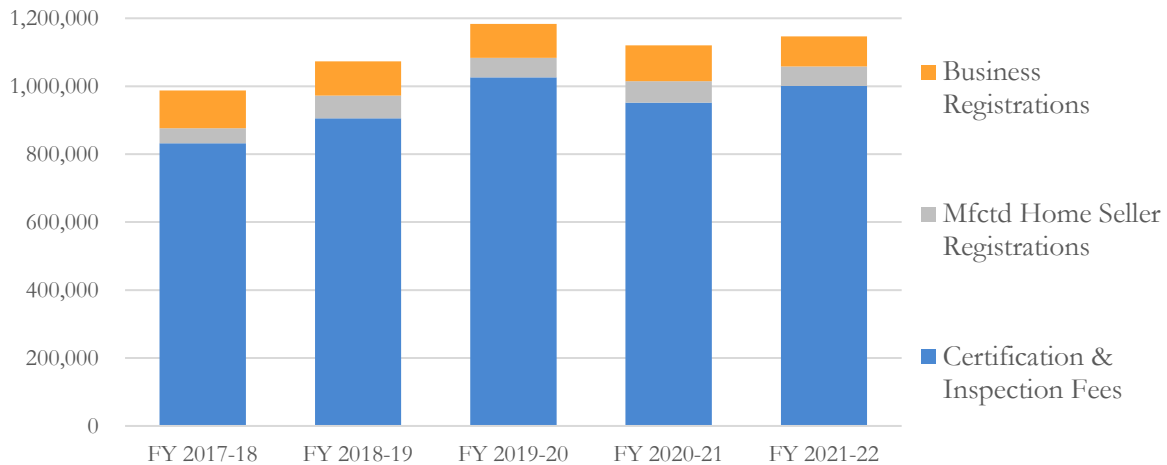
Recent legislation such as H.B. 22-1282 (Innovative Housing Incentive Program) will also impact demand for this program’s services. No fiscal impact was calculated in the Legislative Council Staff Fiscal Note for H.B. 22-1282, nor was an appropriation included in the bill. A footnote was added to the FY 2022-23 Long Bill to mitigate concerns about unknown impacts; it allows DOLA to spend an



additional 15 percent (approximately \$119,000) from the Building Regulation Fund in the current fiscal year. The Department states that they are utilizing the extra spending authority to mitigate the existing backlog of activity and not in response to increased demands from H.B. 22-1282, which they expect to materialize in the coming months.

The request also asks to make the Building Regulation Fund continuously appropriated instead of subject to annual appropriation; this would require legislation. JBC staff **does not recommend** continuous appropriation for this cash fund. The Department has not demonstrated that revenues and expenses for this program are exceptionally volatile, or that this program incurs obligations that need to be carried across fiscal years outside of the Controller’s normal encumbrance rules. Despite being out of compliance (or projected to be out of compliance) with a 16.5 percent and 33.0 percent reserve in recent years, projections for FY 2023-24 show the fund will be in compliance with a 16.5 percent reserve balance. If managing the fund’s balance continues to be a problem in the future, the Department could request a waiver to raise the maximum reserve. Additionally, continuously appropriated cash funds are still subject to reserve requirements and therefore continuous appropriation would not relieve the Department of its need to appropriately manage the cash fund’s balance.

Building Regulation Fund Revenue



→ STATEWIDE BA1 MARIJUANA TAX CASH FUND

*REQUEST:*

The Governor submitted a multi-department request titled Statewide MTCF Budget Amendment that includes a component impacting the Department of Local Affairs. The request includes a reduction to the Marijuana Tax Cash Fund (MTCF) appropriation in the Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S. line item of \$14,924,660 out of the existing \$15,300,000 appropriation. The request cites a shortfall in MTCF revenue and a need for funding for the Building Excellent Schools Today (BEST) program as reasons for the reduction.

*RECOMMENDATION:*

**Staff recommends denying the request** on the grounds that it conflicts with existing statutory requirements. This issue is part of a statewide balancing recommendation for the Marijuana Tax Cash

Fund that will be further discussed in a separate presentation after the March forecast. Action on this item could be deferred until that time.

*ANALYSIS:*

JBC staff and OLLS believe the requested reduction would be in conflict with Section 29-32-106, C.R.S., which is the maintenance of effort clause imposed by Proposition 123. Aside from this issue, JBC staff agrees that the reduction would not cause programmatic impacts due to the large influx of revenue that DOLA will receive from Proposition 123 beginning in FY 2023-24.

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## LINE ITEM DETAIL — DIVISION OF HOUSING

### (A) COMMUNITY AND NON-PROFIT SERVICES

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

#### (I) ADMINISTRATION

##### PERSONAL SERVICES

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

The line item supports 31.7 FTE, including:

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

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

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

*REQUEST:* The Department requests \$3,354,505 total funds (including \$1,093,519 General Fund) and 35.4 FTE. The request includes increases associated with R1, R3, the out-year cost of the FY 2022-23

BA1 housing voucher decision item, out-year costs for H.B. 22-1083 (Colorado Homeless Contribution Income Tax Credit), and salary increases that were awarded in FY 2022-23.

**RECOMMENDATION:** Staff recommendation is shown below. Differences between the recommendation and request are related to FTE calculations for R1 and R3.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,875,486	\$688,832	\$75,117	\$68,964	\$2,042,573	31.7
Other legislation	\$83,268	\$83,268	\$0	\$0	\$0	1.2
<b>TOTAL</b>	<b>\$2,958,754</b>	<b>\$772,100</b>	<b>\$75,117</b>	<b>\$68,964</b>	<b>\$2,042,573</b>	<b>32.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,958,754	\$772,100	\$75,117	\$68,964	\$2,042,573	32.9
Annualize prior year budget actions	193,320	118,988	1,019	2,214	71,099	0.3
R3 Resiliency and disaster recovery capacity increase	64,099	64,099	0	0	0	0.8
Annualize prior year legislation	42,804	42,804	0	0	0	0.5
R1 DOLA/HCPF voucher increase	42,189	42,189	0	0	0	0.7
<b>TOTAL</b>	<b>\$3,301,166</b>	<b>\$1,040,180</b>	<b>\$76,136</b>	<b>\$71,178</b>	<b>\$2,113,672</b>	<b>35.2</b>
<b>INCREASE/(DECREASE)</b>	<b>\$342,412</b>	<b>\$268,080</b>	<b>\$1,019</b>	<b>\$2,214</b>	<b>\$71,099</b>	<b>2.3</b>
Percentage Change	11.6%	34.7%	1.4%	3.2%	3.5%	7.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$53,339	\$53,339	\$0	\$0	\$0	0.2

## OPERATING EXPENSES

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

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

*REQUEST:* The Department requests \$537,369 total funds (including \$90,522 General Fund), including increases associated with R1, R3, the out-year cost of the FY 2022-23 BA1 housing voucher decision item, out-year costs for H.B. 22-1083 (Colorado Homeless Contribution Income Tax Credit), and \$42,643 associated with statewide operating expenses inflation.

**RECOMMENDATION:** Staff recommendation is pending a Committee common policy decision related to statewide operating expenses inflation. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action. Staff recommendation includes increases as recommended in the discussion of R1 and R3.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$473,801	\$63,850	\$4,938	\$64,918	\$340,095	0.0
Other legislation	\$15,750	\$15,750	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$489,551</b>	<b>\$79,600</b>	<b>\$4,938</b>	<b>\$64,918</b>	<b>\$340,095</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$489,551	\$79,600	\$4,938	\$64,918	\$340,095	0.0
Non-prioritized requests	42,643	5,747	444	5,843	30,609	0.0
R3 Resiliency and disaster recovery capacity increase	7,885	7,885	0	0	0	0.0
R1 DOLA/HCPF voucher increase	7,615	7,615	0	0	0	0.0
Annualize prior year budget actions	(18,600)	(18,600)	0	0	0	0.0
Annualize prior year legislation	(11,950)	(11,950)	0	0	0	0.0
<b>TOTAL</b>	<b>\$517,144</b>	<b>\$70,297</b>	<b>\$5,382</b>	<b>\$70,761</b>	<b>\$370,704</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$27,593</b>	<b>(\$9,303)</b>	<b>\$444</b>	<b>\$5,843</b>	<b>\$30,609</b>	<b>0.0</b>
Percentage Change	5.6%	(11.7%)	9.0%	9.0%	9.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$20,225	\$20,225	\$0	\$0	\$0	0.0

(II) COMMUNITY SERVICES

LOW INCOME RENTAL SUBSIDIES

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

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

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

The Division administers two state-funded voucher programs:

- Since FY 2013-14, the Division has administered a voucher program specifically for people who are either transitioning out of one of the State’s Mental Health Institutes or who are at risk of needing inpatient psychiatric care. The full \$950,000 that was initially appropriated for this purpose has been allocated, and the Department is now utilizing a portion of the \$15.3 million appropriated from the Marijuana Tax Cash Fund to support the housing needs of additional individuals who are discharged from an Institute.
- Since FY 2014-15, the Division has administered Community Access Team – Transition Services (previously known as Community Choice Transitions) vouchers for individuals who are transitioning from nursing homes or long-term care facilities. The Department of Local Affairs (DOLA) partners with HCPF to identify clients who are living in a nursing or long-term care facility and who are able to and interested in moving to the community. Transitioning clients may receive home and community-based services and supports through HCPF and assistance in finding and paying for housing through DOLA.

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

*REQUEST:* The Department requests \$104,314,174 total funds (including \$19,484,245 General Fund), which includes an increase associated with R1, the out-year cost of the FY 2022-23 BA1 housing voucher increase, and an informational adjustment to better reflect the amount of federal funds received.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, LOW INCOME RENTAL SUBSIDIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$64,028,787	\$11,613,101	\$939,649	\$0	\$51,476,037	0.0
SB 23-124 (Supplemental)	\$8,000,000	\$0	\$8,000,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$72,028,787</b>	<b>\$11,613,101</b>	<b>\$8,939,649</b>	<b>\$0</b>	<b>\$51,476,037</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$72,028,787	\$11,613,101	\$8,939,649	\$0	\$51,476,037	0.0
Technical adjustments	32,414,243	0	0	0	32,414,243	0.0
R1 DOLA/HCPF voucher increase	1,557,308	1,557,308	0	0	0	0.0
Annualize prior year budget actions	(1,686,164)	6,313,836	(8,000,000)	0	0	0.0
<b>TOTAL</b>	<b>\$104,314,174</b>	<b>\$19,484,245</b>	<b>\$939,649</b>	<b>\$0</b>	<b>\$83,890,280</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$32,285,387</b>	<b>\$7,871,144</b>	<b>(\$8,000,000)</b>	<b>\$0</b>	<b>\$32,414,243</b>	<b>0.0</b>
Percentage Change	44.8%	67.8%	(89.5%)	n/a	63.0%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$104,314,174</b>	<b>\$19,484,245</b>	<b>\$939,649</b>	<b>\$0</b>	<b>\$83,890,280</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## HOMELESS PREVENTION PROGRAMS

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

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

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

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

*REQUEST:* The Department requests \$2,306,506 total funds, including \$170,000 cash funds and the balance from federal funds. The request includes an informational increase to better reflect the amount of federal funds received.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, HOMELESS PREVENTION PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,984,430	\$0	\$170,000	\$0	\$1,814,430	0.0
<b>TOTAL</b>	<b>\$1,984,430</b>	<b>\$0</b>	<b>\$170,000</b>	<b>\$0</b>	<b>\$1,814,430</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,984,430	\$0	\$170,000	\$0	\$1,814,430	0.0
Technical adjustments	322,076	0	0	0	322,076	0.0
<b>TOTAL</b>	<b>\$2,306,506</b>	<b>\$0</b>	<b>\$170,000</b>	<b>\$0</b>	<b>\$2,136,506</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$322,076</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$322,076</b>	<b>0.0</b>
Percentage Change	16.2%	n/a	0.0%	n/a	17.8%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,306,506</b>	<b>\$0</b>	<b>\$170,000</b>	<b>\$0</b>	<b>\$2,136,506</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## APPROPRIATION TO THE FLEX FUND (NEW LINE ITEM)

This line item was created by H.B. 22-1389 (Financial Literacy Exchange Program) and provides funding for the financial literacy and exchange program (FLEX) via an appropriation to the continuously appropriated FLEX fund. The voluntary program allows individuals receiving housing assistance from the division to have an escrow-like savings account established, and receive access to service provides for financial mentoring, life skills training, and asset management.

*STATUTORY AUTHORITY:* Section 24-32-726, C.R.S.

*REQUEST:* The Department requests \$300,581 total funds, including \$120,581 General Fund and \$180,000 cash funds.

*RECOMMENDATION:* **Staff recommends \$300,581 General Fund.** The Department’s request incorrectly annualizes H.B. 22-1389 (Financial Literacy Exchange Program); the Legislative Council Staff Fiscal Note anticipated a \$300,581 General Fund appropriation into the FLEX fund. However, funding for this program is at the discretion of the General Assembly.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, APPROPRIATION TO THE FLEX FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$103,355	\$103,355	\$0	\$0	\$0	0.5
HB 22-1329 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$103,355</b>	<b>\$103,355</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$103,355	\$103,355	\$0	\$0	\$0	0.5
Annualize prior year legislation	197,226	197,226	0	0	0	0.5
<b>TOTAL</b>	<b>\$300,581</b>	<b>\$300,581</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>						
Percentage Change	190.8%	190.8%	n/a	n/a	n/a	100.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	(\$180,000)	\$180,000	\$0	\$0	0.0

**RIDGE VIEW CAMPUS (NEW LINE ITEM)**

This line item was created by S.B. 22-211 (Repurpose the Ridge View Campus), which transfers ownership of the Ridge View Campus from the Department of Human Services to the Department of Personnel and Administration for use by DOLA’s Division of Housing as a supportive residential community for people experiencing homelessness. The bill provided a one-time appropriation of \$45.0 million in FY 2022-23 from the Economic Recovery and Relief Cash Fund, originating as federal American Rescue Plan Act dollars.

*STATUTORY AUTHORITY:* Section 24-32-132, C.R.S.

*REQUEST:* The Department does not request additional funding for this program.

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

(III) FORT LYON SUPPORTIVE HOUSING PROGRAM

This line item supports the Fort Lyon Supportive Housing Program, which is located at the historic Fort Lyon campus in the rural town of Las Animas. The Division contracts with the Colorado Coalition for the Homeless to administer the program’s residential and supportive services, and with Bent County for facility maintenance and operations. The current appropriation includes \$2.63 million for the contract with the Colorado Coalition for the Homeless, \$2.25 million for the contract with Bent County, and the remainder for the Division of Housing for oversight and contingencies. Although the cost of the program has not changed significantly, through FY 2015-16 a portion was covered through custodial funds from the 2012 Mortgage Servicing Settlement.

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

*REQUEST:* The Department requests \$5,752,336 total funds, including \$750,000 General Fund for the R2 request and salary increases awarded in FY 2022-23. The request includes substituting the General Fund base appropriation with cash funds from the Revenue Loss Restoration Cash Fund that originate as federal American Rescue Plan Act dollars in FY 2023-24 and FY 2024-25, as discussed in a February 8, 2023 memo to the JBC.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, FORT LYON SUPPORTIVE HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$4,999,361	\$4,999,361	\$0	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$4,999,361</b>	<b>\$4,999,361</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$4,999,361	\$4,999,361	\$0	\$0	\$0	1.0
R2 Fort Lyon Supportive Residential Community	750,000	750,000	0	0	0	0.0
Annualize prior year budget actions	2,975	2,975	0	0	0	0.0
Use of ARPA in lieu of General Fund	0	(5,002,336)	5,002,336	0	0	0.0
<b>TOTAL</b>	<b>\$5,752,336</b>	<b>\$750,000</b>	<b>\$5,002,336</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$752,975</b>	<b>(\$4,249,361)</b>	<b>\$5,002,336</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	15.1%	(85.0%)	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) FIELD SERVICES

AFFORDABLE HOUSING PROGRAM COSTS

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

- 12.2 FTE for management, budget, research, database management, and administrative support;
- 15.3 FTE for staff located throughout the state who assist local governments in development and management of affordable housing projects;



- 2.0 FTE to oversee the home modification benefit for individuals enrolled in Medicaid Home and Community-based Services (HCBS) programs;
- 1.0 FTE to oversee housing assistance for persons transitioning from the criminal or juvenile justice systems; and
- 1.0 FTE for oversight of the private activity bond program.

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

*REQUEST:* The Department requests \$2,452,770 total funds (including \$224,065 General Fund) and 31.5 FTE. The request includes salary increases awarded in FY 2022-23.

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

DIVISION OF HOUSING, FIELD SERVICES, AFFORDABLE HOUSING PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,373,939	\$216,329	\$81,889	\$1,454,567	\$621,154	31.5
<b>TOTAL</b>	<b>\$2,373,939</b>	<b>\$216,329</b>	<b>\$81,889</b>	<b>\$1,454,567</b>	<b>\$621,154</b>	<b>31.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,373,939	\$216,329	\$81,889	\$1,454,567	\$621,154	31.5
Annualize prior year budget actions	78,831	7,736	3,396	44,551	23,148	0.0
<b>TOTAL</b>	<b>\$2,452,770</b>	<b>\$224,065</b>	<b>\$85,285</b>	<b>\$1,499,118</b>	<b>\$644,302</b>	<b>31.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$78,831</b>	<b>\$7,736</b>	<b>\$3,396</b>	<b>\$44,551</b>	<b>\$23,148</b>	<b>0.0</b>
Percentage Change	3.3%	3.6%	4.1%	3.1%	3.7%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,452,770</b>	<b>\$224,065</b>	<b>\$85,285</b>	<b>\$1,499,118</b>	<b>\$644,302</b>	<b>31.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS

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

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

priorities and feasible and identifies the most appropriate mix of funds. Recommendations are then submitted to the State Housing Board.

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

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

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

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

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

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

Finally, this subsection creates the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund to provide housing assistance for persons with behavioral or mental health disorders who are transitioning from incarceration, which appears in the following line item.

*REQUEST:* The Department requests \$26,275,056 total funds, including \$9,200,000 General Fund and \$375,340 Marijuana Tax Cash Fund. The request includes a reduction related to Statewide BA1 Marijuana Tax Cash Fund.

**RECOMMENDATION: Staff recommends \$41,199,716 total funds, including \$9,200,000 General Fund and \$15,300,000 Marijuana Tax Cash Fund.** The recommendation includes denial of Statewide BA1, as discussed earlier in this document.

DIVISION OF HOUSING, FIELD SERVICES, AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS PURSUANT TO SECTION 24-32-721, C.R.S.						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$36,528,793	\$9,200,000	\$15,300,000	\$0	\$12,028,793	0.0
<b>TOTAL</b>	<b>\$36,528,793</b>	<b>\$9,200,000</b>	<b>\$15,300,000</b>	<b>\$0</b>	<b>\$12,028,793</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$36,528,793	\$9,200,000	\$15,300,000	\$0	\$12,028,793	0.0
Technical adjustments	4,670,923	0	0	0	4,670,923	0.0
Other statewide requests	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$41,199,716</b>	<b>\$9,200,000</b>	<b>\$15,300,000</b>	<b>\$0</b>	<b>\$16,699,716</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$4,670,923</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,670,923</b>	<b>0.0</b>
Percentage Change	12.8%	0.0%	0.0%	n/a	38.8%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$26,275,056</b>	<b>\$9,200,000</b>	<b>\$375,340</b>	<b>\$0</b>	<b>\$16,699,716</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$14,924,660)	\$0	(\$14,924,660)	\$0	\$0	0.0

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

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

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

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

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

### CHFA MIDDLE INCOME ACCESS PROGRAM (NEW LINE ITEM)

This line item was created by S.B. 22-146 (Middle Income Access Program Expansion), which provided \$25.0 million to the Division of Housing to expand the Middle Income Housing Access Program administered by the Colorado Housing and Finance Authority (CHFA). The bill provided a one-time FY 2022-23 appropriation from the Affordable Housing and Home Ownership Cash Fund, originating from the General Fund. The Department will have ongoing reporting requirements related to this bill.

*STATUTORY AUTHORITY:* Section 24-32-721.3, C.R.S.

*REQUEST:* The Department does not request additional funding for this program.

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

### MANUFACTURED BUILDINGS PROGRAM

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

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

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

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

*REQUEST:* The Department requests \$1,667,228 cash funds from the Building Regulation Fund, including an increase associated with R5, salary increases awarded in FY 2022-23, and the out-year costs of H.B. 22-1242 (Regulate Tiny Homes Manufacture and Installation).

*RECOMMENDATION:* **Staff recommendation is shown below and differs from the request due to FTE calculations related to R5.**

DIVISION OF HOUSING, FIELD SERVICES, MANUFACTURED BUILDINGS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$792,744	\$0	\$792,744	\$0	\$0	7.3
Other legislation	\$127,071	\$127,071	\$0	\$0	\$0	1.4
<b>TOTAL</b>	<b>\$919,815</b>	<b>\$127,071</b>	<b>\$792,744</b>	<b>\$0</b>	<b>\$0</b>	<b>8.7</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$919,815	\$127,071	\$792,744	\$0	\$0	8.7
R5 Manufactured Buildings Program	403,837	0	403,837	0	0	4.0
Annualize prior year legislation	201,185	(127,071)	328,256	0	0	4.0
Annualize prior year budget actions	24,791	0	24,791	0	0	0.0

DIVISION OF HOUSING, FIELD SERVICES, MANUFACTURED BUILDINGS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$1,549,628</b>	<b>\$0</b>	<b>\$1,549,628</b>	<b>\$0</b>	<b>\$0</b>	<b>16.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$629,813</b>	<b>(\$127,071)</b>	<b>\$756,884</b>	<b>\$0</b>	<b>\$0</b>	<b>8.0</b>
Percentage Change	68.5%	(100.0%)	95.5%	n/a	n/a	92.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,667,228</b>	<b>\$0</b>	<b>\$1,667,228</b>	<b>\$0</b>	<b>\$0</b>	<b>16.7</b>
Request Above/(Below) Recommendation	\$117,600	\$0	\$117,600	\$0	\$0	(0.0)

### MOBILE HOME PARK ACT OVERSIGHT

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

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

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

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

*REQUEST:* The Department requests an informational cash funds appropriation of \$724,721, which includes salary increases awarded in FY 2022-23.

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

DIVISION OF HOUSING, FIELD SERVICES, MOBILE HOME PARK ACT OVERSIGHT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$701,628	\$0	\$701,628	\$0	\$0	6.8
<b>TOTAL</b>	<b>\$701,628</b>	<b>\$0</b>	<b>\$701,628</b>	<b>\$0</b>	<b>\$0</b>	<b>6.8</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$701,628	\$0	\$701,628	\$0	\$0	6.8
Annualize prior year budget actions	23,093	0	23,093	0	0	0.0
<b>TOTAL</b>	<b>\$724,721</b>	<b>\$0</b>	<b>\$724,721</b>	<b>\$0</b>	<b>\$0</b>	<b>6.8</b>
<b>INCREASE/(DECREASE)</b>	<b>\$23,093</b>	<b>\$0</b>	<b>\$23,093</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.3%	n/a	3.3%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$724,721</b>	<b>\$0</b>	<b>\$724,721</b>	<b>\$0</b>	<b>\$0</b>	<b>6.8</b>

DIVISION OF HOUSING, FIELD SERVICES, MOBILE HOME PARK ACT OVERSIGHT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**APPROPRIATION TO THE MOBILE HOME PARK DISPUTE RESOLUTION AND ENFORCEMENT PROGRAM FUND (NEW LINE ITEM)**

This line was created as a result of H.B. 22-1287 (Protections for Mobile Home Residents), which made changes to the Mobile Home Park Act and Mobile Home Park Act Dispute Resolution and Enforcement Program and required a General Fund Appropriation into the Mobile Home Park Act Dispute Resolution and Enforcement Program Fund.

*STATUTORY AUTHORITY:* Section 38-12-1110 (3), C.R.S.

*REQUEST:* The Department requests an appropriation of \$100,329 General Fund.

***RECOMMENDATION:* Staff recommends an appropriation of \$109,697 General Fund consistent with the Legislative Council Staff Fiscal Note for H.B. 22-1287 (Protections for Mobile Home Residents).**

DIVISION OF HOUSING, FIELD SERVICES, APPROPRIATION TO THE MOBILE HOME PARK ACT DISPUTE RESOLUTION & ENFORCEMENT PROGRAM FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$89,870	\$89,870	\$0	\$0	\$0	0.8
HB 22-1329 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$89,870</b>	<b>\$89,870</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.8</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$89,870	\$89,870	\$0	\$0	\$0	0.8
Annualize prior year legislation	19,827	19,827	0	0	0	0.2
<b>TOTAL</b>	<b>\$109,697</b>	<b>\$109,697</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$19,827</b>	<b>\$19,827</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.2</b>
Percentage Change	22.1%	22.1%	n/a	n/a	n/a	25.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$100,329</b>	<b>\$100,329</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
Request Above/(Below) Recommendation	(\$9,368)	(\$9,368)	\$0	\$0	\$0	0.0

(C) INDIRECT COST ASSESSMENTS

INDIRECT COST ASSESSMENTS

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

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

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

*REQUEST:* The Department requests \$1,084,668 total funds.

*RECOMMENDATION:* **Staff recommends appropriating \$1,560,173 total funds based on the Department’s updated indirect cost plan.** [More information about the Department’s indirect cost assessment is provided at the end of this packet.]

DIVISION OF HOUSING, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$949,532	\$0	\$135,133	\$404,423	\$409,976	0.0
<b>TOTAL</b>	<b>\$949,532</b>	<b>\$0</b>	<b>\$135,133</b>	<b>\$404,423</b>	<b>\$409,976</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$949,532	\$0	\$135,133	\$404,423	\$409,976	0.0
Indirect cost assessment	610,641	0	657,493	(140,389)	93,537	0.0
<b>TOTAL</b>	<b>\$1,560,173</b>	<b>\$0</b>	<b>\$792,626</b>	<b>\$264,034</b>	<b>\$503,513</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$610,641</b>	<b>\$0</b>	<b>\$657,493</b>	<b>(\$140,389)</b>	<b>\$93,537</b>	<b>0.0</b>
Percentage Change	64.3%	n/a	486.6%	(34.7%)	22.8%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,084,668</b>	<b>\$0</b>	<b>\$154,365</b>	<b>\$461,980</b>	<b>\$468,323</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$475,505)	\$0	(\$638,261)	\$197,946	(\$35,190)	0.0

## (4) DIVISION OF LOCAL GOVERNMENT

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

DIVISION OF LOCAL GOVERNMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$193,380,336	\$14,375,113	\$155,492,787	\$11,574,211	\$11,938,225	59.0
Other legislation	45,404,929	7,219,052	34,685,877	3,500,000	0	6.1
<b>TOTAL</b>	<b>\$238,785,265</b>	<b>\$21,594,165</b>	<b>\$190,178,664</b>	<b>\$15,074,211</b>	<b>\$11,938,225</b>	<b>65.1</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$238,785,265	\$21,594,165	\$190,178,664	\$15,074,211	\$11,938,225	65.1
Annualize prior year budget actions	155,371	31,541	29,885	69,805	24,140	0.0
R3 Resiliency and disaster recovery capacity increase	71,984	71,984	0	0	0	0.8
Indirect cost assessment	31,421	0	(33,566)	21,403	43,584	0.0
Non-prioritized requests	12,226	4,201	0	2,263	5,762	0.0
R8 Architectural support for rural main streets	0	0	0	0	0	1.0
Annualize prior year legislation	(44,687,588)	(6,369,050)	(35,318,538)	(3,000,000)	0	(2.3)
Technical adjustments	(1,258,021)	(1,666,652)	922,261	(4,800,000)	4,286,370	(0.4)
<b>TOTAL</b>	<b>\$193,110,658</b>	<b>\$13,666,189</b>	<b>\$155,778,706</b>	<b>\$7,367,682</b>	<b>\$16,298,081</b>	<b>64.2</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$45,674,607)</b>	<b>(\$7,927,976)</b>	<b>(\$34,399,958)</b>	<b>(\$7,706,529)</b>	<b>\$4,359,856</b>	<b>(0.9)</b>
Percentage Change	(19.1%)	(36.7%)	(18.1%)	(51.1%)	36.5%	(1.4%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$2,064,909	\$1,688,025	\$355,492	\$54,579	(\$33,187)	0.5

### DECISION ITEMS – DIVISION OF LOCAL GOVERNMENT

#### → R8 ARCHITECTURAL SUPPORT FOR RURAL MAIN STREETS

**REQUEST:** The Department requests an informational adjustment of 1.0 FTE for the Colorado Main Street Program in FY 2023-24 and ongoing.

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

**EVIDENCE LEVEL:** The Department indicated that this request item is theory-informed; staff disagrees with this designation. This request is to informationally reflect an additional 1.0 FTE that was previously being contracted for. The request does not alter the program or impact its total funding level.

**ANALYSIS:**

The Colorado Main Street Program receives an appropriation of \$462,500 reappropriated funds annually from Energy Impact Assistance Funds. These funds are granted out to communities to pay for consulting services related to the Main Street Program, which provides technical assistance, support, and capacity building to rural communities. Since 2015, DOLA also received annual funding



from a State Historical Fund grant from History Colorado to pay for a contract architect. This is a competitive grant program and DOLA will no longer receive funding beginning in FY 2023-24. The request will use existing reappropriated funds to begin paying the architect as a state employee rather than as a consultant.

→ STATEWIDE S2 ARPA STIMULUS FUNDING ROLL-FORWARD

*REQUEST:* The Governor submitted a multi-department request labeled *Statewide S2 ARPA Budget Amendment* that includes a component requesting additional roll-forward authority for an appropriation made in H.B. 21-1289 (Interconnectivity Grant Program).

*RECOMMENDATION:* Staff recommends replacing the language in the current appropriation clause providing roll-forward authority with the following:

Any money appropriated in this section that originated from money the state received from the federal coronavirus state fiscal recovery fund that is obligated prior to December 30, 2024, in accordance with the federal "American Rescue Plan Act of 2021", Pub.L. 117-2, as amended, but not expended prior to December 30, 2024, is further appropriated to the department for use prior to December 31, 2026, for the same purpose.

*ANALYSIS:*

The Department requests changes to the appropriation made in H.B. 21-1289 (Interconnectivity Grant Program) and modified by H.B. 22-1329 (Long Bill). The Department currently has through FY 2022-23 to expend the \$5.0 million appropriation for the Interconnectivity Grant Program. The request would extend this to December 31, 2026 in accordance with federal deadlines for expenditure of American Rescue Plan Act (ARPA) funds.

Grants for this program are made on a reimbursement basis and paid out over time. Even if the entire appropriation was encumbered to grant recipients before the end of the fiscal year, the recipients would be unable to draw from their awarded funds after FY 2022-23 absent an extension of the appropriation. If grant recipients don't invoice the Department for reimbursements prior the expiration of the appropriation, the State Controller won't allow the payments to be made. This program involves tech components such as central switching units made in China that are experiencing supply chain shortages and may have up to a three-year delay in installation. Staff agrees with the need to utilize the maximum timeframe for expending these ARPA funds.

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LINE ITEM DETAIL—DIVISION OF LOCAL GOVERNMENT

(A) LOCAL GOVERNMENT AND COMMUNITY SERVICES

(I) ADMINISTRATION

PERSONAL SERVICES

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

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

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

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

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

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

*REQUEST:* The Department requests \$1,611,024 total funds (including \$724,438 General Fund) and 17.7 FTE. The request includes salary increases that were awarded in FY 2022-23 and increases associated with R3.

***RECOMMENDATION:* Staff recommendation is shown below and differs from the request due to FTE calculations related to R3.**

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,481,314	\$620,309	\$0	\$695,561	\$165,444	16.8
<b>TOTAL</b>	<b>\$1,481,314</b>	<b>\$620,309</b>	<b>\$0</b>	<b>\$695,561</b>	<b>\$165,444</b>	<b>16.8</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,481,314	\$620,309	\$0	\$695,561	\$165,444	16.8
R3 Resiliency and disaster recovery capacity increase	64,099	64,099	0	0	0	0.8
Annualize prior year budget actions	44,029	18,448	0	17,314	8,267	0.0
<b>TOTAL</b>	<b>\$1,589,442</b>	<b>\$702,856</b>	<b>\$0</b>	<b>\$712,875</b>	<b>\$173,711</b>	<b>17.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$108,128</b>	<b>\$82,547</b>	<b>\$0</b>	<b>\$17,314</b>	<b>\$8,267</b>	<b>0.9</b>

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	7.3%	13.3%	n/a	2.5%	5.0%	5.4%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,611,024</b>	<b>\$724,438</b>	<b>\$0</b>	<b>\$712,875</b>	<b>\$173,711</b>	<b>17.7</b>
Request Above/(Below) Recommendation	\$21,582	\$21,582	\$0	\$0	\$0	0.1

OPERATING EXPENSES

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

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

*REQUEST:* The Department requests \$155,753 total funds (including \$58,555 General Fund).

*RECOMMENDATION:* **Staff recommendation differs from the request due to differences in FTE calculations related to R3. Staff recommendation is also pending a Committee common policy decision related to statewide operating expenses inflation.** Staff requests permission to make adjustments as necessary to reflect the Committee’s final action.

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$135,851	\$46,678	\$0	\$25,146	\$64,027	0.0
<b>TOTAL</b>	<b>\$135,851</b>	<b>\$46,678</b>	<b>\$0</b>	<b>\$25,146</b>	<b>\$64,027</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$135,851	\$46,678	\$0	\$25,146	\$64,027	0.0
Non-prioritized requests	12,226	4,201	0	2,263	5,762	0.0
R3 Resiliency and disaster recovery capacity increase	7,885	7,885	0	0	0	0.0
<b>TOTAL</b>	<b>\$155,962</b>	<b>\$58,764</b>	<b>\$0</b>	<b>\$27,409</b>	<b>\$69,789</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$20,111</b>	<b>\$12,086</b>	<b>\$0</b>	<b>\$2,263</b>	<b>\$5,762</b>	<b>0.0</b>
Percentage Change	14.8%	25.9%	n/a	9.0%	9.0%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$155,753</b>	<b>\$58,555</b>	<b>\$0</b>	<b>\$27,409</b>	<b>\$69,789</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$209)	(\$209)	\$0	\$0	\$0	0.0

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER

House Bill 15-1033 created the Strategic Planning Group on Aging within DOLA. The group consists of 23 voting members appointed by the Governor. The group was required to present to the Governor

and General Assembly, by November 1, 2016, comprehensive data and recommendations to develop an action plan on aging in Colorado through the year 2030.

Throughout 2021 and 2022, the Planning Group, in concert with the Senior Advisor on Aging and other aging-related representatives from State departments, worked to aggregate, organize, and prioritize the 2016, 2018, 2019, and 2020 Action Plan recommendations to present an integrated and coherent comprehensive aging plan that can influence decision making across all levels of government – with some elements connected to the non-profit, and private sectors. The Planning Group also continued to make recommendations throughout 2022 for inclusion in the Strategic Action Plan on Aging. The Group underwent a sunset review during 2021 and repealed on July 1, 2022 pursuant to H.B. 22-1209 (Sunset Strategic Action Planning Group on Aging).

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

*REQUEST:* The Department does not request any funding for this line item; the Planning Group repealed on July 1, 2022.

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

(II) LOCAL GOVERNMENT SERVICES

CONSERVATION TRUST FUND DISBURSEMENTS

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

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

Net lottery proceeds in excess of the GOCO cap are transferred to the Outdoor Equity Fund, Public School Capital Construction Assistance Fund (also known as Building Excellent Schools Today), Wildlife Cash Fund, and Parks and Outdoor Recreation Cash Fund pursuant to Section 44-40-112 (12)(b), C.R.S.

RECENT LOTTERY DISTRIBUTIONS (MILLIONS)						
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Conservation Trust Fund	\$53.4	\$56.3	\$66.6	\$57.0	\$67.7	\$72.1
Great Outdoors Colorado	64.5	66.3	68.5	70.4	71.7	73.1
Colorado Parks and Wildlife	13.3	14.1	16.7	14.2	16.9	18.0
Building Excellent Schools Today	2.3	4.1	14.7	0.8	7.6	9.3
Outdoor Equity Fund	n/a	n/a	n/a	n/a	0.8	1.5
Outdoor Recreation Cash Fund	n/a	n/a	n/a	n/a	2.3	3.1
Wildlife Cash Fund	n/a	n/a	n/a	n/a	2.3	3.1

RECENT LOTTERY DISTRIBUTIONS (MILLIONS)						
	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
<b>Total</b>	<b>\$133.5</b>	<b>\$140.8</b>	<b>\$166.5</b>	<b>\$142.4</b>	<b>\$169.4</b>	<b>\$180.3</b>

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

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

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

*REQUEST:* The Department requests an informational appropriation of \$58,004,495 cash funds and 1.0 FTE, which includes salary increases awarded in FY 2022-23.

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

## VOLUNTEER FIREFIGHTER RETIREMENT PLANS

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

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

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

The State payment to any municipality or district that is contributing an amount necessary to pay volunteer firefighter pension plans of \$300 or less per month must equal 90 percent of all amounts contributed by the locality in the previous year. The State payment to localities that contribute an

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

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

This line item is supported by revenues from a two percent tax on the gross amount of all insurance premiums collected during the previous calendar year. These funds are not subject to the annual statutory limit on General Fund appropriations. The General Assembly has identified at least a portion of this appropriation as coming from the General Fund Exempt account in all but one year since FY 2005-06. *The line item is continuously funded and is included in the Long Bill for informational purposes only.*

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

*REQUEST:* The Department requests a continuation of \$4,660,000 from the General Fund Exempt Account that is reflected in the Long Bill for informational purposes.

*RECOMMENDATION:* This figure is **pending**. **Staff requests permission to use the amount included in whichever March 2023 General Fund revenue forecast the Committee chooses to adopt.** The table below shows recent actual expenditures.

VOLUNTEER FIREFIGHTER RETIREMENT PLANS	
FISCAL YEAR	ANNUAL EXPENDITURES
2012-13	\$4,175,447
2013-14	4,096,705
2014-15	4,170,673
2015-16	4,116,022
2016-17	4,202,791
2017-18	4,351,123
2018-19	4,201,417
2019-20	4,265,444
2020-21	4,317,686
2021-22	4,509,758

**VOLUNTEER FIREFIGHTER DEATH AND DISABILITY INSURANCE**

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

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

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

*RECOMMENDATION:* This figure is **pending**. **Staff requests permission to use the amount included in whichever March 2023 General Fund revenue forecast the Committee chooses to adopt.** The table below shows recent actual expenditures.

VOLUNTEER FIREFIGHTER DEATH AND DISABILITY INSURANCE	
Fiscal Year	Annual Expenditures
2012-13	\$21,065
2013-14	21,065
2014-15	21,065
2015-16	21,065
2016-17	21,065
2017-18	21,065
2018-19	21,065
2019-20	21,065
2020-21	21,065
2021-22	21,065

**FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS**

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

In order to receive benefits a firefighter must:

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

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

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

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

*REQUEST:* The Department requests an appropriation of \$870,710 General Fund and 0.5 FTE, and continuation of the \$839,053 appropriation of reappropriated funds from the Firefighters Benefits Cash Fund. The General Fund portion includes salary increases awarded in FY 2022-23.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,708,275	\$869,222	\$0	\$839,053	\$0	0.5
<b>TOTAL</b>	<b>\$1,708,275</b>	<b>\$869,222</b>	<b>\$0</b>	<b>\$839,053</b>	<b>\$0</b>	<b>0.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,708,275	\$869,222	\$0	\$839,053	\$0	0.5
Annualize prior year budget actions	1,488	1,488	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,709,763</b>	<b>\$870,710</b>	<b>\$0</b>	<b>\$839,053</b>	<b>\$0</b>	<b>0.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,488</b>	<b>\$1,488</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.1%	0.2%	n/a	0.0%	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,709,763</b>	<b>\$870,710</b>	<b>\$0</b>	<b>\$839,053</b>	<b>\$0</b>	<b>0.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### LOCAL UTILITY MANAGEMENT ASSISTANCE

This program assists the Water Resources and Power Development Authority in implementing drinking water and wastewater treatment loans. DOLA advises local governments about the mechanics of the loans and their potential eligibility. DOLA reviews about 50 loan applications per year and analyzes their economic feasibility. DOLA provides support because it already has information about the finances of local governments and has financial/economic analysis expertise.



The Authority pays DOLA for portions of the salaries of several employees who work on these loans (2.0 FTE total).

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

*REQUEST:* The Department requests \$193,671 cash funds and 2.0 FTE, which includes salary increases that were awarded in FY 2022-23.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, LOCAL UTILITY MANAGEMENT ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$186,879	\$0	\$186,879	\$0	\$0	2.0
<b>TOTAL</b>	<b>\$186,879</b>	<b>\$0</b>	<b>\$186,879</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$186,879	\$0	\$186,879	\$0	\$0	2.0
Annualize prior year budget actions	6,792	0	6,792	0	0	0.0
<b>TOTAL</b>	<b>\$193,671</b>	<b>\$0</b>	<b>\$193,671</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$6,792</b>	<b>\$0</b>	<b>\$6,792</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.6%	n/a	3.6%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$193,671</b>	<b>\$0</b>	<b>\$193,671</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT

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

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

*REQUEST:* The Department requests \$260,669 federal funds and 0.5 FTE, which includes salary increases awarded in FY 2022-23 and an informational adjustment to better reflect the amount of federal funding.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$68,423	\$0	\$0	\$0	\$68,423	0.5
<b>TOTAL</b>	<b>\$68,423</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$68,423</b>	<b>0.5</b>

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$68,423	\$0	\$0	\$0	\$68,423	0.5
Technical adjustments	190,593	0	0	0	190,593	0.0
Annualize prior year budget actions	1,653	0	0	0	1,653	0.0
<b>TOTAL</b>	<b>\$260,669</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$260,669</b>	<b>0.5</b>
<b>INCREASE/(DECREASE)</b>						
	<b>\$192,246</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$192,246</b>	<b>0.0</b>
Percentage Change	281.0%	n/a	n/a	n/a	281.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(III) COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

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

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

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

*REQUEST:* The Department requests an informational appropriation of \$6,475,029 federal funds, which includes a technical increase to better reflect the level of federal funding.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, COMMUNITY SERVICES BLOCK GRANT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$6,000,000	\$0	\$0	\$0	\$6,000,000	0.0
<b>TOTAL</b>	<b>\$6,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,000,000</b>	<b>0.0</b>

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, COMMUNITY SERVICES BLOCK GRANT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$6,000,000	\$0	\$0	\$0	\$6,000,000	0.0
Technical adjustments	475,029	0	0	0	475,029	0.0
<b>TOTAL</b>	<b>\$6,475,029</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,475,029</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$475,029</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$475,029</b>	<b>0.0</b>
Percentage Change	7.9%	n/a	n/a	n/a	7.9%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$6,475,029</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$6,475,029</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM

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

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

*REQUEST:* The Department requests \$22,428 General Fund and 0.3 FTE, which includes salary increases awarded in FY 2022-23.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$21,535	\$21,535	\$0	\$0	\$0	0.3
<b>TOTAL</b>	<b>\$21,535</b>	<b>\$21,535</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.3</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$21,535	\$21,535	\$0	\$0	\$0	0.3
Annualize prior year budget actions	893	893	0	0	0	0.0
<b>TOTAL</b>	<b>\$22,428</b>	<b>\$22,428</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$893</b>	<b>\$893</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.1%	4.1%	n/a	n/a	n/an	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$22,428</b>	<b>\$22,428</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.3</b>

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DISASTER RESILIENCE AND REBUILDING PROGRAM (NEW LINE ITEM)**

Senate Bill 22-206 (Disaster Preparedness and Recovery Resources) creates the Disaster Resilience Rebuilding Program to provide loans and grants to eligible applicants to rebuild their community after a declared disaster. Loans and grants may be used to subsidize the costs to repair a homeowner’s primary residence, repair or reconstruct housing stock; provide rental assistance for displaced renters, provide operating capital to a business experiencing a business interruption or to cover the costs of replacing or repairing the business’s property; rebuild neighborhoods, or otherwise reimburse a government entity for the costs associated with a declared disaster. The Division of Local Government is required to establish policies for the program and may contract with a third-party administrator. The bill transfers \$15.0 million from the General Fund into the newly created and continuously appropriated Disaster Resilience Rebuilding Program Fund and also appropriates \$219,052 General Fund and 2.8 FTE to implement the program. The Division, DOLA, and the Colorado Energy Office (CEO) are required to collaborate on the implementation of the program.

*STATUTORY AUTHORITY:* Section 24-38.5-115 (8), C.R.S.

*REQUEST:* The Department requests \$218,294 General Fund and 3.1 FTE.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, DISASTER RESILIENCE REBUILDING PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$219,052	\$219,052	\$0	\$0	\$0	2.8
HB 22-1329 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$219,052</b>	<b>\$219,052</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.8</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$219,052	\$219,052	\$0	\$0	\$0	2.8
Annualize prior year legislation	(758)	(758)	0	0	0	0.3
<b>TOTAL</b>	<b>\$218,294</b>	<b>\$218,294</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>3.1</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$758)</b>	<b>(\$758)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.3</b>
Percentage Change	(0.3%)	(0.3%)	n/a	n/a	na	10.7%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$218,294</b>	<b>\$218,294</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>3.1</b>

## (B) FIELD SERVICES

### PROGRAM COSTS

This line funds salaries and associated Medicare and PERA contributions, as well as contractual services, for approximately half of the technical assistance and grants management FTE in the Division (the remaining half are in the Administration, Personal Services line item). It also includes associated operating expenses. The line currently supports 31.6 FTE, including:

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

Responsibilities are described below.

- Field staff provide education and customized assistance for local governments on issues such as budget review, property tax limitations, TABOR, water and sewer financing, election rules, land use planning, and application for federal and state grant funds. Staff is responsible for working with the local governments in their region. Field staff have typically worked as city and county managers prior to employment with the Department and are thus well positioned to advise local governments.
- Field Service staff review grant applications for the Mineral Impact Program, authorize smaller grants, and manage grant disbursements. In FY 2017-18, the General Assembly approved a request to add 1.0 FTE for a field representative position in Grand Junction assist local communities in responding to the economic impact of energy transformation in western parts of the state, as well as in other rural areas.
- The Community Development Office, which operates in this section, is comprised of 4.0 FTE who focus on providing technical assistance to local governments in land-use planning, economic development, and sustainable and resilient community development. The Office is responsible advising the Governor, the General Assembly, and local governments on growth issues, and providing technical assistance to communities dealing with economic and population growth and decline.
- The Community Development Office is also responsible for a local economic development initiative known as the Main Street Program. The Main Street Program supports downtown revitalization through asset-based economic development and historic preservation. In addition to funding for 2.0 FTE, this program is supported by \$462,500 reappropriated funds (from energy impact funds) for consulting services for local communities (this funding was added in FY 2015-16 in response to a Department budget request). The Office may also use other existing resources to provide scholarships and non-competitive mini-grants to Main Street communities.

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

*REQUEST:* The Department requests \$3,591,070 total funds and 32.6 FTE (including \$359,099 General Fund). The request includes salary increases that were awarded in FY 2022-23 and an informational FTE adjustment related to R8 for the Colorado Main Street Program.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,513,953	\$348,875	\$117,227	\$2,680,571	\$367,280	31.6
<b>TOTAL</b>	<b>\$3,513,953</b>	<b>\$348,875</b>	<b>\$117,227</b>	<b>\$2,680,571</b>	<b>\$367,280</b>	<b>31.6</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,513,953	\$348,875	\$117,227	\$2,680,571	\$367,280	31.6
Annualize prior year budget actions	77,117	9,224	3,396	50,277	14,220	0.0
R8 Architectural support for rural main streets	0	0	0	0	0	1.0
<b>TOTAL</b>	<b>\$3,591,070</b>	<b>\$358,099</b>	<b>\$120,623</b>	<b>\$2,730,848</b>	<b>\$381,500</b>	<b>32.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$77,117</b>	<b>\$9,224</b>	<b>\$3,396</b>	<b>\$50,277</b>	<b>\$14,220</b>	<b>1.0</b>
Percentage Change	2.2%	2.6%	2.9%	1.9%	3.9%	3.2%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,591,070</b>	<b>\$358,099</b>	<b>\$120,623</b>	<b>\$2,730,848</b>	<b>\$381,500</b>	<b>32.6</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

### COMMUNITY DEVELOPMENT BLOCK GRANT

The federal Community Development Block Grant (CDBG), distributed by the federal Department of Housing and Urban Development, provides funding to local communities for housing, public facility, and business assistance projects that benefit primarily low to moderate-income individuals through community development efforts. The federal agency distributes funds to each state based on a statutory formula that takes into account total population, poverty, incidence of overcrowded housing, and age of housing.

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

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

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

*REQUEST:* The Department request an informational appropriation of \$8,820,748 federal funds, including a technical increase to better reflect the level of federal funding.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, COMMUNITY DEVELOPMENT BLOCK GRANT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,200,000	\$0	\$0	\$0	\$5,200,000	0.0
<b>TOTAL</b>	<b>\$5,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,200,000</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,200,000	\$0	\$0	\$0	\$5,200,000	0.0
Technical adjustments	3,620,748	0	0	0	3,620,748	0.0
<b>TOTAL</b>	<b>\$8,820,748</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,820,748</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,620,748</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$3,620,748</b>	<b>0.0</b>
Percentage Change	69.6%	n/a	n/a	n/a	69.6%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$8,820,748</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,820,748</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### LOCAL GOVERNMENT MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS

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

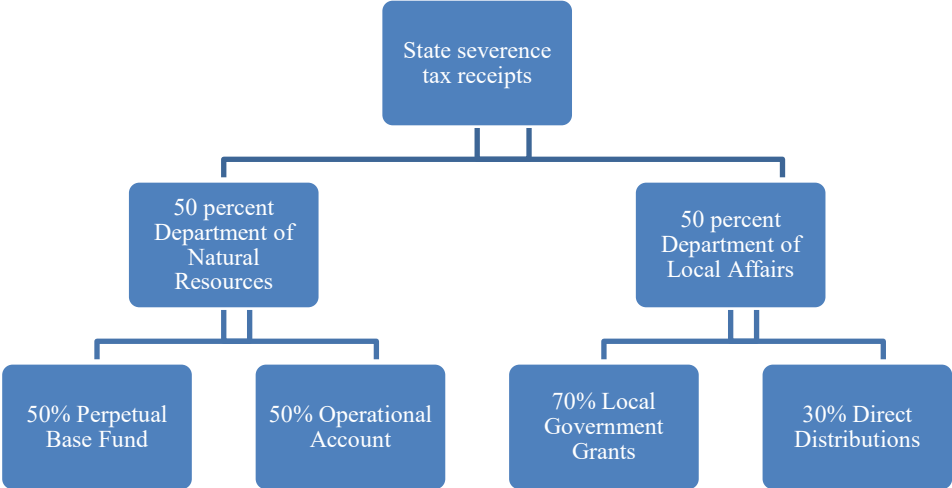
- Fifty percent of total gross receipts realized from the *state severance taxes* imposed on five types of extracted minerals and mineral fuels, including oil and natural gas, coal, metallic minerals, molybdenum ore, and oil shale, are deposited in the Local Government Severance Tax Fund on a monthly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

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

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

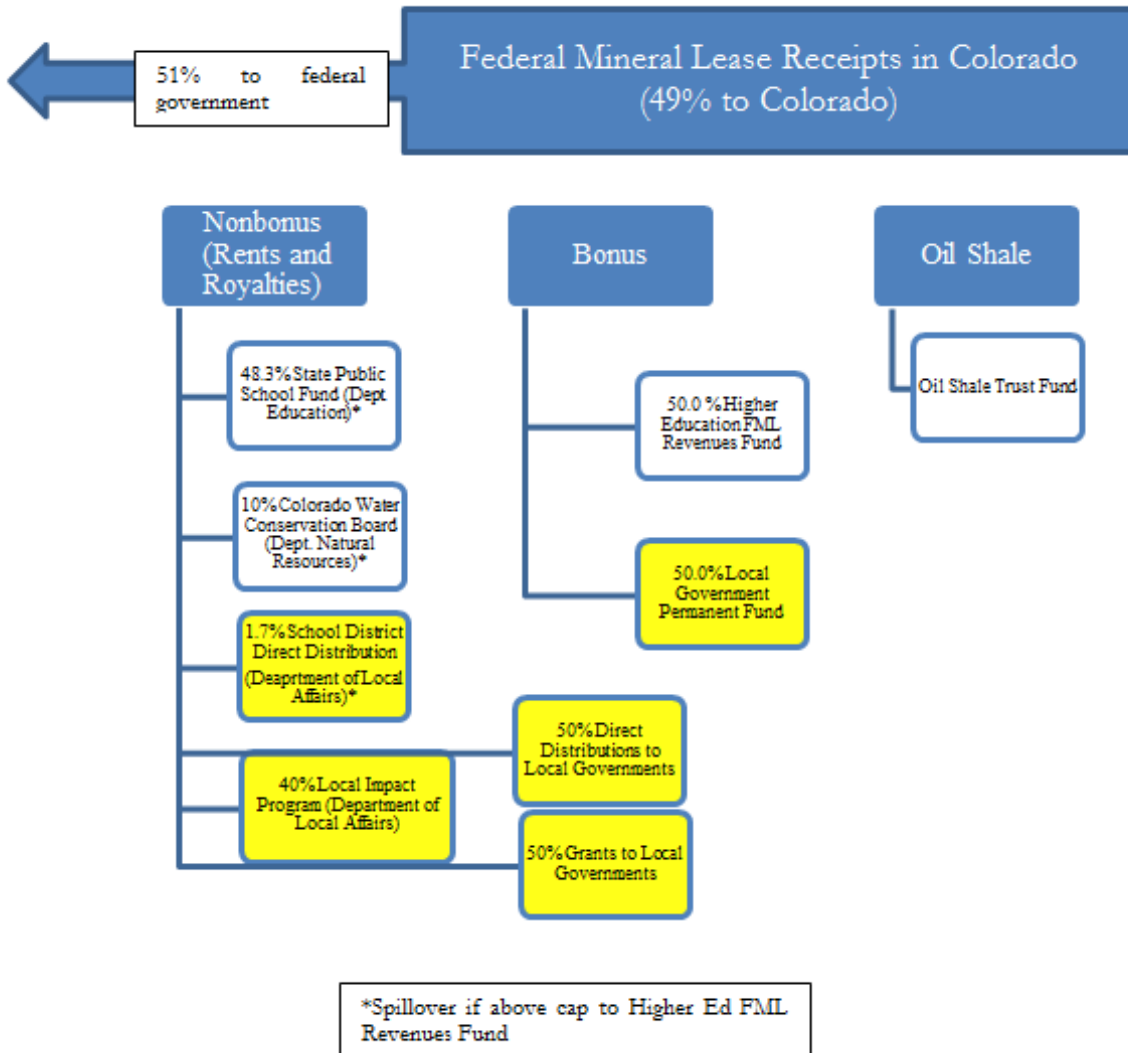
The remaining portion of these funds is distributed through **discretionary grants** to local jurisdictions. The following graphics illustrate the allocation of state severance tax revenues and federal mineral lease revenues.

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





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



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

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

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

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

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

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

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

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

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

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

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

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

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

LOCAL GOVERNMENT SEVERANCE TAX FUND					
	ACTUAL FY 2020-21	ACTUAL FY 2021-22	APPROPRIATED FY 2022-23	PROJECTED FY 2023-24	PROJECTED FY 2024-25
<b>Beginning Fund Balance (cash)</b>	<b>\$171,697,263</b>	<b>\$113,718,218</b>	<b>\$230,929,544</b>	<b>\$280,610,466</b>	<b>\$259,281,659</b>
<b>Revenue</b>	<b>(\$5,543,714)</b>	<b>\$160,100,644</b>	<b>\$162,203,003</b>	<b>\$123,844,946</b>	<b>\$103,008,830</b>
<b>Expenditures</b>	<b>\$52,435,331</b>	<b>\$42,889,318</b>	<b>\$112,522,081</b>	<b>\$145,173,753</b>	<b>\$127,860,322</b>
Administration	3,290,207	3,724,842	3,747,480	4,012,010	4,132,370
Indirect Costs	344,845	501,085	593,724	527,990	543,830
Transfers to Other Agency (CDPHE)	328,671	307,267	307,267	316,485	325,980
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	7,075,830	1,242,882	46,530,193	48,660,901	37,153,484
Payments on Prior Year Encumbrances	41,395,779	37,113,243	34,814,100	43,936,367	60,984,658
Payments on New Grant Encumbrances Est.			26,529,317	47,720,000	24,720,000
<b>Net Income</b>	<b>(\$57,979,045)</b>	<b>\$117,211,325</b>	<b>\$49,680,922</b>	<b>(\$21,328,807)</b>	<b>(\$24,851,492)</b>
<b>Ending Fund Balance (cash)</b>	<b>\$113,718,218</b>	<b>\$230,929,544</b>	<b>\$280,610,466</b>	<b>\$259,281,659</b>	<b>\$234,430,167</b>
<b>Encumbrances</b>					
New Grant Contracts Encumbered	37,406,357	15,644,918	66,323,292	119,300,000	61,800,000
Less Payments on New Grant Encumbrances Est.			(26,529,317)	(47,720,000)	(24,720,000)
Roll Forward Prior Years Grants Encumbered	72,877,847	52,221,150	17,407,050	13,264,658	23,860,000
Direct Distribution Payable	1,242,882	46,530,193	48,660,901	37,153,484	30,902,649
Emergency Grant Reserve	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
<b>Fund Balance Available for Future Grants &amp; Operation</b>	<b>(\$808,867)</b>	<b>\$113,533,282</b>	<b>\$171,748,539</b>	<b>\$134,283,517</b>	<b>\$139,587,518</b>

LOCAL GOVERNMENT MINERAL IMPACT FUND					
	ACTUAL FY 2020-21	ACTUAL FY 2021-22	APPROPRIATED FY 2022-23	PROJECTED FY 2023-24	PROJECTED FY 2024-25
<b>Beginning Fund Balance (cash)</b>	<b>\$59,982,484</b>	<b>\$65,060,286</b>	<b>\$86,320,428</b>	<b>\$101,019,374</b>	<b>\$98,338,987</b>
<b>Revenue</b>	<b>\$34,175,699</b>	<b>\$52,556,443</b>	<b>\$65,813,468</b>	<b>\$58,405,249</b>	<b>\$59,357,802</b>
<b>Expenditures</b>	<b>\$29,097,897</b>	<b>\$31,296,301</b>	<b>\$51,114,521</b>	<b>\$61,085,636</b>	<b>\$55,928,641</b>
Administration	2,477,728	2,607,075	3,065,784	3,278,007	3,376,347

LOCAL GOVERNMENT MINERAL IMPACT FUND					
	ACTUAL FY 2020-21	ACTUAL FY 2021-22	APPROPRIATED FY 2022-23	PROJECTED FY 2023-24	PROJECTED FY 2024-25
Indirect Costs	282,146	409,979	485,774	431,993	444,953
Transfers to Other Agency (DPS)	65,841	65,841	65,841	65,841	65,841
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	13,460,736	17,451,421	26,986,132	33,439,700	29,446,900
Payments on Prior Year Encumbrances	12,811,446	10,761,986	11,241,790	14,890,095	13,614,600
Payments on New Grant Encumbrances Est.	0	0	9,269,200	8,980,000	8,980,000
<b>Net Income</b>	<b>\$5,077,802</b>	<b>\$21,260,142</b>	<b>\$14,698,947</b>	<b>(\$2,680,387)</b>	<b>\$3,429,161</b>
<b>Ending Fund Balance</b>	<b>\$65,060,286</b>	<b>\$86,320,428</b>	<b>\$101,019,374</b>	<b>\$98,338,987</b>	<b>\$101,768,148</b>
<b>Encumbrances</b>					
New Grant Contracts Encumbered	7,318,640	13,888,313	23,173,000	22,450,000	22,450,000
Less Payments on New Grant Encumbrances Est.			(9,269,200)	(8,980,000)	(8,980,000)
Roll Forward Prior Years Grants Encumbered	14,196,177	16,862,684	5,620,895	4,634,600	4,490,000
Direct Distribution Payable	17,451,421	26,986,132	33,439,700	29,446,900	29,967,700
Emergency Grant Reserve	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
<b>Fund Balance Available for Future Grants</b>	<b>\$23,094,048</b>	<b>\$25,583,298</b>	<b>\$45,054,980</b>	<b>\$47,787,487</b>	<b>\$50,840,448</b>

DOLA ENERGY IMPACT ASSISTANCE PROGRAM (SEVERANCE & FML COMBINED)					
	ACTUAL FY 2020-21	ACTUAL FY 2021-22	APPROPRIATED FY 2022-23	PROJECTED FY 2023-24	PROJECTED FY 2024-25
<b>Beginning Fund Balance (cash)</b>	<b>\$59,982,484</b>	<b>\$65,060,286</b>	<b>\$86,320,428</b>	<b>\$101,019,374</b>	<b>\$98,338,987</b>
<b>Revenue</b>	<b>\$28,631,986</b>	<b>\$212,657,086</b>	<b>\$228,016,471</b>	<b>\$182,250,195</b>	<b>\$162,366,632</b>
<b>Expenditures</b>	<b>\$81,533,229</b>	<b>\$74,185,619</b>	<b>\$163,636,602</b>	<b>\$206,259,389</b>	<b>\$183,788,963</b>
Administration					
Indirect Costs	626,991	911,064	1,079,498	959,983	988,782
Transfers to Other Agency (CDPHE, DPS)	394,512	373,108	373,108	382,326	391,821
Transfers to General Fund	0	0	0	0	0
Direct Distribution (in August, prior year payable)	20,536,566	18,694,302	73,516,325	82,100,601	66,600,384
Payments on Prior Year Encumbrances	54,207,224	47,875,229	46,055,890	58,826,462	74,599,258
Payments on New Grant Encumbrances Est.	0	0	35,798,517	56,700,000	33,700,000
<b>Net Income</b>	<b>(\$52,901,243)</b>	<b>\$138,471,467</b>	<b>\$64,379,869</b>	<b>(\$24,009,194)</b>	<b>(\$21,422,331)</b>
<b>Ending Fund Balance</b>	<b>\$178,778,505</b>	<b>\$317,249,971</b>	<b>\$381,629,840</b>	<b>\$357,620,646</b>	<b>\$336,198,315</b>
<b>Encumbrances</b>					
New Grant Contracts Encumbered					
Less Payments on New Grant Encumbrances Est.					
Roll Forward Prior Years Grants Encumbered	87,074,024	69,083,835	23,027,945	17,899,258	28,350,000
Direct Distribution Payable	18,694,302	73,516,325	82,100,601	66,600,384	60,870,349
Emergency Grant Reserve	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
<b>Fund Balance Available for Future Grants</b>	<b>\$22,285,181</b>	<b>\$139,116,580</b>	<b>\$216,803,519</b>	<b>\$182,071,004</b>	<b>\$190,427,966</b>

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

### LOCAL GOVERNMENT PERMANENT FUND

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

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

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

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

*RECOMMENDATION:* **Consistent with the Department request, staff does not recommend an appropriation from this fund for FY 2023-24.** Based on the December 2022 revenue forecast from Legislative Council Staff, an appropriation would not be statutorily authorized.

## LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS

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

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

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

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

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

*REQUEST:* The Department requests an informational appropriation of \$6,050,111 from the Local Government Limited Gaming Impact Fund, based on estimated formula distributions.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,127,850	\$0	\$5,127,850	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,127,850</b>	<b>\$0</b>	<b>\$5,127,850</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,127,850	\$0	\$5,127,850	\$0	\$0	0.0
Technical adjustments	922,261	0	922,261	0	0	0.0
<b>TOTAL</b>	<b>\$6,050,111</b>	<b>\$0</b>	<b>\$6,050,111</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$922,261</b>	<b>\$0</b>	<b>\$922,261</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	18.0%	n/a	18.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$6,050,111</b>	<b>\$0</b>	<b>\$6,050,111</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**LOCAL GOVERNMENT GEOTHERMAL ENERGY IMPACT GRANTS**

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

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

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

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

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

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

#### RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS

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

Funding of \$750,000 General Fund was again added by the General Assembly in FY 2015-16 through a Long Bill amendment, and this funding has been continued annually. Prior to S.B. 20-002 (Rural Economic Development Initiative Grant Program), there was no separate statutory authority for this program. The bill specifies criteria that the Department is required to consider when evaluating grant applications and requires prioritization of applications that would create new jobs. It also specifies the types of projects for which REDI grants may be awarded, requires grant recipients to provide matching funds, and directs DOLA to administer the program in consultation with the Colorado Office of Economic Development. S.B. 21-204 (Rural Economic Development Initiative Grant Funding) provided a one-time appropriation of \$5.0 million General Fund to the program in FY 2021-22, in addition to the \$780,000 provided in the Long Bill.

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

*REQUEST:* The Department requests a \$780,000 General Fund appropriation, which is a continuation level of funding.

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

#### SEARCH AND RESCUE PROGRAM

The Search and Rescue Program reimburses political subdivisions for the costs incurred in search and rescue operations, and provides partial funding for search and rescue equipment. The cash fund that supports the program receives revenue from a statutory \$0.25 surcharge on hunting and fishing licenses, boat registrations, snowmobile registrations, and off-highway vehicle registrations. The program also receives funding from other outdoor recreational users, such as hikers, bikers, cross country skiers, and climbers who voluntarily purchase a Colorado Outdoor Recreation Search and Rescue Card for \$3 for one year or \$12 for five years. S.B. 22-168 (Backcountry Search and Rescue) transfers the program to the Division of Parks and Wildlife in the Department of Natural Resources.

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

*REQUEST:* The Department requests \$318,538 cash funds. The request omitted the annualization of S.B. 22-168 (Backcountry Search and Rescue), which transfers remaining funding to the Department of Natural Resources.

*RECOMMENDATION:* **Staff recommends no funding for this program, consistent with S.B. 22-168 (Backcountry Search and Rescue).**



DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, SEARCH AND RESCUE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$628,246	\$0	\$628,246	\$0	\$0	1.3
Other legislation	(314,123)	0	(314,123)	0	0	(1.3)
<b>TOTAL</b>	<b>\$314,123</b>	<b>\$0</b>	<b>\$314,123</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$314,123	\$0	\$314,123	\$0	\$0	0.0
Annualize prior year budget actions	4,415	0	4,415	0	0	0.0
Annualize prior year legislation	(318,538)	0	(318,538)	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>INCREASE/(DECREASE)</b>	<b>(\$314,123)</b>	<b>\$0</b>	<b>(\$314,123)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(100.0%)	n/a	(100.0%)	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$318,538</b>	<b>\$0</b>	<b>\$318,538</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$318,538	\$0	\$318,538	\$0	\$0	0.0

### GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM

The Gray and Black Market Marijuana Enforcement Grant Program provides funding to local law enforcement agencies and district attorneys to cover costs associated with the investigation and prosecution of unlicensed and illegal marijuana cultivation or distribution operations pursuant to H.B. 17-1221 (Grey and Black Market Marijuana Enforcement Efforts). The Division of Local Government is required to prioritize grants to provide necessary financial assistance to local law enforcement agencies and district attorneys in rural areas<sup>5</sup> and to support the investigation and prosecution of unlicensed and illegal operations that are large-scale, involve organized crime, or divert marijuana outside of Colorado.

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

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

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

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

*REQUEST:* The Department requests \$963,668 cash funds from the Marijuana Tax Cash Fund and 2.5 FTE. The request includes salary increases awarded in FY 2022-23.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$955,178	\$0	\$955,178	\$0	\$0	2.5
<b>TOTAL</b>	<b>\$955,178</b>	<b>\$0</b>	<b>\$955,178</b>	<b>\$0</b>	<b>\$0</b>	<b>2.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$955,178	\$0	\$955,178	\$0	\$0	2.5
Annualize prior year budget actions	8,490	0	8,490	0	0	0.0
<b>TOTAL</b>	<b>\$963,668</b>	<b>\$0</b>	<b>\$963,668</b>	<b>\$0</b>	<b>\$0</b>	<b>2.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,490</b>	<b>\$0</b>	<b>\$8,490</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.9%	n/a	0.9%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$963,668</b>	<b>\$0</b>	<b>\$963,668</b>	<b>\$0</b>	<b>\$0</b>	<b>2.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## HB 17-1326 CRIME PREVENTION INITIATIVE GRANTS

### Background Information – H.B. 17-1326

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

General Fund appropriations to the Division’s Field Services, Program Costs line item and to centrally appropriated line items support 1.0 FTE to oversee both the grant and loan programs. The loan program is no longer receiving new appropriations due to underutilization, but continues to operate with the goal of expending funds that have already been appropriated to meet anticipated loan demand until the program is repealed.

### Grant Program

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

- academic improvement programs;
- community-based services;
- community engagement programs;
- increasing safety and usability of common outdoor-spaces programs;
- technical assistance related to data collection, data analysis, and evaluation; and

- administrative costs of the foundation.

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

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

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

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

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

#### APPROPRIATION TO THE PEACE OFFICERS BEHAVIORAL HEALTH SUPPORT AND COMMUNITY PARTNERSHIP FUND and PEACE OFFICERS BEHAVIORAL HEALTH SUPPORT AND COMMUNITY PARTNERSHIP GRANT PROGRAM

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

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

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

The General Assembly has historically appropriated \$2,000,000 General Fund in the Long Bill for this program. This amount is credited to the Peace Officers Behavioral Health Support and Community Partnership Fund, so the Department receives a corresponding \$2,000,000 appropriation from reappropriated funds. The Department is authorized to use up to 7.0 percent of the money annually appropriated for the program to pay the direct and indirect costs of administering the program. All

unexpended and unencumbered money remains in the Peace Officers Behavioral Health Support and Community Partnership Fund at the end of any fiscal year and can be used for future cycles

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

*REQUEST:* The Department requests a \$2,000,000 General Fund appropriation into the Peace Officers Mental Health Support Fund, and a \$2,002,214 and 1.0 FTE appropriation out of this cash fund. The request for reappropriated funds includes salary increases awarded in FY 2022-23. The request also includes the annualization of one-time funding provided by S.B. 22-005 (Law Enforcement Agency Peace Officer Services).

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, APPROPRIATION TO THE PEACE OFFICERS BEHAVIORAL HEALTH SUPPORT FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$3,000,000	\$3,000,000	\$0	\$0	\$0	0.0
HB 22-1329 (Long Bill)	2,000,000	2,000,000	0	0	0	0.0
<b>TOTAL</b>	<b>\$5,000,000</b>	<b>\$5,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,000,000	\$5,000,000	\$0	\$0	\$0	0.0
Annualize prior year legislation	(3,000,000)	(3,000,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$3,000,000)</b>	<b>(\$3,000,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(60.0%)	(60.0%)	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,000,000</b>	<b>\$2,000,000</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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PEACE OFFICERS BEHAVIORAL HEALTH SUPPORT AND COMMUNITY PARTNERSHIP GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$6,800,000	\$0	\$0	\$6,800,000	\$0	1.0
Other legislation	3,000,000	\$0	0	3,000,000	0	2.5
<b>TOTAL</b>	<b>\$9,800,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,800,000</b>	<b>\$0</b>	<b>3.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$9,800,000	\$0	\$0	\$9,800,000	\$0	3.5
Annualize prior year budget actions	2,214	0	0	2,214	0	0.0
Technical adjustments	(4,800,000)	0	0	(4,800,000)	0	0.0
Annualize prior year legislation	(3,000,000)	0	0	(3,000,000)	0	(2.5)
<b>TOTAL</b>	<b>\$2,002,214</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,002,214</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$7,797,786)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$7,797,786)</b>	<b>\$0</b>	<b>(2.5)</b>
Percentage Change	(79.6%)	n/a	n/a	(79.6%)	n/a	(71.4%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,002,214</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,002,214</b>	<b>\$0</b>	<b>1.0</b>

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PEACE OFFICERS BEHAVIORAL HEALTH SUPPORT AND COMMUNITY PARTNERSHIP GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM**

House Bill 18-1353 established the Defense Counsel on First Appearance Grant Program to provide grants to reimburse local governments, in part or in full, for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. This line item provides funding for the Program, including related administrative expenses. Approximately \$1.8 million is set aside for grant awards annually, and unspent funds remain in the program for the following year. The program is scheduled to undergo a sunset review during the 2023 legislative session and will repeal on September 1, 2023 unless the General Assembly chooses to continue it.

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

*REQUEST:* The Department requests \$1,999,982 General Fund and 0.5 FTE. The request includes salary increases that were awarded in FY 2022-23.

*RECOMMENDATION:* **Staff recommends \$333,330 General Fund and 0.1 FTE to account for the scheduled September 1, 2023 sunset.** The remaining requested funding will be provided by S.B. 23-072 (Sunset Defense Counsel First Appearance Grant Program).

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,998,494	\$1,998,494	\$0	\$0	\$0	0.5
<b>TOTAL</b>	<b>\$1,998,494</b>	<b>\$1,998,494</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,998,494	\$1,998,494	\$0	\$0	\$0	0.5
Annualize prior year budget actions	1,488	1,488	0	0	0	0.0
Technical adjustments	(1,666,652)	(1,666,652)	0	0	0	(0.4)
<b>TOTAL</b>	<b>\$333,330</b>	<b>\$333,330</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.1</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,665,164)</b>	<b>(\$1,665,164)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(0.4)</b>
Percentage Change	(83.3%)	(83.3%)	n/a	n/a	n/a	(80.0%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,999,982</b>	<b>\$1,999,982</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.5</b>
Request Above/(Below) Recommendation	\$1,666,652	\$1,666,652	\$0	\$0	\$0	0.4

## LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM

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

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

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

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

DOLA was not required to implement this program until it received “sufficient funds”. Since its inception on July 1, 2018, the fund has collected \$849,454. In an effort to effectively launch the program, the Division of Local Government has undertaken extensive recruitment efforts to seat the 17-member committee and has formally solicited over 60 eligible organizations. Since outreach commenced, an average of one application per month has been received. Recruitment efforts will continue until acceptable applications are received for all committee seats and the committee is successfully filled. No grants have been awarded to date.

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

*REQUEST:* The Department requests \$277,425 cash funds and 1.0 FTE. The request includes salary increases that were awarded in FY 2022-23.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$274,029	\$0	\$274,029	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$274,029</b>	<b>\$0</b>	<b>\$274,029</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$274,029	\$0	\$274,029	\$0	\$0	1.0
Annualize prior year budget actions	3,396	0	3,396	0	0	0.0
<b>TOTAL</b>	<b>\$277,425</b>	<b>\$0</b>	<b>\$277,425</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,396</b>	<b>\$0</b>	<b>\$3,396</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.2%	n/a	1.2%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$277,425</b>	<b>\$0</b>	<b>\$277,425</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM

House Bill 21-1271 (Department of Local Affairs Innovative Affordable Housing Strategies) created the Affordable Housing Development Incentives Grant Program to offer grants to local governments that adopt at least three policy and regulatory tools from a menu of options enumerated in the bill that incentivize the development of affordable housing. The bill transferred \$9.3 million from the General Fund and \$30.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities Fund and made a corresponding FY 2021-22 appropriation to support the program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2023-24.

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

*REQUEST:* The Department requests no funding for this line item.

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

### LOCAL GOVERNMENT PLANNING GRANT PROGRAM

House Bill 21-1271 (Department of Local Affairs Innovative Affordable Housing Strategies) created the Local Government Planning Grant Program to provide grants to local governments to assess housing needs or to make changes to local policies to become eligible for a Housing Development Incentives Grant. The Division of Local Government is required to update model land use codes for local governments. The bill transferred \$2.1 million from the General Fund and \$5.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities Fund and made a corresponding FY 2021-22 appropriation to support the program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2023-24.

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

*REQUEST:* The Department requests no funding for this line item.

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

**MICROGRIDS FOR COMMUNITY RESILIENCE GRANT PROGRAM (NEW LINE ITEM)**

This line item was created by H.B. 22-1013 (Microgrids for Community Resilience Grant Program) and provided \$3.5 million General Fund, with roll-forward authority through FY 2025-26, for a grant program to be administered in collaboration with the Colorado Energy Office. A cooperative electric association or a municipally owned utility may apply for a grant to finance the purchase of microgrid resources in eligible rural communities within the utility's service territory that are at significant risk of experiencing severe weather or natural disaster events and in which one or more community anchor institutions, which institutions are important community, educational, health care, or other institutions, are located. The microgrids, which can be connected to or be disconnected from, and work independent of, the utility's electric grid, can increase an eligible rural community's ability to avoid or remediate interruptions to the electric grid, such as those caused by severe weather or natural disaster events.

*STATUTORY AUTHORITY:* Section 40-9.8-102 through 40-9.8-104, C.R.S.

*REQUEST:* The Department requests \$131,708 General Fund, consistent with the Legislative Council Staff Fiscal Note for H.B. 22-1013 (Microgrids for Community Resilience Grant Program).

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, MICROGRIDS FOR COMMUNITY RESILIENCE GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$3,500,000	\$3,500,000	\$0	\$0	\$0	1.6
HB 22-1329 (Long Bill)	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,500,000</b>	<b>\$3,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>1.6</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,500,000	\$3,500,000	\$0	\$0	\$0	1.6
Annualize prior year legislation	(3,368,292)	(3,368,292)	0	0	0	0.4
<b>TOTAL</b>	<b>\$131,708</b>	<b>\$131,708</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$3,368,292)</b>	<b>(\$3,368,292)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.4</b>
Percentage Change	(96.2%)	(96.2%)	n/a	n/a	n/a	25.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$131,708</b>	<b>\$131,708</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>2.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**SMALL COMMUNITY-BASED NONPROFIT GRANT PROGRAM (NEW LINE ITEM)**

This line item was created by H.B. 22-1356 (Small Community-based Nonprofit Grant Program) to provide grants to eligible recipients for infrastructure and capacity building. Eligible recipients are



small community-based nonprofit organizations that have been impacted by the COVID-19 public health emergency. The program received one-time funding of \$35.0 million from the Economic Recovery and Relief Cash Fund, originating from federal American Rescue Plan Act funds. The Department has through December 30, 2024 to expend the funds.

*STATUTORY AUTHORITY:* Section 24-32-132, C.R.S.

*REQUEST:* The Department does not request additional funding for this program.

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

APPROPRIATION TO THE PUBLIC DEFENDER AND PROSECUTOR BEHAVIORAL HEALTH SUPPORT FUND

and

PUBLIC DEFENDER AND PROSECUTOR BEHAVIORAL HEALTH SUPPORT PROGRAM (NEW LINE ITEMS)

These lines were created by S.B. 22-188 (Behavioral Health Support for Criminal Justice Advocates) for the Public Defender and Prosecutor Behavioral Health Support Program in DOLA to provide funding to the Office of the State Public Defender (OSPD) and district attorney's offices. DOLA is required to allocate half of total program appropriations and gifts, grants, and donations to the OSPD, and the other half to the Colorado District Attorneys' Council, and these entities are required to administer grant funding and provide reports to the legislature following timelines established in the bill.

*STATUTORY AUTHORITY:* Section 24-32-3502, C.R.S.

*REQUEST:* The Department requests a continuation level of funding of \$500,000 General Fund to the Public Defender and Prosecutor Behavioral Health Support Fund and a corresponding \$500,000 reappropriation out of that fund, consistent with the Legislative Council Staff Fiscal Note for S.B. 22-188 (Behavioral Health Support for Criminal Justice Advocates). However, the amount of funding for this program is at the discretion of the General Assembly.

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

(C) INDIRECT COST ASSESSMENTS

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

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

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

*REQUEST:* The Department requests \$848,977 total funds.

*RECOMMENDATION:* **Staff recommends appropriating \$790,631 total funds based on the Department’s updated indirect cost plan.** [More information about the Department’s indirect cost assessments is provided at the end of this packet.]

DIVISION OF LOCAL GOVERNMENT, INDIRECT COST ASSESSMENTS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$759,210	\$0	\$152,279	\$533,880	\$73,051	0.0
<b>TOTAL</b>	<b>\$759,210</b>	<b>\$0</b>	<b>\$152,279</b>	<b>\$533,880</b>	<b>\$73,051</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$759,210	\$0	\$152,279	\$533,880	\$73,051	0.0
Indirect cost assessment	31,421	0	(33,566)	21,403	43,584	0.0
<b>TOTAL</b>	<b>\$790,631</b>	<b>\$0</b>	<b>\$118,713</b>	<b>\$555,283</b>	<b>\$116,635</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$31,421</b>	<b>\$0</b>	<b>(\$33,566)</b>	<b>\$21,403</b>	<b>\$43,584</b>	<b>0.0</b>
Percentage Change	4.1%	n/a	(22.0%)	4.0%	59.7%	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$58,346	\$0	\$36,954	\$54,579	(\$33,187)	0.0

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

Staff recommends **modifying** the following Long Bill footnote:

- 77 Department of Local Affairs, Executive Director's Office, Moffat Tunnel Improvement District -- It is the General Assembly's intent that the Department continue its current practice of retaining lease payment revenues in the Moffat Tunnel Cash Fund and suspending distribution payments to Improvement District counties because this practice ensures that funds remain available to cover any potential Improvement District liabilities related to the Tunnel and any costs related to studies or other actions that need to occur prior to the expiration of the lease with Union Pacific Railroad in 2025 in order to protect the interests of the Improvement District and the State. THIS APPROPRIATION REMAINS AVAILABLE FOR EXPENDITURE UNTIL THE CLOSE OF THE 2024-25 STATE FISCAL YEAR.

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

The Union Pacific lease expires in 2025 and the Department plans to significantly spend down the balance of the Moffat Tunnel Cash Fund to renegotiate the lease. This footnote was first included in the FY 2018-19 Long Bill; staff recommends adding language providing roll-forward authority as recommended in R7.

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

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

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

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

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

Background Information – Appropriations from the Marijuana Tax Cash Fund

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Staff recommends eliminating the following footnotes:

- ~~79a Department of Local Affairs, Division of Housing, Community and Non-Profit Services, Low Income Rental Subsidies -- Of this appropriation, \$8,000,000 cash funds appropriated from the Revenue Loss Restoration Cash Fund remain available for expenditure until the close of the 2023-24 state fiscal year. It is the General Assembly's intent that \$8,000,000 cash funds appropriated from the Revenue Loss Restoration Cash Fund be used to provide emergency rental assistance through the Colorado emergency rental assistance program administered by the Department of Local Affairs. Because the original source of \$8,000,000 cash funds appropriated from the Revenue Loss Restoration Cash Fund is federal funds received under the federal "American Rescue Plan Act of 2021" and it is not reasonable to interpret Section 29-32-106, C.R.S., to require the calculation of the amount of an ongoing maintenance of effort obligation to include appropriations made from one-time receipts of federal funds, it is~~

~~the General Assembly’s further intent that \$8,000,000 cash funds appropriated from the Revenue Loss Restoration Cash Fund not be counted as “appropriations for affordable housing programs as of state fiscal year 2022-23” for the purpose of determining the amount of the maintenance of effort required by Section 29-32-106, C.R.S.~~

**COMMENT:** This footnote was added through S.B. 23-124 (Department of Local Affairs Supplemental) to provide roll-forward authority and express legislative intent related to a one-time appropriation for emergency rental assistance.

~~80a Department of Local Affairs, Division of Housing, Field Services, Manufactured Buildings Program -- The Department may spend up to 115.0 percent of the cash funds amount appropriated for this purpose in the FY 2022-23 fiscal year. It is the General Assembly’s intent to revisit this policy during the 2023 legislative session.~~

**COMMENT:** This footnote was added to the 2022 Long Bill to provide the Department’s Manufactured Buildings Program with additional spending authority due to the potential impact of H.B. 22-1282 (The Innovative Housing Incentive Program). The Legislative Council Staff Fiscal Note for H.B. 22-1282 acknowledged that the bill may spur activity among home builders and manufacturers regulated by DOLA, but did not provide additional resources to address the increased activity. This footnote is no longer needed if the Department’s R5 request is approved as recommended.

## REQUESTS FOR INFORMATION

There were no information requests for the Department of Local Affairs include with the 2022 Long Bill. Staff does not recommend adding any information requests.

## INDIRECT COST ASSESSMENTS

### DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

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

### INDIRECT COST POOL

The Indirect Cost Pool is comprised of approved division level costs that provide support either to the entire department through the Executive Director’s Office (EDO) or to individual divisions through program and personal services lines. The Indirect Cost Pool is based on the most recently available actual costs, which results in a two-year lag time. For example, FY 2023-24 pool is based on actual expenditures in FY 2021-22. The pool also includes the Department’s allocation of statewide indirect costs, as well as fixed asset depreciation, leave costs, and indirect cost carry-forward adjustments.

INDIRECT COST BASE

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

INDIRECT COST RATE

The Department calculates an Indirect Cost Rate for each division by dividing the Indirect Cost Pool by the Indirect Cost Base. The Indirect Cost Rate is multiplied by the projected salary and fringe benefits by funding source to determine the estimated indirect cost assessment for each division. Table 1 shows the estimated indirect cost assessment for FY 2023-24 for each division by fund source. The figures in this table are based on the Department’s updated indirect cost rates for FY 2023-24 and its requested appropriations for FY 2023-24.

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2023-24 (DOLA FEBRUARY 2023 UPDATE)

DESCRIPTION	TOTAL FUNDS	CASH FUND SOURCES	REAPPROPRIATED FUND SOURCES	FEDERAL FUND SOURCES
<b>State Demography Office</b>				
Conservation Trust Fund	\$15,020	\$12,703	\$0	\$2,317
<b>Subtotal - State Demography Office</b>	<b>\$15,020</b>	<b>\$12,703</b>	<b>\$0</b>	<b>\$2,317</b>
<b>Division of Property Taxation</b>				
Local Government Severance Tax Fund	\$11,999	\$0	\$11,999	\$0
Local Government Mineral Impact Fund	9,828	0	9,828	0
Property Tax Exemption Fund	90,685	90,685	0	0
Board of Assessment Appeals Cash Fund	6,382	6,382	0	0
<b>Subtotal - Property Taxation</b>	<b>\$118,894</b>	<b>\$97,067</b>	<b>\$21,827</b>	<b>\$0</b>
<b>Division of Housing</b>				
Local Government Severance Tax Fund	33,491	0	33,491	0
Local Government Mineral Impact Fund	27,334	0	27,334	0
Marijuana Tax Cash Fund (transferred from Affordable Housing Construction Grants and Loans line item)	62,855	0	62,855	0
General Fund (transferred from Affordable Housing Construction Grants and Loans line item)	78,522	0	78,522	0
Medicaid funds transferred from HCPF (transferred from Affordable Housing Construction Grants and Loans line item)	61,831	0	61,831	0
Marijuana Tax Cash Fund	9,754	9,754	0	0
Building Regulation Fund	248,591	248,591	0	0
Private Activity Bond Allocations Fund	15,351	15,351	0	0
Homeless Prevention Activities Program Fund	0	0	0	0
Mobile Home Park Act Program Fund	77,595	77,595	0	0
Housing Development Grant Fund (vendor fee transfer)	98,734	98,734	0	0
Transformational Housing Revolving Loan Fund	130,011	130,011	0	0
Mobile Home Park Resident Empowerment Program Fund	35,233	35,233	0	0
Affordable Housing Support Fund (Proposition 123)	177,357	177,357	0	0
Federal grants	503,513	0	0	503,513
<b>Subtotal - Housing</b>	<b>\$1,560,172</b>	<b>\$792,626</b>	<b>\$264,033</b>	<b>\$503,513</b>
<b>Division of Local Government</b>				
Local Government Severance Tax Fund	296,334	0	296,334	0
Local Government Mineral Impact Fund	242,320	0	242,320	0

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2023-24 (DOLA FEBRUARY 2023 UPDATE)

DESCRIPTION	TOTAL FUNDS	CASH FUND SOURCES	REAPPROPRIATED FUND SOURCES	FEDERAL FUND SOURCES
Colorado Water Resource & Power Development Authority, Water Pollution Control Revolving Fund	30,247	30,247	0	0
Conservation Trust Fund	28,712	28,712	0	0
Local Government Limited Gaming Impact Fund	18,670	18,670	0	0
Marijuana Tax Cash Fund	29,771	29,771	0	0
Law Enforcement Community Services Grant Program Fund	11,313	11,313	0	0
Peace Officers Behavioral and Mental Health Support Grant Fund	16,629	16,629	0	0
Community Development Block Grant	59,049	0	0	59,049
Community Services Block Grant	27,129	0	0	27,129
Other Federal Funds	30,458	0	0	30,458
<b>Subtotal - Local Government</b>	<b>\$790,632</b>	<b>\$135,342</b>	<b>\$538,654</b>	<b>\$116,636</b>
<b>TOTAL INDIRECT COST ASSESSMENTS</b>	<b>\$2,484,718</b>	<b>\$1,037,738</b>	<b>\$824,514</b>	<b>\$622,466</b>

USE OF INDIRECT COST COLLECTIONS TO REDUCE GENERAL FUND APPROPRIATIONS

Indirect cost assessments are applied in certain line items to offset General Fund that would otherwise be required. For FY 2023-24, the use of total indirect costs will be less than the FY 2023-24 assessments reflected in Table 1 by \$258,493. Staff recommends applying all of the indirect cost assessments within line items in the Executive Director’s Office. Staff recommendation for application of indirect costs in Table 2 is lower than the Department’s request due to differences in the request versus recommendation for R6 EDO Capacity Expansion, which affects the Personal Services and Operating Expenses lines. The Department can pause collection of indirect cost collections at any point in the year to rebalance collections with expenditures.

TABLE 2: APPLICATION OF INDIRECT COST RECOVERIES AND INDIRECT COSTS EXCESS RECOVERY FUND

	FY 2022-23	FY 2023-24	CHANGE
Personal Services	\$1,740,149	\$2,003,568	\$263,419
Operating Expenses	156,479	175,167	11,388
Payments to OIT	54,790	54,790	0
<b>TOTAL</b>	<b>\$1,951,418</b>	<b>\$2,226,225</b>	<b>\$274,807</b>



*JBC Staff Figure Setting - FY 2023-24*  
*Staff Working Document - Does Not Represent Committee Decision*

**Appendix A: Numbers Pages**

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
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<b>DEPARTMENT OF LOCAL AFFAIRS</b> <b>Richard Garcia, Executive Director</b>
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**(1) EXECUTIVE DIRECTOR'S OFFICE**

**(A) Administration**

Personal Services	<u>1,269,805</u>	<u>1,512,706</u>	<u>1,740,149</u>	<u>2,208,916</u>	<u>2,003,568</u> *
FTE	11.8	13.4	16.9	20.2	18.8
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,269,805	1,512,706	1,740,149	2,208,916	2,003,568
Health, Life, and Dental	<u>1,319,919</u>	<u>1,582,436</u>	<u>2,346,059</u>	<u>2,888,228</u>	<u>2,888,228</u>
General Fund	404,300	581,158	687,889	949,848	949,848
Cash Funds	326,995	318,303	586,628	607,025	607,025
Reappropriated Funds	588,624	682,975	597,390	676,707	676,707
Federal Funds	0	0	474,152	654,648	654,648
Short-term Disability	<u>18,674</u>	<u>17,495</u>	<u>26,068</u>	<u>26,415</u>	<u>26,415</u>
General Fund	6,920	6,606	7,462	7,820	7,820
Cash Funds	3,256	2,899	5,785	4,647	4,647
Reappropriated Funds	8,498	7,990	7,413	7,790	7,790
Federal Funds	0	0	5,408	6,158	6,158

*JBC Staff Figure Setting - FY 2023-24*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
S.B. 04-257 Amortization Equalization Disbursement	<u>564,462</u>	<u>577,545</u>	<u>872,902</u>	<u>893,575</u>	<u>893,575</u>
General Fund	209,181	215,232	249,852	269,797	269,797
Cash Funds	98,408	92,135	193,722	160,466	160,466
Reappropriated Funds	256,873	270,178	248,231	251,979	251,979
Federal Funds	0	0	181,097	211,333	211,333
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>564,462</u>	<u>577,545</u>	<u>872,902</u>	<u>893,575</u>	<u>893,575</u>
General Fund	209,181	215,232	249,852	269,797	269,797
Cash Funds	98,408	92,135	193,722	160,466	160,466
Reappropriated Funds	256,873	270,178	248,231	251,979	251,979
Federal Funds	0	0	181,097	211,333	211,333
Salary Survey	<u>0</u>	<u>332,368</u>	<u>573,826</u>	<u>1,068,505</u>	<u>1,068,505</u>
General Fund	0	140,862	164,247	320,222	320,222
Cash Funds	0	44,454	127,349	193,403	193,403
Reappropriated Funds	0	147,052	163,181	327,406	327,406
Federal Funds	0	0	119,049	227,474	227,474
PERA Direct Distribution	<u>0</u>	<u>272,503</u>	<u>254,051</u>	<u>61,117</u>	<u>61,117</u>
General Fund	0	101,015	0	18,462	18,462
Cash Funds	0	44,325	78,991	10,970	10,970
Reappropriated Funds	0	127,163	101,217	17,139	17,139
Federal Funds	0	0	73,843	14,546	14,546
Workers' Compensation	<u>116,923</u>	<u>108,971</u>	<u>103,789</u>	<u>102,149</u>	<u>102,149</u>
General Fund	41,363	38,550	36,717	36,797	36,797
Cash Funds	23,913	22,234	21,956	25,180	25,180
Reappropriated Funds	51,647	48,187	45,116	40,172	40,172

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	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
Operating Expenses	<u>119,055</u>	<u>131,937</u>	<u>156,479</u>	<u>175,167</u>	<u>167,867</u> *
General Fund	0	0	0	0	0
Reappropriated Funds	119,055	131,937	156,479	175,167	167,867
Legal Services	<u>541,182</u>	<u>391,103</u>	<u>306,812</u>	<u>1,011,577</u>	<u>1,011,577</u>
General Fund	356,182	125,082	241,510	681,293	681,293
Cash Funds	25,000	246,021	51,583	319,523	319,523
Reappropriated Funds	160,000	20,000	13,719	10,761	10,761
Administrative Law Judge Services	<u>0</u>	<u>810</u>	<u>0</u>	<u>453</u>	<u>453</u>
General Fund	0	0	0	0	0
Cash Funds	0	810	0	453	453
Reappropriated Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>48,411</u>	<u>81,766</u>	<u>122,487</u>	<u>125,220</u>	<u>125,220</u>
General Fund	17,126	28,925	43,304	45,108	45,108
Cash Funds	9,901	16,945	25,707	30,866	30,866
Reappropriated Funds	21,384	35,896	53,476	49,246	49,246
Vehicle Lease Payments	<u>97,980</u>	<u>110,582</u>	<u>120,123</u>	<u>125,883</u>	<u>125,883</u> *
General Fund	92,917	101,761	108,142	87,428	87,428
Cash Funds	0	0	0	28,551	28,551
Reappropriated Funds	5,062	8,821	11,981	9,904	9,904
Information Technology Asset Maintenance	<u>65,590</u>	<u>38,927</u>	<u>74,950</u>	<u>102,656</u>	<u>102,656</u> *
General Fund	28,713	9,816	28,713	36,158	36,158
Cash Funds	11,429	9,455	11,530	13,909	13,909
Reappropriated Funds	25,447	19,656	34,707	52,589	52,589

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	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
Leased Space	<u>41,451</u>	<u>40,535</u>	<u>47,000</u>	<u>47,000</u>	<u>47,000</u>
General Fund	18,500	16,960	18,500	18,500	18,500
Cash Funds	0	0	0	0	0
Reappropriated Funds	22,951	23,575	28,500	28,500	28,500
Capitol Complex Leased Space	<u>537,077</u>	<u>592,505</u>	<u>748,490</u>	<u>792,082</u>	<u>792,082</u> *
General Fund	224,267	247,412	237,267	261,607	261,607
Cash Funds	108,638	120,286	119,581	173,265	173,265
Reappropriated Funds	204,172	224,807	211,362	215,190	215,190
Federal Funds	0	0	180,280	142,020	142,020
Payments to OIT	<u>1,568,352</u>	<u>1,562,346</u>	<u>3,102,976</u>	<u>3,147,230</u>	<u>3,147,230</u> *
General Fund	599,713	772,276	886,434	850,159	850,159
Cash Funds	238,230	219,929	524,432	547,682	547,682
Reappropriated Funds	730,409	570,141	1,154,563	1,191,657	1,191,657
Federal Funds	0	0	537,547	557,732	557,732
CORE Operations	<u>405,208</u>	<u>340,164</u>	<u>617,841</u>	<u>432,249</u>	<u>432,249</u> *
General Fund	143,348	120,337	170,515	128,258	128,258
Cash Funds	82,877	69,140	100,670	87,767	87,767
Reappropriated Funds	178,983	150,687	210,820	140,027	140,027
Federal Funds	0	0	135,836	76,197	76,197
Moffat Tunnel Improvement District	<u>109</u>	<u>109</u>	<u>5,000</u>	<u>295,000</u>	<u>295,000</u> *
General Fund	0	0	0	0	0
Cash Funds	109	109	5,000	295,000	295,000
Reappropriated Funds	0	0	0	0	0

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Statewide training	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,620</u>	<u>3,620</u> *
General Fund	0	0	0	1,074	1,074
Cash Funds	0	0	0	735	735
Reappropriated Funds	0	0	0	1,173	1,173
Federal Funds	0	0	0	638	638
IT Accessibility	<u>0</u>	<u>0</u>	<u>0</u>	<u>579,813</u>	<u>579,813</u> *
General Fund	0	0	0	229,433	229,433
Cash Funds	0	0	0	219,401	219,401
Reappropriated Funds	0	0	0	20,641	20,641
Federal Funds	0	0	0	110,338	110,338
<b>SUBTOTAL - (A) Administration</b>	<b>7,278,660</b>	<b>8,272,353</b>	<b>12,091,904</b>	<b>14,980,430</b>	<b>14,767,782</b>
<i>FTE</i>	<u>11.8</u>	<u>13.4</u>	<u>16.9</u>	<u>20.2</u>	<u>18.8</u>
General Fund	2,351,712	2,721,224	3,130,404	4,211,761	4,211,761
Cash Funds	1,027,164	1,299,180	2,046,656	2,879,309	2,879,309
Reappropriated Funds	3,899,784	4,251,949	5,026,535	5,676,943	5,464,295
Federal Funds	0	0	1,888,309	2,212,417	2,212,417

**(B) State Demography Office**

in the Executive Director's Office in FY 2020-21.

Program Costs	<u>522,432</u>	<u>566,167</u>	<u>603,662</u>	<u>622,001</u>	<u>622,001</u>
FTE	6.0	6.0	6.0	6.0	6.0
General Fund	422,034	468,243	482,383	496,665	496,665
Cash Funds	77,509	79,509	102,321	105,717	105,717
Federal Funds	22,889	18,415	18,958	19,619	19,619

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Indirect Cost Assessment	<u>13,277</u>	<u>8,201</u>	<u>11,634</u>	<u>13,290</u>	<u>15,020</u>
Cash Funds	13,277	8,201	9,479	10,828	12,703
Federal Funds	0	0	2,155	2,462	2,317
<b>SUBTOTAL - (B) State Demography Office</b>	535,709	574,368	615,296	635,291	637,021
<i>FTE</i>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>	<u>6.0</u>
General Fund	422,034	468,243	482,383	496,665	496,665
Cash Funds	90,786	87,710	111,800	116,545	118,420
Federal Funds	22,889	18,415	21,113	22,081	21,936
<b>TOTAL - (1) Executive Director's Office</b>	7,814,369	8,846,721	12,707,200	15,615,721	15,404,803
<i>FTE</i>	<u>17.8</u>	<u>19.4</u>	<u>22.9</u>	<u>26.2</u>	<u>24.8</u>
General Fund	2,773,746	3,189,467	3,612,787	4,708,426	4,708,426
Cash Funds	1,117,950	1,386,890	2,158,456	2,995,854	2,997,729
Reappropriated Funds	3,899,784	4,251,949	5,026,535	5,676,943	5,464,295
Federal Funds	22,889	18,415	1,909,422	2,234,498	2,234,353

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(2) PROPERTY TAXATION</b>					
ted fund sources include transfers from the Local Government Mineral and Energy Impact Grants and Disbursements line item in the Division of Local Government and indirect cost recoveries.					
Division of Property Taxation	<u>2,503,043</u>	<u>2,409,813</u>	<u>3,129,431</u>	<u>3,467,622</u>	<u>3,390,353</u> *
FTE	32.0	31.5	36.2	38.0	37.8
General Fund	1,859,323	1,598,039	1,877,952	2,177,627	2,100,358
Cash Funds	489,307	648,924	1,012,361	1,050,056	1,050,056
Reappropriated Funds	154,413	162,850	239,118	239,939	239,939
State Board of Equalization	<u>12,856</u>	<u>305</u>	<u>12,856</u>	<u>12,856</u>	<u>12,856</u>
General Fund	12,856	305	12,856	12,856	12,856
Board of Assessment Appeals	<u>612,870</u>	<u>490,201</u>	<u>675,851</u>	<u>692,208</u>	<u>692,208</u>
FTE	8.0	6.9	13.2	13.2	13.2
General Fund	501,161	409,762	553,437	565,719	565,719
Cash Funds	111,709	80,439	122,414	126,489	126,489
Indirect Cost Assessment	<u>158,875</u>	<u>136,013</u>	<u>175,819</u>	<u>200,841</u>	<u>118,894</u>
Cash Funds	131,233	97,762	137,568	157,146	97,067
Reappropriated Funds	27,642	38,251	38,251	43,695	21,827
<b>TOTAL - (2) Property Taxation</b>	<b>3,287,644</b>	<b>3,036,332</b>	<b>3,993,957</b>	<b>4,373,527</b>	<b>4,214,311</b>
<b>FTE</b>	<b><u>40.0</u></b>	<b><u>38.4</u></b>	<b><u>49.4</u></b>	<b><u>51.2</u></b>	<b><u>51.0</u></b>
General Fund	2,373,340	2,008,106	2,444,245	2,756,202	2,678,933
Cash Funds	732,249	827,125	1,272,343	1,333,691	1,273,612
Reappropriated Funds	182,055	201,101	277,369	283,634	261,766

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(3) DIVISION OF HOUSING</b>					
on of Local Government.					
<b>(A) Community and Non-Profit Services</b>					
<b>(1) Administration</b>					
Personal Services	711,210	645,417	2,958,754	3,354,505	3,301,166 *
FTE	21.2	28.9	32.9	35.4	35.2
General Fund	616,231	504,316	772,100	1,093,519	1,040,180
Cash Funds	41,150	74,576	75,117	76,136	76,136
Reappropriated Funds	53,829	66,525	68,964	71,178	71,178
Federal Funds	0	0	2,042,573	2,113,672	2,113,672
Operating Expenses	109,488	68,015	489,551	537,369	517,144 *
General Fund	40,165	41,065	79,600	90,522	70,297
Cash Funds	4,938	4,938	4,938	5,382	5,382
Reappropriated Funds	64,385	22,012	64,918	70,761	70,761
Federal Funds	0	0	340,095	370,704	370,704
<b>SUBTOTAL - (1) Administration</b>	820,698	713,432	3,448,305	3,891,874	3,818,310
FTE	21.2	28.9	32.9	35.4	35.2
General Fund	656,396	545,381	851,700	1,184,041	1,110,477
Cash Funds	46,088	79,514	80,055	81,518	81,518
Reappropriated Funds	118,214	88,537	133,882	141,939	141,939
Federal Funds	0	0	2,382,668	2,484,376	2,484,376



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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(2) Community Services</b>					
Low Income Rental Subsidies	<u>79,380,573</u>	<u>88,240,325</u>	<u>72,028,787</u>	<u>104,314,174</u>	<u>104,314,174</u> *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	6,795,331	7,347,669	11,613,101	19,484,245	19,484,245
Cash Funds	4,973,489	5,597,045	8,939,649	939,649	939,649
Federal Funds	67,611,753	75,295,611	51,476,037	83,890,280	83,890,280
Homeless Prevention Programs	<u>2,083,046</u>	<u>2,390,563</u>	<u>1,984,430</u>	<u>2,306,506</u>	<u>2,306,506</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	110,080	127,979	170,000	170,000	170,000
Federal Funds	1,972,966	2,262,584	1,814,430	2,136,506	2,136,506
Appropriation to the FLEX Fund	<u>0</u>	<u>0</u>	<u>103,355</u>	<u>300,581</u>	<u>300,581</u>
FTE	0.0	0.0	0.5	1.0	1.0
General Fund	0	0	103,355	120,581	300,581
Cash Funds	0	0	0	180,000	0
<b>SUBTOTAL - (2) Community Services</b>	<b>81,463,619</b>	<b>90,630,888</b>	<b>74,116,572</b>	<b>106,921,261</b>	<b>106,921,261</b>
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.5</u>	<u>1.0</u>	<u>1.0</u>
General Fund	6,795,331	7,347,669	11,716,456	19,604,826	19,784,826
Cash Funds	5,083,569	5,725,024	9,109,649	1,289,649	1,109,649
Federal Funds	69,584,719	77,558,195	53,290,467	86,026,786	86,026,786
<b>(3) Fort Lyon Supportive Housing Program</b>					
Program Costs	<u>4,856,475</u>	<u>4,946,317</u>	<u>4,999,361</u>	<u>5,752,336</u>	<u>5,752,336</u> *
FTE	0.8	1.0	1.0	1.0	1.0
General Fund	4,856,475	4,946,317	4,999,361	750,000	750,000
Cash Funds	0	0	0	5,002,336	5,002,336
Reappropriated Funds	0	0	0	0	0

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>SUBTOTAL - (3) Fort Lyon Supportive Housing</b>					
<b>Program</b>	4,856,475	4,946,317	4,999,361	5,752,336	5,752,336
<i>FTE</i>	<u>0.8</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
General Fund	4,856,475	4,946,317	4,999,361	750,000	750,000
Cash Funds	0	0	0	5,002,336	5,002,336
Reappropriated Funds	0	0	0	0	0
<b>(4) Ridge View Campus</b>					
Ridge View Campus	<u>0</u>	<u>0</u>	<u>45,000,000</u>	<u>0</u>	<u>0</u>
<i>FTE</i>	0.0	0.0	2.3	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	45,000,000	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (4) Ridge View Campus</b>					
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>2.3</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	45,000,000	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Community and Non-Profit</b>					
<b>Services</b>	87,140,792	96,290,637	127,564,238	116,565,471	116,491,907
<i>FTE</i>	<u>22.0</u>	<u>29.9</u>	<u>36.7</u>	<u>37.4</u>	<u>37.2</u>
General Fund	12,308,202	12,839,367	17,567,517	21,538,867	21,645,303
Cash Funds	5,129,657	5,804,538	54,189,704	6,373,503	6,193,503
Reappropriated Funds	118,214	88,537	133,882	141,939	141,939
Federal Funds	69,584,719	77,558,195	55,673,135	88,511,162	88,511,162

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(B) Field Services</b>					
Affordable Housing Program Costs	<u>1,910,593</u>	<u>1,552,000</u>	<u>2,373,939</u>	<u>2,452,770</u>	<u>2,452,770</u>
FTE	25.1	23.8	31.5	31.5	31.5
General Fund	209,313	138,776	216,329	224,065	224,065
Cash Funds	3,525	82,535	81,889	85,285	85,285
Reappropriated Funds	1,686,631	1,315,164	1,454,567	1,499,118	1,499,118
Federal Funds	11,124	15,525	621,154	644,302	644,302
Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S.	<u>33,043,558</u>	<u>33,583,199</u>	<u>36,528,793</u>	<u>26,275,056</u>	<u>41,199,716</u> *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	9,200,000	9,198,313	9,200,000	9,200,000	9,200,000
Cash Funds	10,976,918	9,764,600	15,300,000	375,340	15,300,000
Federal Funds	12,866,640	14,620,286	12,028,793	16,699,716	16,699,716
Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems	<u>688,738</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
General Fund	500,000	500,000	500,000	500,000	500,000
Cash Funds	188,738	0	0	0	0
CHFA Middle Income Access Program	<u>0</u>	<u>0</u>	<u>25,000,000</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	25,000,000	0	0
Manufactured Buildings Program	<u>1,498,012</u>	<u>1,358,050</u>	<u>919,815</u>	<u>1,667,228</u>	<u>1,549,628</u> *
FTE	6.1	7.3	8.7	16.7	16.7
General Fund	0	0	127,071	0	0
Cash Funds	1,498,012	1,358,050	792,744	1,667,228	1,549,628

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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Mobile Home Park Act Oversight	0	0	<u>701,628</u>	<u>724,721</u>	<u>724,721</u>
FTE	3.6	4.8	6.8	6.8	6.8
General Fund	0	0	0	0	0
Cash Funds	0	0	701,628	724,721	724,721
Reappropriated Funds	0	0	0	0	0
Appropriation to the Mobile Home Park Act Dispute Resolution & Enforcement Program Fund	0	0	<u>89,870 0.8</u>	<u>100,329 1.0</u>	<u>109,697 1.0</u>
General Fund	0	0	89,870	100,329	109,697
H.B. 21-1329 Affordable Housing Funds	0	<u>128,529,422 2.6</u>	0	0	0
Cash Funds	0	0	0	0	0
Federal Funds	0	128,529,422	0	0	0
<b>SUBTOTAL - (B) Field Services</b>	37,140,901	165,522,671	66,114,045	31,720,104	46,536,532
FTE	34.8	38.5	47.8	56.0	56.0
General Fund	9,909,313	9,837,089	10,133,270	10,024,394	10,033,762
Cash Funds	12,667,193	11,205,185	41,876,261	2,852,574	17,659,634
Reappropriated Funds	1,686,631	1,315,164	1,454,567	1,499,118	1,499,118
Federal Funds	12,877,764	143,165,233	12,649,947	17,344,018	17,344,018

**(C) Indirect Cost Assessments**

Indirect Cost Assessments	<u>403,936</u>	<u>560,905</u>	<u>949,532</u>	<u>1,084,668</u>	<u>1,560,173</u>
Cash Funds	121,176	106,498	135,133	154,365	792,626
Reappropriated Funds	282,760	454,407	404,423	461,980	264,034
Federal Funds	0	0	409,976	468,323	503,513

*JBC Staff Figure Setting - FY 2023-24*  
*Staff Working Document - Does Not Represent Committee Decision*

	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
<b>SUBTOTAL - (C) Indirect Cost Assessments</b>	403,936	560,905	949,532	1,084,668	1,560,173
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	121,176	106,498	135,133	154,365	792,626
Reappropriated Funds	282,760	454,407	404,423	461,980	264,034
Federal Funds	0	0	409,976	468,323	503,513
<b>TOTAL - (3) Division of Housing</b>	124,685,629	262,374,213	194,627,815	149,370,243	164,588,612
<i>FTE</i>	<u>56.8</u>	<u>68.4</u>	<u>84.5</u>	<u>93.4</u>	<u>93.2</u>
General Fund	22,217,515	22,676,456	27,700,787	31,563,261	31,679,065
Cash Funds	17,918,026	17,116,221	96,201,098	9,380,442	24,645,763
Reappropriated Funds	2,087,605	1,858,108	1,992,872	2,103,037	1,905,091
Federal Funds	82,462,483	220,723,428	68,733,058	106,323,503	106,358,693

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(4) DIVISION OF LOCAL GOVERNMENT</b>					
Disbursements line item in this division, spending authority out of the Firefighter Benefits Cash Fund, and indirect cost recoveries.					
<b>(A) Local Government and Community Services</b>					
<b>(1) Administration</b>					
Personal Services	1,260,121	1,270,806	1,481,314	1,611,024	1,589,442 *
FTE	18.5	14.3	16.8	17.7	17.6
General Fund	594,589	595,002	620,309	724,438	702,856
Cash Funds	0	(151,409)	0	0	0
Reappropriated Funds	665,532	827,213	695,561	712,875	712,875
Federal Funds	0	0	165,444	173,711	173,711
Operating Expenses	59,994	72,267	135,851	155,753	155,962 *
General Fund	59,065	48,632	46,678	58,555	58,764
Reappropriated Funds	929	23,635	25,146	27,409	27,409
Federal Funds	0	0	64,027	69,789	69,789
Strategic Planning Group on Coloradans Age 50 and Over	185,054	241,844	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	110,000	110,000	0	0	0
Cash Funds	75,054	131,844	0	0	0
<b>SUBTOTAL - (1) Administration</b>	1,505,169	1,584,917	1,617,165	1,766,777	1,745,404
FTE	18.5	14.3	16.8	17.7	17.6
General Fund	763,654	753,634	666,987	782,993	761,620
Cash Funds	75,054	(19,565)	0	0	0
Reappropriated Funds	666,461	850,848	720,707	740,284	740,284
Federal Funds	0	0	229,471	243,500	243,500

*JBC Staff Figure Setting - FY 2023-24*  
*Staff Working Document - Does Not Represent Committee Decision*

	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>(2) Local Government Services</b>					
Conservation Trust Fund Disbursements	<u>67,804,864</u>	<u>72,032,893</u>	<u>58,001,099</u>	<u>58,004,495</u>	<u>58,004,495</u>
FTE	1.6	1.0	1.0	1.0	1.0
Cash Funds	67,804,864	72,032,893	58,001,099	58,004,495	58,004,495
Volunteer Firefighter Retirement Plans	<u>4,317,686</u>	<u>4,509,758</u>	<u>4,660,000</u>	<u>4,660,000</u>	<u>4,660,000</u>
General Fund Exempt	4,317,686	4,509,758	4,660,000	4,660,000	4,660,000
Volunteer Firefighter Death and Disability Insurance	<u>21,065</u>	<u>21,065</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
General Fund	21,065	21,065	30,000	30,000	30,000
Firefighter Heart and Circulatory Malfunction					
Benefits	<u>1,682,931</u>	<u>1,548,291</u>	<u>1,708,275</u>	<u>1,709,763</u>	<u>1,709,763</u>
FTE	0.3	0.5	0.5	0.5	0.5
General Fund	610,393	709,238	869,222	870,710	870,710
Cash Funds	250,000	0	0	0	0
Reappropriated Funds	822,538	839,053	839,053	839,053	839,053
Local Utility Management Assistance	<u>138,555</u>	<u>137,059</u>	<u>186,879</u>	<u>193,671</u>	<u>193,671</u>
FTE	1.9	2.0	2.0	2.0	2.0
Cash Funds	138,555	137,059	186,879	193,671	193,671
Environmental Protection Agency Water/Sewer File					
Project	<u>60,269</u>	<u>65,662</u>	<u>68,423</u>	<u>260,669</u>	<u>260,669</u>
FTE	0.5	0.4	0.5	0.5	0.5
Federal Funds	60,269	65,662	68,423	260,669	260,669

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>SUBTOTAL - (2) Local Government Services</b>	74,025,370	78,314,728	64,654,676	64,858,598	64,858,598
<i>FTE</i>	<u>4.3</u>	<u>3.9</u>	<u>4.0</u>	<u>4.0</u>	<u>4.0</u>
General Fund	631,458	730,303	899,222	900,710	900,710
General Fund Exempt	4,317,686	4,509,758	4,660,000	4,660,000	4,660,000
Cash Funds	68,193,419	72,169,952	58,187,978	58,198,166	58,198,166
Reappropriated Funds	822,538	839,053	839,053	839,053	839,053
Federal Funds	60,269	65,662	68,423	260,669	260,669
<b>(3) Community Services</b>					
Community Services Block Grant	<u>6,894,801</u>	<u>6,951,214</u>	<u>6,000,000</u>	<u>6,475,029</u>	<u>6,475,029</u>
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0
Federal Funds	6,894,801	6,951,214	6,000,000	6,475,029	6,475,029
Mobile Veterans Support Unit Grant Program	<u>0</u>	<u>0</u>	<u>21,535</u>	<u>22,428</u>	<u>22,428</u>
<i>FTE</i>	0.0	0.0	0.3	0.3	0.3
General Fund	0	0	21,535	22,428	22,428
Disaster Resilience Rebuilding Program	<u>0</u>	<u>0</u>	<u>219,052</u>	<u>218,294</u>	<u>218,294</u>
<i>FTE</i>	0.0	0.0	2.8	3.1	3.1
General Fund	0	0	219,052	218,294	218,294
<b>SUBTOTAL - (3) Community Services</b>	6,894,801	6,951,214	6,240,587	6,715,751	6,715,751
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>3.1</u>	<u>3.4</u>	<u>3.4</u>
General Fund	0	0	240,587	240,722	240,722
Federal Funds	6,894,801	6,951,214	6,000,000	6,475,029	6,475,029



*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
<b>SUBTOTAL - (A) Local Government and</b>					
<b>Community Services</b>	82,425,340	86,850,859	72,512,428	73,341,126	73,319,753
<i>FTE</i>	<u>22.8</u>	<u>18.2</u>	<u>23.9</u>	<u>25.1</u>	<u>25.0</u>
General Fund	1,395,112	1,483,937	1,806,796	1,924,425	1,903,052
General Fund Exempt	4,317,686	4,509,758	4,660,000	4,660,000	4,660,000
Cash Funds	68,268,473	72,150,387	58,187,978	58,198,166	58,198,166
Reappropriated Funds	1,488,999	1,689,901	1,559,760	1,579,337	1,579,337
Federal Funds	6,955,070	7,016,876	6,297,894	6,979,198	6,979,198

**(B) Field Services**

Program Costs	<u>3,063,333</u>	<u>9,793,344</u>	<u>3,513,953</u>	<u>3,591,070</u>	<u>3,591,070</u> *
FTE	31.3	31.4	31.6	32.6	32.6
General Fund	544,660	7,237,185	348,875	358,099	358,099
Cash Funds	0	0	117,227	120,623	120,623
Reappropriated Funds	2,518,673	2,556,159	2,680,571	2,730,848	2,730,848
Federal Funds	0	0	367,280	381,500	381,500
Community Development Block Grant	<u>8,494,936</u>	<u>8,733,071</u>	<u>5,200,000</u>	<u>8,820,748</u>	<u>8,820,748</u>
Federal Funds	8,494,936	8,733,071	5,200,000	8,820,748	8,820,748
Local Government Mineral and Energy Impact					
Grants and Disbursements	<u>82,144,801</u>	<u>128,906,653</u>	<u>90,000,000</u>	<u>90,000,000</u>	<u>90,000,000</u>
Cash Funds	82,144,801	128,906,653	90,000,000	90,000,000	90,000,000
Local Government Limited Gaming Impact Grants	<u>1,693,032</u>	<u>1,710,192</u>	<u>5,127,850</u>	<u>6,050,111</u>	<u>6,050,111</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	5,127,850	6,050,111	6,050,111
Reappropriated Funds	1,693,032	1,710,192	0	0	0

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Local Government Geothermal Energy Impact					
Grants	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	50,000	50,000	50,000
Reappropriated Funds	0	0	0	0	0
Rural Economic Development Initiative Grants	<u>518,513</u>	<u>1,279,578</u>	<u>780,000</u>	<u>780,000</u>	<u>780,000</u>
General Fund	518,513	1,279,578	780,000	780,000	780,000
Search and Rescue Program	<u>619,053</u>	<u>625,903</u>	<u>314,123</u>	<u>318,538</u>	<u>0</u>
FTE	1.3	1.3	0.0	0.0	0.0
Cash Funds	619,053	625,903	314,123	318,538	0
Gray and Black Market Marijuana Enforcement					
Grant Program	<u>116,026</u>	<u>996,069</u>	<u>955,178</u>	<u>963,668</u>	<u>963,668</u>
FTE	1.2	2.5	2.5	2.5	2.5
Cash Funds	116,026	996,069	955,178	963,668	963,668
HB 17-1326 Crime Prevention Initiative Grants	<u>2,125,612</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>	<u>3,000,000</u>
General Fund	2,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Cash Funds	125,612	0	0	0	0
Appropriation to the Peace Officers Mental Health					
Support Fund	<u>2,000,000</u>	<u>3,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
General Fund	2,000,000	3,000,000	5,000,000	2,000,000	2,000,000

*JBC Staff Figure Setting - FY 2023-24*  
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	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
Peace Officers Mental Health Support Grant					
Program	<u>1,462,192</u>	<u>788,693</u>	<u>9,800,000</u>	<u>2,002,214</u>	<u>2,002,214</u>
FTE	0.7	0.9	3.5	1.0	1.0
Reappropriated Funds	1,462,192	788,693	9,800,000	2,002,214	2,002,214
Defense Counsel on First Appearance Grant					
Program	<u>512,918</u>	<u>658,344</u>	<u>1,998,494</u>	<u>1,999,982</u>	<u>333,330</u>
FTE	0.5	0.5	0.5	0.5	0.1
General Fund	512,918	658,344	1,998,494	1,999,982	333,330
Law Enforcement Community Services Grant					
Program	<u>65,520</u>	<u>71,337</u>	<u>274,029</u>	<u>277,425</u>	<u>277,425</u>
FTE	0.9	1.0	1.0	1.0	1.0
Cash Funds	65,520	71,337	274,029	277,425	277,425
Affordable Housing Development Incentives Grant					
Program	<u>0</u>	<u>46,527</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	46,527	0	0	0
Local Government Planning Grant Program					
Program	<u>0</u>	<u>152,360</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	152,360	0	0	0
Microgrids for Community Resilience Grant Program					
Program	<u>0</u>	<u>0</u>	<u>3,500,000</u>	<u>131,708</u>	<u>131,708</u>
FTE	0.0	0.0	1.6	2.0	2.0
General Fund	0	0	3,500,000	131,708	131,708

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Small Community-based Nonprofit Infrastructure					
Grants	<u>0</u>	<u>0</u>	<u>35,000,000</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.5	0.0	0.0
Cash Funds	0	0	35,000,000	0	0
Appropriation to the Public Defender and Prosecutor					
Behavioral Health Support Fund	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
General Fund	0	0	500,000	500,000	500,000
Public Defender and Prosecutor Behavioral Health					
Support Grant Program	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
Reappropriated Funds	0	0	500,000	500,000	500,000
Appropriation to the Local Government Limited					
Gaming Impact Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
HB 17-1326 Crime Prevention Initiative Small					
Business Lending	<u>182,127</u>	<u>1,314,927</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	182,127	1,314,927	0	0	0
Mobile Veterans Support Unit Grant Program					
General Fund	<u>0</u> 0.0	<u>229,070</u> 0.6	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	229,070	0	0	0
2020 Census Outreach Grant Program					
FTE	<u>77,395</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	77,395	0	0	0	0

*JBC Staff Figure Setting - FY 2023-24*  
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	FY 2020-21 Actual	FY 2021-22 Actual	FY 2022-23 Appropriation	FY 2023-24 Request	FY 2023-24 Recommendation
Small Business Relief Program	<u>14,770,917</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	14,770,917	0	0	0	0
<b>SUBTOTAL - (B) Field Services</b>	117,846,375	161,306,068	165,513,627	120,985,464	119,000,274
FTE	<u>36.6</u>	<u>38.2</u>	<u>41.2</u>	<u>39.6</u>	<u>39.2</u>
General Fund	20,424,403	15,404,177	15,127,369	8,769,789	7,103,137
Cash Funds	83,253,139	132,113,776	131,838,407	97,780,365	97,461,827
Reappropriated Funds	5,673,897	5,055,044	12,980,571	5,233,062	5,233,062
Federal Funds	8,494,936	8,733,071	5,567,280	9,202,248	9,202,248

**(C) Indirect Cost Assessments**

Indirect Cost Assessment	<u>565,391</u>	<u>699,590</u>	<u>759,210</u>	<u>848,977</u>	<u>790,631</u>
Cash Funds	94,119	114,533	152,279	155,667	118,713
Reappropriated Funds	471,272	585,057	533,880	609,862	555,283
Federal Funds	0	0	73,051	83,448	116,635
<b>SUBTOTAL - (C) Indirect Cost Assessments</b>	565,391	699,590	759,210	848,977	790,631
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	94,119	114,533	152,279	155,667	118,713
Reappropriated Funds	471,272	585,057	533,880	609,862	555,283
Federal Funds	0	0	73,051	83,448	116,635

*JBC Staff Figure Setting - FY 2023-24*  
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	<b>FY 2020-21 Actual</b>	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Appropriation</b>	<b>FY 2023-24 Request</b>	<b>FY 2023-24 Recommendation</b>
<b>TOTAL - (4) Division of Local Government</b>	200,837,106	248,856,517	238,785,265	195,175,567	193,110,658
<i>FTE</i>	<u>59.4</u>	<u>56.4</u>	<u>65.1</u>	<u>64.7</u>	<u>64.2</u>
General Fund	21,819,515	16,888,114	16,934,165	10,694,214	9,006,189
General Fund Exempt	4,317,686	4,509,758	4,660,000	4,660,000	4,660,000
Cash Funds	151,615,731	204,378,696	190,178,664	156,134,198	155,778,706
Reappropriated Funds	7,634,168	7,330,002	15,074,211	7,422,261	7,367,682
Federal Funds	15,450,006	15,749,947	11,938,225	16,264,894	16,298,081
<b>TOTAL - Department of Local Affairs</b>	336,624,748	523,113,783	450,114,237	364,535,058	377,318,384
<i>FTE</i>	<u>174.0</u>	<u>182.6</u>	<u>221.9</u>	<u>235.5</u>	<u>233.2</u>
General Fund	49,184,116	44,762,143	50,691,984	49,722,103	48,072,613
General Fund Exempt	4,317,686	4,509,758	4,660,000	4,660,000	4,660,000
Cash Funds	171,383,956	223,708,932	289,810,561	169,844,185	184,695,810
Reappropriated Funds	13,803,612	13,641,160	22,370,987	15,485,875	14,998,834
Federal Funds	97,935,378	236,491,790	82,580,705	124,822,895	124,891,127

\*Indicates the line item is affected by one or more request items.