

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee  
FROM Jon Catlett, JBC Staff (303-866-4386)  
DATE February, 15 2023  
SUBJECT Revision to R2 Lottery Modernization of Sales Equipment

---

In the original Staff figure setting document for the Department of Revenue, on page 77, Staff recommended approval of the R2 Lottery Modernization of Sales Equipment request. The request proposes a three-year annual appropriation of \$5.0 million from the Lottery Cash Fund. Upon further review and considering the forthcoming release of the Colorado Lottery Division performance audit from the Colorado Office of the State Auditor's office in the fall of 2023, Staff recommend approving only a one-year appropriation to the Lottery Division for this request. Staff recommends approving the one-time funding but not building it into the base for the next two years.

**ORIGINAL STAFF RECOMMENDATION:**

Staff recommendation is for approval of \$5,000,000 Lottery Cash Fund spending authority beginning in FY 23-24 and continuing for three years through FY 25-26, for a total of \$15.0 million Lottery Cash funds for the acquisition of Lottery kiosks, jackpot signs, and digital menu boards.

**REVISED RECOMMENDATION:**

Staff recommends approval of \$5,000,000 Lottery Cash Fund spending authority for acquiring Lottery kiosks, jackpot signs, and digital menu boards for FY 23-24 as a one-time appropriation to allow time and consideration to be given to the findings of the Colorado Office of the State Auditor's report on the Colorado Lottery.

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2023-24

## DEPARTMENT OF REVENUE

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

PREPARED BY:  
JON CATLETT, JBC STAFF  
FEBRUARY 14, 2023

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

# CONTENTS

Department Overview .....	1
Summary of Staff Recommendations .....	2
Description of Incremental Changes.....	3
Major Differences from the Request.....	6
Decision Items Affecting Multiple Divisions.....	7
➔ R1 Taxation Call Center.....	7
➔ R3 Racing Compliance Requirements.....	9
➔ R4 DRIVES and GenTax Operational Realignment.....	11
➔ BA1 Proposition FF Implementation.....	12
(1) The Executive Director’s Office .....	14
Decision Items – The Executive Director’s Office .....	14
(A) Administration And Support .....	14
(B) Hearings Division .....	29
(2) The Taxation Business Group .....	32
Decision Items – The Taxation Business Group .....	32
➔ R5 GenTax Fuel Tracking System Reduction .....	32
Line Item Detail - Taxation Business Group .....	33
(A) Administration .....	33
(B) Taxation Services .....	36
(C) Tax Conferee.....	42
(D) Special Purpose.....	43
(3) Division of Motor Vehicles.....	47
Decision Items - Division Of Motor Vehicles (None).....	47
Line Item Detail - Division of Motor Vehicles.....	47
(A) Administration .....	47
(B) Driver Services .....	50
(C) Vehicle Services.....	54
(D) County Support Services.....	59
(4) Specialized Business Group.....	61
Decision Items - Specialized Business Group .....	61
➔ R6 Marijuana Enforcement Division Cash Fund Solvency.....	61
➔ Staff Initiated – Responsible Gaming Grant Program Line Item.....	62
(A) Administration .....	62

(B) Limited Gaming Division.....	64
(C) Liquor and Tobacco Enforcement Division.....	68
(D) Division of Racing Events.....	70
(E) Motor Vehicle Dealer Licensing Board.....	73
(F) Marijuana Enforcement.....	75
(5) State Lottery Division.....	77
Decision Items - State Lottery Division.....	77
➔ R2 Lottery Modernization of Sales Equipment.....	77
Line Item Detail - State Lottery Division.....	81
Long Bill Footnotes and Requests for Information.....	86
Long Bill Footnotes.....	86
Requests for Information.....	86
Indirect Cost Assessments.....	87
Appendix A Numbers Pages.....	A-1

#### HOW TO USE THIS DOCUMENT:

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

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

In some of the analysis of decision items in this document, you may see language denoting certain ‘levels of evidence’, e.g. theory-informed, evidence-informed, or proven. For a detailed explanation of what is meant by ‘levels of evidence’, and how those levels of evidence are categorized, please refer to Section 2-3-210 (2), C.R.S.

## DEPARTMENT OVERVIEW

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

### THE EXECUTIVE DIRECTOR'S OFFICE

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

### THE TAXATION BUSINESS GROUP

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

### THE DIVISION OF MOTOR VEHICLES (DMV)

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

### THE SPECIALIZED BUSINESS GROUP

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

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

**THE STATE LOTTERY DIVISION**

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

- The Conservation Trust Fund;
- Colorado Division of Parks and Wildlife;
- Great Outdoors Colorado;
- The Public School Capital Construction Assistance Fund;
- The Outdoor Equity Grant Program.

**SUMMARY OF STAFF RECOMMENDATIONS**

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$462,046,781	\$138,605,322	\$313,787,223	\$8,492,481	\$1,161,755	1,661.1
Other legislation	8,673,779	5,017,606	3,397,846	260,360	(2,033)	27.5
SB 23-131 (Supplemental Bill)	(139,716)	(218,403)	78,687	0	0	3.0
<b>TOTAL</b>	<b>\$470,580,844</b>	<b>\$143,404,525</b>	<b>\$317,263,756</b>	<b>\$8,752,841</b>	<b>\$1,159,722</b>	<b>1,691.6</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$470,580,844	\$143,404,525	\$317,263,756	\$8,752,841	\$1,159,722	1,691.6
R1 Taxation call center	360,211	360,211	0	0	0	6.0
R2 Lottery modernization of sales equipment	5,000,000	0	5,000,000	0	0	0.0
R3 Racing compliance requirements	499,278	0	499,278	0	0	4.0
R4 DRIVES and GenTax operational realignment	0	0	0	0	0	0.0
R5 GenTax fuel tracking system reduction	(348,640)	0	(348,640)	0	0	0.0
R6 Marijuana Enforcement Division cash fund solvency	0	0	0	0	0	0.0
BA1 Proposition FF implementation	168,305	168,305	0	0	0	2.2
Staff initiated-Responsible Gaming Grant program line	0	0	0	0	0	0.0
Centrally appropriated line items	15,796,218	6,368,963	8,927,286	211,973	287,996	0.0
Annualize prior year budget actions	2,475,833	0	2,475,833	0	0	0.0
Indirect cost assessment	1,263,633	920,808	1,239,674	(896,849)	0	0.0
Non-prioritized decision items	3,897,336	2,103,555	1,789,970	3,811	0	0.0
Technical adjustments	(3,349,612)	(4,483,924)	1,134,312	0	0	0.0
Annualize prior year legislation	(3,966,562)	(4,072,724)	282,850	(176,688)	0	(2.1)
<b>TOTAL</b>	<b>\$492,376,844</b>	<b>\$144,769,719</b>	<b>\$338,264,319</b>	<b>\$7,895,088</b>	<b>\$1,447,718</b>	<b>1,701.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$21,796,000</b>	<b>\$1,365,194</b>	<b>\$21,000,563</b>	<b>(\$857,753)</b>	<b>\$287,996</b>	<b>10.1</b>
Percentage Change	4.6%	1.0%	6.6%	(9.8%)	24.8%	0.6%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$244,882	\$160,860	\$84,022	\$0	\$0	0.0

## DESCRIPTION OF INCREMENTAL CHANGES

**R1 TAXATION CALL CENTER:** The recommendation includes an increase of \$360,211 General Fund and 6.0 FTE to establish an appointment-based call center in the Taxation Division. The additional call center will function on an appointment basis and work in conjunction with the existing taxpayer services call center to reduce call hold times and better serve Colorado taxpayers.

**R2 LOTTERY MODERNIZATION OF SALES EQUIPMENT:** The recommendation includes a \$5.0 million increase in Lottery Cash Fund spending authority for purchasing self-service lottery vending kiosks and self-updating digital jackpot signs. Twenty-one percent of Colorado's three thousand Lottery retailers have self-service kiosks. This request would provide funding to expand Lottery kiosks and self-updating digital jackpot signage at many independent and chain retailers.

**R3 RACING COMPLIANCE REQUIREMENTS:** The recommendation includes an increase of \$499,278 from the Racing Cash Fund and 4.0 FTE for the projected workload increase within the Division to implement the federal Horseracing Integrity and Safety Act of 2020.

**R4 DRIVES AND GEN TAX OPERATIONAL REALIGNMENT:** The recommendation includes a net-zero funding realignment beginning in FY 2023-24, which would relocate the GenTax System Support Office from the Taxation Business Group to the Executive Director's Office. Additionally, the request moves the Colorado DRIVES Development Support team from the Division of Motor Vehicles to the Executive Director's Office. This request advances funding appropriated by the General Assembly during the 2022 session for the Department's FY 2022-23 requests, R1 (DMV - DRIVES System Support) and R4 (Operational Funding Realignment). This reorganization improves operational management and funding alignment.

**R5 GEN TAX FUEL TRACKING SYSTEM REDUCTION:** The recommendation includes a net-zero realignment beginning in FY 2023-24 of \$101,677 cash fund spending authority and 1.5 FTE from Fuel Tracking System to Taxation Services Personal Services; a net-zero realignment starting in FY 2023-24 of \$64,014 cash fund spending authority from Fuel Tracking System to Tax Administration IT System GenTax Support; and a reduction beginning in FY 2023-24 of \$348,640 in cash fund spending authority from Fuel Tracking System. These actions would result in the elimination of the Fuel Tracking System line in the Long Bill.

**R6 MARIJUANA ENFORCEMENT DIVISION CASH FUND SOLVENCY:** The recommendation is for JBC sponsored legislation to transfer one-time funding of \$2.1 million from the Marijuana Tax Cash Fund to the Marijuana Cash Fund as a current-year, FY 2022-23, transfer. The Marijuana Cash Fund is the only funding mechanism for the Marijuana Enforcement Division. This transfer would allow the Marijuana Enforcement Division to maintain its current base operations and end the fiscal year with a positive fund balance.

**BA1 PROPOSITION FF IMPLEMENTATION:** The recommendation includes an increase of \$168,305 General Fund and 2.2 FTE in the Taxation Business Group in FY 2023-24, annualizing to \$99,622 General Fund and 1.4 FTE in FY 2024-25 to implement the legislation based on the passage of Proposition FF in the November 2022 election. The bill creates the "Healthy School Meals for All" program and establishes a funding mechanism for the program.

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

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$8,545,296	\$3,063,181	\$5,482,115	\$0	\$0	0.0
Salary survey	6,352,638	2,629,467	3,595,929	35,848	91,394	0.0
Health, life, dental true-up	927,602	391,345	517,015	5,191	14,051	0.0
OIT Budget package*	571,875	314,531	257,344	0	0	0.0
Health, life, and dental	523,875	130,262	156,752	96,440	140,421	0.0
AED	372,380	51,720	250,719	30,226	39,715	0.0
SAED	372,380	51,720	250,719	30,226	39,715	0.0
Temporary employee rel to auth leave	344,467	156,995	177,194	2,784	7,494	0.0
Capitol Complex inflation	126,470	59,441	67,029	0	0	0.0
Leased space	40,380	40,380	0	0	0	0.0
Risk legal adjustment correction	38,413	14,597	23,816	0	0	0.0
DPA Pay plan	23,956	6,035	8,937	8,984	0	0.0
ALJ services	997	0	997	0	0	0.0
Annualize prior year salary survey	0	0	51,190	0	(51,190)	0.0
PERA Direct Distribution	(846,113)	150,048	(1,002,858)	1,382	5,315	0.0
CORE adjustment	(762,446)	(290,784)	(471,662)	0	0	0.0
Legal services*	(705,086)	(349,307)	(355,779)	0	0	0.0
Workers' compensation	(106,504)	(40,619)	(65,885)	0	0	0.0
Payment to risk management and property funds	(10,819)	(4,126)	(6,693)	0	0	0.0
Shift differential	(8,043)	0	(8,043)	0	0	0.0
Capitol Complex leased space*	(5,119)	(2,405)	(2,714)	0	0	0.0
Short-term disability	(381)	(3,518)	1,164	892	1,081	0.0
<b>TOTAL</b>	<b>\$15,796,218</b>	<b>\$6,368,963</b>	<b>\$8,927,286</b>	<b>\$211,973</b>	<b>\$287,996</b>	<b>0.0</b>

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

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize FY 2021-22 R1 lottery reimagined	\$2,497,833	\$0	\$2,497,833	\$0	\$0	0.0
Annualize FY 2022-23 R1 DMV DRIVES support	(22,000)	0	(22,000)	0	0	0.0
<b>TOTAL</b>	<b>\$2,475,833</b>	<b>\$0</b>	<b>\$2,475,833</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**NON-PRIORITIZED DECISION ITEMS:** The recommendation includes a net increase of \$3,897,336 total funds, including an increase of \$2,103,555 General Fund and an increase of \$1,789,970 cash funds and an increase of \$3,811 reappropriated funds and \$604 federal funds to reflect the FY 2023-24 impact of non-prioritized decision items, shown in the table below.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT IT Accessibility testing and remediation	\$2,329,986	\$1,596,040	\$733,946	\$0	\$0	0.0
Statewide operating expenses inflation	1,491,380	556,020	931,549	3,811	0	0.0
NP6 Annual fleet request	244,469	34,326	210,143	0	0	0.0
NP3 Capitol complex staffing	58,938	58,938	0	0	0	0.0



NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPS Digital trunk radio	47,829	47,829	0	0	0	0.0
DPA COE common policy	23,840	9,074	14,766	0	0	0.0
DPA Transfer perf budgeting to DPA	11,073	11,073	0	0	0	0.0
DPA Capitol complex staffing	8,658	8,658	0	0	0	0.0
OIT Real time billing	(318,837)	(218,403)	(100,434)	0	0	0.0
<b>TOTAL</b>	<b>\$3,897,336</b>	<b>\$2,103,555</b>	<b>\$1,789,970</b>	<b>\$3,811</b>	<b>\$0</b>	<b>0.0</b>

**TECHNICAL ADJUSTMENTS:** The recommendation includes a net decrease of \$3,349,612 total funds including a net decrease of \$4,483,924 General Fund for the following technical adjustments. Details are presented in the table below.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Contract escalator fast enterprises	\$866,401	\$177,311	\$689,090	\$0	\$0	0.0
Technical adjustment for license plate ordering	666,700	19,685	647,015	0	0	0.0
Tech adjustment for driver license documents	659,243	0	659,243	0	0	0.0
Technical adjustment for postage	56,000	47,010	8,990	0	0	0.0
IDS print production technical adjustment	(4,507,221)	(4,507,221)	0	0	0	0.0
NP2 Gaming DPS	(870,026)	0	(870,026)	0	0	0.0
Technical adjustment for document solutions	(220,709)	(220,709)	0	0	0	0.0
<b>TOTAL</b>	<b>(\$3,349,612)</b>	<b>(\$4,483,924)</b>	<b>\$1,134,312</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**ANNUALIZE PRIOR-YEAR LEGISLATION:** The recommendation includes a net decrease of \$3,966,562 total funds, including a reduction of \$4,072,724 General Fund and an increase of \$282,850 cash 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	FEDERAL FUNDS	FTE
SB 22-124 SALT parity act retroactive	\$550,446	\$550,446	\$0	\$0	\$0	4.4
HB 22-1388 Vehicle registration & certificate	359,670	(76,482)	436,152	0	0	0.0
HB 22-1414 Healthy school meals for all	177,990	177,990	0	0	0	2.2
SB23-131 Department of revenue supplemental	139,716	218,403	(78,687)	0	0	(3.0)
SB22-051 Reduce emissions from built environment	122,663	122,663	0	0	0	0.7
SB 22-178 Licensee ability to change marijuana desig	82,996	0	82,996	0	0	1.6
HB 22-1083 Homeless contribution tax credit	39,618	39,618	0	0	0	0.0
HB 22-1007 Assist landowner wildfire mitigation	26,822	26,822	0	0	0	0.0
HB 21-1141 Electric vehicle license plate	17,919	0	17,919	0	0	0.0
HB 22-1361 Oil & gas reporting	12,300	12,300	0	0	0	0.0
HB 22-1320 ABLE saving accounts	2,452	2,452	0	0	0	0.7
HB 22-1353 Public safety comms transfer	0	93,286	(93,286)	0	0	0.0
SB 22-233 TABOR refund	(2,578,995)	(2,578,995)	0	0	0	(11.5)
SB 22-216 Reallocation of limited gaming revenue	(1,250,000)	(1,250,000)	0	0	0	0.0
HB 21-1311 Income tax bill	(686,352)	(686,352)	0	0	0	1.2
SB 21-249 Keep CO wild annual pass	(108,200)	0	0	(108,200)	0	0.0
HB 22-1406 Qualified retailer retain sales tax	(100,000)	(100,000)	0	0	0	0.0
HB 22-1026 Alternative transportation opt	(87,388)	(87,388)	0	0	0	(0.1)
SB 21-257 Mobile machinery exemption	(87,376)	(87,376)	0	0	0	0.1
HB 22-1391 Modification to severance tax	(85,352)	(85,352)	0	0	0	(1.4)
HB 22-1010 Early childhood educator income tax credit	(69,817)	(69,817)	0	0	0	(0.4)
SB 22-217 Programs that benefit persons	(56,937)	0	8,608	(65,545)	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1205 Senior housing income credit	(50,501)	(50,501)	0	0	0	2.0
HB 22-1392 Contaminated land income & property	(41,102)	(41,102)	0	0	0	0.0
SB 22-107 Pikes peak hill climb license plate	(35,012)	(14,838)	(20,174)	0	0	0.0
HB 22-1014 Epilepsy license plate	(28,236)	(23,940)	(4,296)	0	0	0.0
HB 22-1241 CASA license plate	(25,413)	(14,838)	(10,575)	0	0	0.0
HB 22-1103 Delta sigma theta license plate	(24,568)	(15,976)	(8,592)	0	0	0.0
HB 22-1025 Repeal infrequently used tax expenditures	(24,350)	(24,350)	0	0	0	0.0
SB 22-190 Space Force license plate	(22,077)	(18,258)	(3,819)	0	0	0.0
SB 22-260 Sustainability of transportation	(19,968)	(19,968)	0	0	0	0.0
SB 22-204 Repeal federal government confirm status	(19,397)	0	(19,397)	0	0	0.0
HB 22-1154 Rotary license plate	(17,636)	(15,976)	(1,660)	0	0	0.0
SB 22-006 Sales tax assistance for small bus	(17,600)	(17,600)	0	0	0	0.0
HB 22-1043 Motorcycle & autocytle definition	(15,976)	(15,976)	0	0	0	0.0
SB 22-055 Alcohol monitoring for impaired drivers	(10,294)	(10,294)	0	0	0	0.0
HB 22-1016 Voluntary contribution check-off	(8,913)	0	(8,913)	0	0	0.0
HB 21-1073 Support foster families license plate	(8,753)	0	(8,753)	0	0	0.0
HB 22-1351 Temp reduce road user charge	(5,850)	(5,850)	0	0	0	0.0
HB 22-1254 Vehicle taxes & fees late registration	(4,428)	0	(4,428)	0	0	1.1
HB 22-1024 Sales tax exempt muni school	(3,375)	(3,375)	0	0	0	0.0
HB 22-1397 Statewide equity office	(2,943)	0	0	(2,943)	0	0.3
SB 22-032 Simplify local sales & use tax	(2,100)	(2,100)	0	0	0	0.0
SB 21-260 Sustainability of transportation	(245)	0	(245)	0	0	0.0
<b>TOTAL</b>	<b>(\$3,966,562)</b>	<b>(\$4,072,724)</b>	<b>\$282,850</b>	<b>(\$176,688)</b>	<b>\$0</b>	<b>(2.1)</b>

## MAJOR DIFFERENCES FROM THE REQUEST

The FY 2023-24 Department of Revenue decision item recommendations, in total, represent a \$5.7 million (1.2 percent) increase in appropriations from FY 2022-23. This includes a \$5.1 million (1.6 percent) recommended increase in cash fund appropriations and a \$0.5 million (0.4 percent) recommended increase in General Fund appropriations. Differences between the request and recommendation include:

- Committee common policy adjustments for centrally-appropriated line items.
- All FTE requests reflect Committee policy related to centrally appropriated line items in the first year.
- A reduction in the R3 (Racing Compliance Requirements) appropriation to reflect a current seasonal steward position being replaced by a permanent steward in the request.
- The creation of a new line item, Responsible Gaming Grant Program, in the Limited Gaming Division to reflect the newly created grant program.

## DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

## → R1 TAXATION CALL CENTER

*REQUEST:* The request includes an increase of \$479,522 in General Fund and 6.0 FTE to establish an appointment-based call center in the Taxation Division. The additional call center will function on an appointment basis and work in conjunction with the existing call center to reduce the wait times and better serve Colorado taxpayers. The Department identified this request as theory-informed.

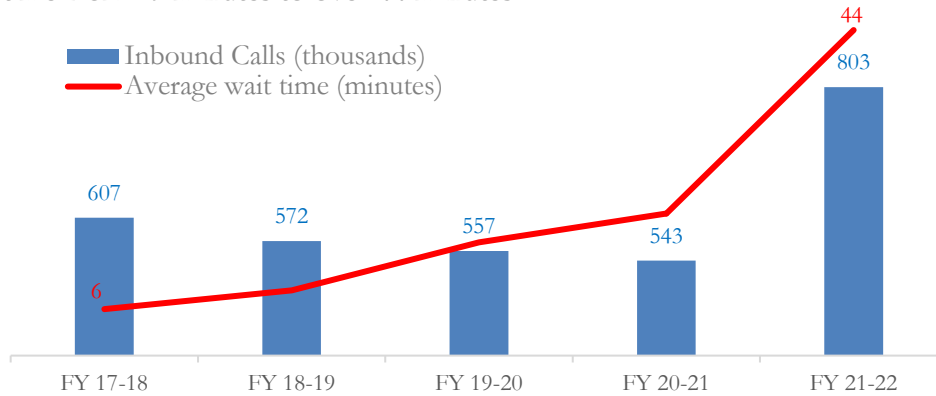
*RECOMMENDATION:* **Staff recommends approval of the request**, with adjustments for JBC common policies. The Taxpayer Services call center has experienced a substantial increase in wait times in recent years, growing from an average wait time of 6 minutes in FY 2017-18 to over 44 minutes in FY 2021-22. This far exceeds the Division's 9-minute, 30-second average long-term goal for average hold time. The Taxation Division has implemented several initiatives within the Taxpayer Services call center, including call blocking, online chatbot technology, and virtual hold technology. However, despite implementing these measures, call wait times have continued to increase. This request provides the Taxation Services Division the necessary resources to reduce call center hold times and improve customer service to Colorado taxpayers.

*EVIDENCE LEVEL:* The Department indicated that this request item is data-informed, and staff agree with this designation.

*ANALYSIS:* This request would establish an appointment-based call center that would provide better customer service to Colorado taxpayers. The new call center model would allow callers the option to schedule an appointment to talk with a call center agent, thereby reducing time spent waiting in a call queue being blocked when the call center exceeds established call capacity. The appointment-based call center would work in tandem with the existing call center, and when taxpayers call for assistance, they would be given three options; wait on hold, receive a callback, or schedule an appointment for a future call. In order to maximize the Taxpayer Services call center's efficiency, when scheduled calls conclude early, or a taxpayer does not show up for a scheduled call, the impacted agent would join the traditional call queue to assist. Cross-Departmental learnings and best practices from the appointment-based model at the Colorado DMV have been incorporated into this request.

The graph below illustrates the total volume of calls between FY 2017-18 and FY 2021-22 as well as the associated average hold time during this period.

The volume of calls to the taxation services call center increased by 48 percent between FY 20-21 and FY 21-22, which increased the average hold time from 19 minutes to over 44 minutes.



Although the total volume of Taxpayer Services inbound calls was trending downwards in the three fiscal years prior to FY 2021-22, the average wait time steadily increased over these years. In FY 2021-22 the call volume increased by over 48 percent from approximately 543,000 calls to 803,000 calls. This led the average hold time to increase by almost 130 percent, from an average hold of 19 minutes to a hold time of over 44 minutes.

According to the Department, several interrelated issues have caused the increased wait times in recent years. These factors include significant state and federal changes to the tax code, COVID-19 pandemic-driven changes in tax deadlines, population growth, and difficulty onboarding and retaining qualified personnel to work in the call center. The Department does not track vacancy rates specific to Taxpayer Services call center FTE. However, it reports that vacancy rates for tax examiners have ranged from 14 percent to 27 percent in recent years and reports that in FY 2021-22, the vacancy rate was approximately 26 percent. Finally, call center staff have reported that the questions they receive have grown more complicated, necessitating lengthier conversations in order to adequately address caller’s questions.

The Department has implemented several initiatives in recent years aimed at reducing the wait times into the call center, including call blocking and online chat bot functionality. Both of these are standard features of large call center operations.

Call blocking is an industry practice in which once callers in queue reach a certain threshold, additional callers are “blocked” and do not receive assistance. Though this practice reduces the average amount of time that callers wait to receive assistance, it also means some callers are denied access to a customer service representative. Call blocking has customer service ramifications and can lead to negative perceptions of the State’s taxation department, as well as more broadly, state agencies. With this in mind, the Department has sought to minimize the practice.

The table below shows the volume of inbound calls, calls blocked, abandoned calls, calls answered, and average wait time in the five most recent fiscal years.

TAXATION SERVICES CALL CENTER PERFORMANCE METRICS						
Fiscal Year	Calls Inbound	Calls Blocked	Calls Entering Queue	Calls Abandoned	Calls Answered	Average Wait Time
FY 17-18	607,134	51,567	321,949	76,077	244,881	6:21
FY 18-19	572,182	70,103	323,029	68,107	253,262	8:55
FY 19-20	557,138	5,638	355,287	113,483	240,968	15:28
FY 20-21	542,587	4,430	348,256	129,461	218,794	19:24
FY 21-22	803,356	59,501	327,080	154,357	172,912	44:29

The Department utilized the Erlang C formula to measure the appropriate staffing level for the appointment-based call center. The Erlang C formula is a mathematical equation that allows you to forecast the probability that a call will wait on hold, given the call center traffic intensity and the number of available agents at that time. The Department utilized weekly call data from 2012 through 2022 to forecast its call volume and hold times for FY 2023-24. Based on historical data, the Department projected a need for 2.9 additional FTE to meet call demand during low-volume periods and a need for 15.4 additional FTE to meet call demand during peak demand. The Division settled on 6.0 FTE for this request, allowing them the resources to build out the team with the proper managerial support.

According to the Erlang C model, the Department projects that an appointment-based call center staffed with 6.0 FTE would reduce the average wait time to 16 minutes and 26 seconds in FY 2023-24. This would be an improvement of nearly 28 minutes from the average wait time in FY 2021-22. The Department states that its long-term call center goal remains to reduce the average Taxpayer Services call center hold time to 9 minutes and 30 seconds.

The request, recommendation, and annualization for R1, Taxation Call Center, are outlined in the table below.

R1: TAXATION CALL CENTER			
	FY 23-24 REQUEST	FY 23-24 RECOMMENDATION	FY 24-25 REC. ANNUALIZATION
FTE	6.0	6.0	6.0
Personal Services	\$336,633	\$312,091	\$340,463
Centrally Appropriated Expense	96,479	0	97,881
Operating Expenses	46,410	48,120	8,100
<b>Total</b>	<b>\$479,522</b>	<b>\$360,211</b>	<b>\$446,444</b>

### → R3 RACING COMPLIANCE REQUIREMENTS

**REQUEST:** The request includes an increase of \$583,300 in Racing Cash Fund spending authority and 4.0 FTE for the anticipated workload increase due to the implementation of the federal Horseracing Integrity Safety Act.

**RECOMMENDATION:** Staff recommends approving the Department’s request, with adjustments for JBC common policy.

**EVIDENCE LEVEL:** The Department indicated that this request item is data-informed, and staff agree with this designation.

*ANALYSIS:* The federal Horseracing Integrity and Safety Act (the Act) created a private self-regulatory organization called the Horseracing Integrity and Safety Authority (HISA) and charged it with establishing and enforcing federal racetrack safety, anti-doping, and medication control rules. The legislation has two distinct components, the Racetrack Safety Program, which went into effect on July 1, 2022, and the Anti-Doping and Medication Program, which was scheduled to go into effect on January 1, 2023, but court challenges have delayed implementation. The recently passed federal Omnibus Bill includes an amendment that addresses these legal challenges. The Department feels that HISA, and its oversight capacity, will not be impacted by these legal challenges.

The Horseracing Integrity Safety Act includes two components:

- The Racetrack Safety Program - includes track operational safety guidelines and national accreditation standards implemented to protect thoroughbred racehorses and reduce risks to jockeys. This program expands veterinary oversight, imposes track surface safety standards, and implements voided claim rules.
- The Anti-Doping and Medication Control Program - creates a standardized testing and results management process and imposes uniform penalties for violations across the United States. The Horseracing Integrity and Welfare Unit, a newly formed independent agency, will oversee testing, inform stakeholders, accredit laboratories, and prosecute rule violations.

This legislation was passed to protect equine athletes' health, safety, and welfare and creates a unified set of national standards for the thoroughbred racing industry. The Act was spurred by recent track tragedies, including a significant spike in horse breakdowns at Santa Anita race track in California in 2019, which received widespread national media attention. Additionally, prominent doping scandals have recently plagued the sport, including a post-race failed drug test which stripped the 2021 Kentucky Derby winner of their title. Before the Act, there was no uniform set of track guidelines, meaning that sanctions imposed in one jurisdiction were not necessarily binding in another. This lack of consistency and uniformity in the horseracing industry was detrimental to the horses, jockeys, and the overall sport.

The request includes \$583,300 from the Racing Cash Fund and 4.0 FTE in FY 2023-24 to implement the additional horseracing industry oversight necessitated by the Act, as well as to bring auditing procedures in line with industry best practices. The four additional FTE requested include the following:

- 1 Regulatory Veterinarian I – a permanent position overseeing the temporary veterinary staff during the race season and performing regulatory out-of-competition testing on horses during the off-season.
- 2 Criminal Investigator II – a permanent position that would report to the agent in charge at the track and whose primary responsibility would be to perform inspections at places where horses are stabled. Additionally, this position would support the regulatory veterinarian by witnessing and ensuring the chain of custody security for biological samples collected at stabling locations.
- 3 Permanent State Steward (Program Manager II) – a permanent position that would replace one temporary steward during the race meet. Temporary stewards are challenging to hire due to the

specific skill set, training, and time demands required. This position would bring stability and consistency to the steward role, a principal goal of the HISA Act.

- 4 Auditor IV – a full-time position that would ensure that proper accounting principles are followed. Previously purse funding was reviewed and audited by a third-party examination agency. This position would provide a more cost-effective and consistent approach to ensure proper accounting and financial management protocols are followed.

**AUDITOR IV**

According to the Department, the lack of a full-time auditor at the racetrack has led to errors, inefficiencies, and auditing that occurs in a piecemeal fashion. The racetrack currently utilizes part-time and temporary employees to assist with auditing functions. This approach has led to significant training time and resource allocation dedicated to onboarding and developing temporary audit employees whose skill sets are lost with seasonal turnover. The intricacies of statute, pari-mutuel wagering, and track personnel are unique skill sets that are not readily available and generally must be learned on the job. A permanent auditing position would bring stability and continuity to this role.

The request, recommendation, and annualization for R3 (Racing Compliance Requirements), are outlined in the table below. Differences between the request and recommendation are driven by JBC common policy and the reduction of current funding for a temporary steward that a permanent steward position would replace.

R3 RACING COMPLIANCE REQUIREMENTS			
	FY 23-24 REQUEST	FY 23-24 RECOMMENDATION	FY 24-25 REC ANNUALIZATION
FTE	4.0	4.0	4.0
Personal Services	\$399,450	\$332,619	\$332,619
Operating Expenses	103,786	110,456	106,726
Centrally Appropriated Costs	80,064	56,203	77,800
<b>Total</b>	<b>\$583,300</b>	<b>\$499,278</b>	<b>\$517,145</b>

**→ R4 DRIVES AND GEN TAX OPERATIONAL REALIGNMENT**

*REQUEST:* The request includes a **net-zero funding realignment** beginning in FY 2023-24, which would relocate the GenTax System Support Office from the Taxation Business Group to the Executive Director’s Office. Additionally, the request moves the Colorado DRIVES Development Support team from the Division of Motor Vehicles to the Executive Director’s Office. This request would complete FY 2022-23 requests, R1, DMV - DRIVES System Support and R4, Operational Funding Realignment. This reorganization improves operational management and funding alignment.

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

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

responsible for day-to-day functionality of the GenTax system, and although it currently reports into the Innovation Strategy and Delivery Team located in the Executive Director’s Office, it is funded through the Taxation Business Group (Tax).

The Colorado Driver License, Record, Identification and Vehicle Enterprise Solution (DRIVES) system is a FAST Enterprise software platform that streamlined activities across the Division of Motor Vehicles (DMV). DRIVES merged two separate, antiquated IT systems into a single integrated interface to generate efficiencies and modernize the delivery of licensing, vehicle titling, registration, identification services, and other DMV-related services to the citizens of Colorado. The DRIVES Development and Support (DDS) team, much like the SSO within Tax, is responsible for upgrades and programming enhancements to the DRIVES system. Although it is funded by DMV administration, it also reports into the Innovation Strategy and Delivery team in the Executive Director’s Office.

Approval of this request would result in an organizational realignment in FY 2023-24 that would improve operational management as well as funding source alignment within the Department of Revenue. The two components of this request are:

- A permanent net-zero realignment of a \$520,488 General Fund and 7.0 FTE from the Taxation Business Group to the Executive Director’s Office.
- A permanent net-zero realignment of \$490,120 DRIVES Cash Fund spending authority and 6.0 FTE from the Division of Motor Vehicles to the Executive Director’s Office.

## → BA1 PROPOSITION FF IMPLEMENTATION

*REQUEST:* The request includes an increase in the Taxation Business Group of \$209,855 General Fund and 2.2 FTE in FY 2023-24, annualizing to \$98,292 General Fund and 1.4 FTE in FY 2024-25 to implement the legislation based on the passage of Proposition FF in the November 2022 election. The bill creates the “Healthy School Meals for All” program and establishes a funding mechanism for the program.

*RECOMMENDATION:* **Staff recommends approving the Department’s request**, with adjustments for JBC common policy.

*ANALYSIS:* Proposition FF increases tax revenue by requiring some taxpayers to add a certain amount of federal deductions back to their Colorado taxable income. Increased tax revenue to the General Fund under the measure is estimated to be \$50.4 million in FY 2022-23 (a half-year impact), \$100.7 million in FY 2023-24, \$104.2 million in FY 2024-25, and by increasing amounts in subsequent years. In tax year 2023, the measure is expected to increase Colorado taxable income by approximately \$2.2 billion. The Colorado state income tax rate of 4.55 percent is applied to this increase in taxable income to arrive at a total tax increase of \$100.7 million.

This request would allow the Taxation Business Group to implement the legislation by providing necessary resources for processing and examining tax returns by updating existing GenTax program software to allow for tracking the incremental funding increases from the passed measure and accurately routing the revenue to the appropriate funding locations. The funding will also enable the



Office of Research and Analysis to produce any requested data reporting products related to the legislation.

The request, recommendation, and annualization for BA1, Proposition FF Implementation, are outlined in the table below.

BA1: PROPOSITION FF IMPLEMENTATION			
	FY 23-24 REQUEST	FY 23-24 RECOMMENDATION	FY 24-25 REC ANNUALIZATION
FTE	2.2	2.2	1.4
Personal Services	\$109,673	\$99,988	\$69,412
Centrally Appropriated Costs	31,865	0	21,920
Operating Expenses	28,440	28,440	8,290
GenTax / Docs	39,877	39,877	0
<b>Total</b>	<b>\$209,855</b>	<b>\$168,305</b>	<b>\$99,622</b>

## (1) THE EXECUTIVE DIRECTOR’S OFFICE

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

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$86,683,680	\$36,511,766	\$42,317,350	\$7,544,941	\$309,623	205.4
Other legislation	202,250	103,820	(101,827)	202,290	(2,033)	4.6
SB 23-131 (Supplemental Bill)	(318,837)	(218,403)	(100,434)	0	0	0.0
<b>TOTAL</b>	<b>\$86,567,093</b>	<b>\$36,397,183</b>	<b>\$42,115,089</b>	<b>\$7,747,231</b>	<b>\$307,590</b>	<b>210.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$86,567,093	\$36,397,183	\$42,115,089	\$7,747,231	\$307,590	210.0
R1 Taxation call center	0	0	0	0	0	0.0
R3 Racing compliance requirements	67,529	0	67,529	0	0	0.0
R4 DRIVES and GenTax operational realignment	1,011,308	520,488	490,820	0	0	13.0
BA1 Proposition FF implementation	0	0	0	0	0	0.0
Centrally appropriated line items	12,669,028	5,166,211	7,003,771	211,050	287,996	0.0
Indirect cost assessment	553,864	896,849	553,864	(896,849)	0	0.0
Non-prioritized decision items	2,721,891	1,747,009	972,735	2,147	0	0.0
Technical adjustments	68,600	47,010	21,590	0	0	0.0
Annualize prior year legislation	194,024	219,077	(14,635)	(10,418)	0	(1.1)
<b>TOTAL</b>	<b>\$103,853,337</b>	<b>\$44,993,827</b>	<b>\$51,210,763</b>	<b>\$7,053,161</b>	<b>\$595,586</b>	<b>221.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$17,286,244</b>	<b>\$8,596,644</b>	<b>\$9,095,674</b>	<b>(\$694,070)</b>	<b>\$287,996</b>	<b>11.9</b>
Percentage Change	20.0%	23.6%	21.6%	(9.0%)	93.6%	5.7%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$104,005,541</b>	<b>\$45,122,170</b>	<b>\$51,234,624</b>	<b>\$7,053,161</b>	<b>\$595,586</b>	<b>221.9</b>
Request Above/(Below) Recommendation	\$152,204	\$128,343	\$23,861	\$0	\$0	0.0

### DECISION ITEMS – THE EXECUTIVE DIRECTOR’S OFFICE

The Department did not submit any decision items solely affecting this division. Changes requested in R1, R3, and R4 are discussed under decision items impacting multiple divisions.

#### (A) ADMINISTRATION AND SUPPORT

##### PERSONAL SERVICES

This line item pays for program staff salary and contract services. The staff are responsible for the Department’s administration, auditing, accounting, budgeting, personnel management, and research

functions. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

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

*REQUEST:* The Department’s request is summarized in the table below. The request includes indirect cost recoveries refinancing, non-prioritized request OIT Accessibility Testing and Remediation, and the Department's R4 (DRIVES and GenTax Operational Realignment) request item, and the following annualization adjustments:

- S.B. 22-051 Reduce Emissions from the Built Environment
- S.B. 22-055 Alcohol Monitoring for Impaired Drivers
- S.B. 22-124 SALT Parity Act
- S.B. 22-204 Repeal Federal Government Confirm Status
- S.B. 22-233 TABOR Refund
- S.B. 22-260 Sustainability of Transportation
- H.B. 22-1007 Assist Landowner Fire Mitigation
- H.B. 22-1016 Voluntary Contribution Check-Off
- H.B. 22-1025 Repeal Infrequently Used Tax Expenditures
- H.B. 22-1026 Alternative Transportation Option
- H.B. 22-1083 Homeless Contribution Tax Credit
- H.B. 22-1254 Vehicle Taxes and Fees Late Registration
- H.B. 21-1311 Income Tax Bill
- H.B. 22-1320 ABLE Savings Accounts
- H.B. 22-1361 Oil & Gas Reporting
- H.B. 22-1388 Vehicle Registration & Certificate
- H.B. 22-1391 Modification to Severance Tax
- H.B. 22-1397 Statewide Equity Office
- H.B. 22-1414 Healthy School Meals for All

*RECOMMENDATION:* Staff recommends approval of the request. The recommendation includes approval of the R4 (DRIVES and GenTax Operational Realignment) request which is a permanent net-zero organizational operational realignment.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$15,873,457	\$6,144,886	\$2,211,572	\$7,512,602	\$4,397	172.1
Other legislation	\$357,248	\$164,212	\$20,808	\$172,228	\$0	4.6
<b>TOTAL</b>	<b>\$16,230,705</b>	<b>\$6,309,098</b>	<b>\$2,232,380</b>	<b>\$7,684,830</b>	<b>\$4,397</b>	<b>176.7</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$16,230,705	\$6,309,098	\$2,232,380	\$7,684,830	\$4,397	176.7
Non-prioritized decision items	2,329,986	1,596,040	733,946	0	0	0.0
R4 DRIVES and GenTax operational realignment	983,108	509,988	473,120	0	0	13.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	368,424	368,424	0	0	0	0.0
Indirect cost assessment	0	896,849	0	(896,849)	0	0.0
Annualize prior year legislation	(58,864)	(55,313)	(19,208)	15,657	0	(1.1)
<b>TOTAL</b>	<b>\$19,853,359</b>	<b>\$9,625,086</b>	<b>\$3,420,238</b>	<b>\$6,803,638</b>	<b>\$4,397</b>	<b>188.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,622,654</b>	<b>\$3,315,988</b>	<b>\$1,187,858</b>	<b>(\$881,192)</b>	<b>\$0</b>	<b>11.9</b>
Percentage Change	22.3%	52.6%	53.2%	(11.5%)	0.0%	6.7%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$19,853,359</b>	<b>\$9,625,086</b>	<b>\$3,420,238</b>	<b>\$6,803,638</b>	<b>\$4,397</b>	<b>188.6</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**HEALTH, LIFE, AND DENTAL**

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees. The reappropriated funds portion of this line item corresponds to the health, life, and dental benefits of employees whose salaries are included in the indirect cost recovery plan.

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

*REQUEST:* The Department's request is summarized in the table below.

*RECOMMENDATION:* Staff recommendation is provided in the table below. The recommendation reflects JBC common policy on new FTE as well as JBC action on statewide compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, 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)	\$19,305,563	\$8,514,392	\$10,626,881	\$4,073	\$160,217	0.0
SB 23-131 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$19,305,563</b>	<b>\$8,514,392</b>	<b>\$10,626,881</b>	<b>\$4,073</b>	<b>\$160,217</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$19,305,563	\$8,514,392	\$10,626,881	\$4,073	\$160,217	0.0
Centrally appropriated line items	1,451,477	521,607	673,767	101,631	154,472	0.0
R3 Racing compliance requirements	33,000	0	33,000	0	0	0.0
R1 Taxation call center	0	0	0	0	0	0.0
BA Prop FF implementation	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$20,790,040</b>	<b>\$9,035,999</b>	<b>\$11,333,648</b>	<b>\$105,704</b>	<b>\$314,689</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,484,477</b>	<b>\$521,607</b>	<b>\$706,767</b>	<b>\$101,631</b>	<b>\$154,472</b>	<b>0.0</b>
Percentage Change	7.7%	6.1%	6.7%	2,495.2%	96.4%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$20,890,862</b>	<b>\$9,125,689</b>	<b>\$11,344,780</b>	<b>\$105,704</b>	<b>\$314,689</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$100,822	\$89,690	\$11,132	\$0	\$0	0.0

**SHORT-TERM DISABILITY**

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

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

*REQUEST:* The Department’s request is summarized in the table below.

*RECOMMENDATION:* The recommendation reflects JBC common policy on new FTE as well as Committee action on statewide compensation policy. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$164,290	\$74,569	\$88,239	\$44	\$1,438	0.0
SB 23-131 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$164,290</b>	<b>\$74,569</b>	<b>\$88,239</b>	<b>\$44</b>	<b>\$1,438</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$164,290	\$74,569	\$88,239	\$44	\$1,438	0.0
R3 Racing compliance requirements	365	0	365	0	0	0.0
R1 Taxation call center	0	0	0	0	0	0.0
BA Prop FF implementation	0	0	0	0	0	0.0
Centrally appropriated line items	(300)	(3,439)	1,165	893	1,081	0.0
<b>TOTAL</b>	<b>\$164,355</b>	<b>\$71,130</b>	<b>\$89,769</b>	<b>\$937</b>	<b>\$2,519</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$65</b>	<b>(\$3,439)</b>	<b>\$1,530</b>	<b>\$893</b>	<b>\$1,081</b>	<b>0.0</b>
Percentage Change	0.0%	(4.6%)	1.7%	2,029.5%	75.2%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$165,165</b>	<b>\$71,739</b>	<b>\$89,970</b>	<b>\$937</b>	<b>\$2,519</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$810	\$609	\$201	\$0	\$0	0.0

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

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

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

*REQUEST:* The Department’s request is summarized in the table below.

*RECOMMENDATION:* **Staff recommends approving the request.** The recommendation reflects Committee action on statewide compensation.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,173,740	\$2,344,687	\$2,782,485	\$1,394	\$45,174	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 23-131 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,173,740</b>	<b>\$2,344,687</b>	<b>\$2,782,485</b>	<b>\$1,394</b>	<b>\$45,174</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,173,740	\$2,344,687	\$2,782,485	\$1,394	\$45,174	0.0
Centrally appropriated line items	373,465	51,991	251,125	30,634	39,715	0.0
R3 Racing compliance requirements	11,419	0	11,419	0	0	0.0
R1 Taxation call center	0	0	0	0	0	0.0
BA Prop FF implementation	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$5,558,624</b>	<b>\$2,396,678</b>	<b>\$3,045,029</b>	<b>\$32,028</b>	<b>\$84,889</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$384,884</b>	<b>\$51,991</b>	<b>\$262,544</b>	<b>\$30,634</b>	<b>\$39,715</b>	<b>0.0</b>
Percentage Change	7.4%	2.2%	9.4%	2,197.6%	87.9%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$5,583,910</b>	<b>\$2,415,700</b>	<b>\$3,051,293</b>	<b>\$32,028</b>	<b>\$84,889</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$25,286	\$19,022	\$6,264	\$0	\$0	0.0

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

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

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

*REQUEST:* The Department's request is summarized in the table below.

*RECOMMENDATION:* **Staff recommends approving the request.** The recommendation reflects Committee action on statewide compensation.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,173,740	\$2,344,687	\$2,782,485	\$1,394	\$45,174	0.0
SB 23-131 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,173,740</b>	<b>\$2,344,687</b>	<b>\$2,782,485</b>	<b>\$1,394</b>	<b>\$45,174</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,173,740	\$2,344,687	\$2,782,485	\$1,394	\$45,174	0.0
Centrally appropriated line items	373,465	51,991	251,125	30,634	39,715	0.0
R3 Racing compliance requirements	11,419	0	11,419	0	0	0.0
R1 Taxation call center	0	0	0	0	0	0.0
BA Proposition FF implementation	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$5,558,624</b>	<b>\$2,396,678</b>	<b>\$3,045,029</b>	<b>\$32,028</b>	<b>\$84,889</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$384,884</b>	<b>\$51,991</b>	<b>\$262,544</b>	<b>\$30,634</b>	<b>\$39,715</b>	<b>0.0</b>
Percentage Change	7.4%	2.2%	9.4%	2,197.6%	87.9%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$5,583,910</b>	<b>\$2,415,700</b>	<b>\$3,051,293</b>	<b>\$32,028</b>	<b>\$84,889</b>	<b>0.0</b>

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$25,286	\$19,022	\$6,264	\$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’s request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,193,374	\$0	\$1,192,776	\$598	\$0	0.0
<b>TOTAL</b>	<b>\$1,193,374</b>	<b>\$0</b>	<b>\$1,192,776</b>	<b>\$598</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,193,374	\$0	\$1,192,776	\$598	\$0	0.0
Centrally appropriated line items	(846,113)	150,048	(1,002,858)	1,382	5,315	0.0
<b>TOTAL</b>	<b>\$347,261</b>	<b>\$150,048</b>	<b>\$189,918</b>	<b>\$1,980</b>	<b>\$5,315</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$846,113)</b>	<b>\$150,048</b>	<b>(\$1,002,858)</b>	<b>\$1,382</b>	<b>\$5,315</b>	<b>0.0</b>
Percentage Change	(70.9%)	n/a	(84.1%)	231.1%	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$347,261</b>	<b>\$150,048</b>	<b>\$189,918</b>	<b>\$1,980</b>	<b>\$5,315</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**SALARY SURVEY**

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

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

*REQUEST:* The Department’s request is summarized in the table below.

*RECOMMENDATION:* **The staff recommendation is shown in the table below and reflects Committee common policy for a 5.0 percent salary survey increase.** Staff requests permission to make adjustments if necessary based on the Committee’s final action on total compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,563,081	\$1,571,176	\$1,939,792	\$923	\$51,190	0.0
<b>TOTAL</b>	<b>\$3,563,081</b>	<b>\$1,571,176</b>	<b>\$1,939,792</b>	<b>\$923</b>	<b>\$51,190</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,563,081	\$1,571,176	\$1,939,792	\$923	\$51,190	0.0
Centrally appropriated line items	2,811,262	1,063,705	1,664,261	43,092	40,204	0.0
<b>TOTAL</b>	<b>\$6,374,343</b>	<b>\$2,634,881</b>	<b>\$3,604,053</b>	<b>\$44,015</b>	<b>\$91,394</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,811,262</b>	<b>\$1,063,705</b>	<b>\$1,664,261</b>	<b>\$43,092</b>	<b>\$40,204</b>	<b>0.0</b>
Percentage Change	78.9%	67.7%	85.8%	4,668.7%	78.5%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$6,374,343</b>	<b>\$2,634,881</b>	<b>\$3,604,053</b>	<b>\$44,015</b>	<b>\$91,394</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**SHIFT DIFFERENTIAL**

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

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

*REQUEST:* The Department’s request is summarized in the table below.

*RECOMMENDATION:* Staff recommends appropriating \$115,151 cash funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHIFT DIFFERENTIAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$123,194	\$0	\$123,194	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$123,194</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$123,194	\$0	\$123,194	\$0	\$0	0.0
Centrally appropriated line items	(8,043)	0	(8,043)	0	0	0.0
<b>TOTAL</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$8,043)</b>	<b>\$0</b>	<b>(\$8,043)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(6.5%)	0.0%	(6.5%)	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0



**WORKERS' COMPENSATION**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* **Staff recommend approving the request.** The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$487,491	\$185,922	\$301,569	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$487,491</b>	<b>\$185,922</b>	<b>\$301,569</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$487,491	\$185,922	\$301,569	\$0	\$0	0.0
Centrally appropriated line items	(106,504)	(40,619)	(65,885)	0	0	0.0
<b>TOTAL</b>	<b>\$380,987</b>	<b>\$145,303</b>	<b>\$235,684</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$106,504)</b>	<b>(\$40,619)</b>	<b>(\$65,885)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(21.8%)	(21.8%)	(21.8%)	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$380,987</b>	<b>\$145,303</b>	<b>\$235,684</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

The request includes annualization adjustments for the following:

- H.B. 22-1320 ABLE Savings Accounts
- H.B. 22-1391 Modification to Severance Tax
- H.B. 22-1397 Statewide Equity Office

The request includes the fiscal impact of one of the Department's FY 2023-24 change requests:

- R4 – DRIVES and GenTax Operational Realignment

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,399,974	\$2,216,377	\$1,159,747	\$23,850	\$0	0.0
Other legislation	\$44,355	\$21,705	\$0	\$22,650	\$0	0.0
<b>TOTAL</b>	<b>\$3,444,329</b>	<b>\$2,238,082</b>	<b>\$1,159,747</b>	<b>\$46,500</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,444,329	\$2,238,082	\$1,159,747	\$46,500	\$0	0.0
Non-prioritized decision items	305,998	199,474	104,377	2,147	0	0.0
R4 DRIVES and GenTax operational realignment	28,200	10,500	17,700	0	0	0.0
Annualize prior year legislation	(32,485)	(13,885)	0	(18,600)	0	0.0
<b>TOTAL</b>	<b>\$3,746,042</b>	<b>\$2,434,171</b>	<b>\$1,281,824</b>	<b>\$30,047</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$301,713</b>	<b>\$196,089</b>	<b>\$122,077</b>	<b>(\$16,453)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	8.8%	8.8%	10.5%	(35.4%)	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,746,042</b>	<b>\$2,434,171</b>	<b>\$1,281,824</b>	<b>\$30,047</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**POSTAGE**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, POSTAGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$152,880	\$52,165	\$100,715	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$152,880</b>	<b>\$52,165</b>	<b>\$100,715</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$152,880	\$52,165	\$100,715	\$0	\$0	0.0
Technical adjustments	68,600	47,010	21,590	0	0	0.0
<b>TOTAL</b>	<b>\$221,480</b>	<b>\$99,175</b>	<b>\$122,305</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$68,600</b>	<b>\$47,010</b>	<b>\$21,590</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	44.9%	90.1%	21.4%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$221,480</b>	<b>\$99,175</b>	<b>\$122,305</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

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

**LEGAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$5,846,609	\$2,896,468	\$2,950,141	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,846,609</b>	<b>\$2,896,468</b>	<b>\$2,950,141</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$5,846,609	\$2,896,468	\$2,950,141	\$0	\$0	0.0
Centrally appropriated line items	(705,086)	(349,307)	(355,779)	0	0	0.0
<b>TOTAL</b>	<b>\$5,141,523</b>	<b>\$2,547,161</b>	<b>\$2,594,362</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$705,086)</b>	<b>(\$349,307)</b>	<b>(\$355,779)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(12.1%)	(12.1%)	(12.1%)	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$5,141,523</b>	<b>\$2,547,161</b>	<b>\$2,594,362</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	(\$0)	\$0	\$0	\$0	0.0

**ADMINISTRATIVE LAW JUDGE SERVICES**

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

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

*REQUEST:* The Department requests an appropriation of \$1,319 cash funds.

*RECOMMENDATION:* Staff recommend approving the request. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$322	\$0	\$322	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$322</b>	<b>\$0</b>	<b>\$322</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$322	\$0	\$322	\$0	\$0	0.0
Centrally appropriated line items	997	0	997	0	0	0.0
<b>TOTAL</b>	<b>\$1,319</b>	<b>\$0</b>	<b>\$1,319</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$997</b>	<b>\$0</b>	<b>\$997</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	309.6%	0.0%	309.6%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,319</b>	<b>\$0</b>	<b>\$1,319</b>	<b>\$0</b>	<b>\$0</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 requests \$23,840 total funds, including \$9,074 General Fund, for creation of a new line item to accommodate a new common policy to provide annual funding for employee training.

*RECOMMENDATION:* The staff recommendation is **pending the Committee common policy decision for this line item**. JBC staff requests permission to reflect Committee action for this line item. The amount reflected in the table below represents the Department’s request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, STATEWIDE TRAINING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Non-prioritized decision items	\$23,840	\$9,074	\$14,766	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$23,840</b>	<b>\$9,074</b>	<b>\$14,766</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$23,840</b>	<b>\$9,074</b>	<b>\$14,766</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$23,840</b>	<b>\$9,074</b>	<b>\$14,766</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* Staff recommend approving the request. The recommendation reflects Committee action on common policies.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$749,074	\$285,671	\$463,403	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$749,074</b>	<b>\$285,671</b>	<b>\$463,403</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$749,074	\$285,671	\$463,403	\$0	\$0	0.0
Centrally appropriated line items	27,594	10,471	17,123	0	0	0.0
<b>TOTAL</b>	<b>\$776,668</b>	<b>\$296,142</b>	<b>\$480,526</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$27,594</b>	<b>\$10,471</b>	<b>\$17,123</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.7%	3.7%	3.7%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$776,668</b>	<b>\$296,142</b>	<b>\$480,526</b>	<b>\$0</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 payments to Fleet Management in the Department of Personnel for the cost of lease-purchase payments for Department vehicles.

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* Staff recommend approving the request. The recommendation reflects Committee action on common policies.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$738,765	\$103,731	\$635,034	\$0	\$0	0.0
Other legislation	\$0	\$0	\$0	\$0	\$0	0.0
SB 23-131 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$738,765</b>	<b>\$103,731</b>	<b>\$635,034</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$738,765	\$103,731	\$635,034	\$0	\$0	0.0
Non-prioritized decision items	244,469	34,326	210,143	0	0	0.0
R3 Racing compliance requirements	11,326	0	11,326	0	0	0.0
<b>TOTAL</b>	<b>\$994,560</b>	<b>\$138,057</b>	<b>\$856,503</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$255,795</b>	<b>\$34,326</b>	<b>\$221,469</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	34.6%	33.1%	34.9%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$994,560</b>	<b>\$138,057</b>	<b>\$856,503</b>	<b>\$0</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 leasing costs for more than 80 office locations throughout the state, mostly for Driver's License Offices and State Lottery Offices.

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

*REQUEST:* The Department request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$6,649,699	\$480,592	\$6,169,107	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,649,699</b>	<b>\$480,592</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$6,649,699	\$480,592	\$6,169,107	\$0	\$0	0.0
Centrally appropriated line items	40,380	40,380	0	0	0	0.0
<b>TOTAL</b>	<b>\$6,690,079</b>	<b>\$520,972</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$40,380</b>	<b>\$40,380</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.6%	8.4%	0.0%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$6,690,079</b>	<b>\$520,972</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**CAPITOL COMPLEX LEASED SPACE**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, 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)	\$866,380	\$322,906	\$543,474	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$866,380</b>	<b>\$322,906</b>	<b>\$543,474</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$866,380	\$322,906	\$543,474	\$0	\$0	0.0
Centrally appropriated line items	121,351	57,036	64,315	0	0	0.0
Non-prioritized decision items	67,596	67,596	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,055,327</b>	<b>\$447,538</b>	<b>\$607,789</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$188,947</b>	<b>\$124,632</b>	<b>\$64,315</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	21.8%	38.6%	11.8%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,055,327</b>	<b>\$447,538</b>	<b>\$607,789</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAYMENTS TO OIT**

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

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

*REQUEST:* The Department request is summarized in the table below.

*STAFF RECOMMENDATION:* **The staff recommendation is pending the Committee common policy decision for this line item.** Staff requests permission to adjust the amount in this line according to the Committee’s decision. The table below reflects the Department’s request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, 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)	\$11,926,101	\$8,172,673	\$3,753,428	\$0	\$0	0.0
Other legislation	\$33,464	\$23,414	\$2,575	\$7,475	\$0	0.0
SB 23-131 (Supplemental Bill)	(318,837)	(218,403)	(100,434)	0	0	0.0
<b>TOTAL</b>	<b>\$11,640,728</b>	<b>\$7,977,684</b>	<b>\$3,655,569</b>	<b>\$7,475</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$11,640,728	\$7,977,684	\$3,655,569	\$7,475	\$0	0.0
Centrally appropriated line items	9,117,171	3,377,712	5,739,459	0	0	0.0
Annualize prior year legislation	192,087	194,989	4,573	(7,475)	0	0.0
Non-prioritized decision items	(318,837)	(218,403)	(100,434)	0	0	0.0
<b>TOTAL</b>	<b>\$20,631,149</b>	<b>\$11,331,982</b>	<b>\$9,299,167</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,990,421</b>	<b>\$3,354,298</b>	<b>\$5,643,598</b>	<b>(\$7,475)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	77.2%	42.0%	154.4%	(100.0%)	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$20,631,149</b>	<b>\$11,331,982</b>	<b>\$9,299,167</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**DIGITAL TRUNK RADIO PAYMENTS [NEW LINE ITEM]**

This line item provides funding for payments to the Office of Public Safety Communications in the Department of Public Safety related to digital trunk radio user charges. This is a new line item that reflects the transfer of digital trunk radio administration from the Office of Information Technology to the Office of Public Safety Communications as created by H.B. 22-1353 (Public Safety Communications Transfer).

**Statutory Authority:** Section 24-33.5-2508, C.R.S.

**Request:** The Department’s request is summarized in the table below.

**Recommendation:** Staff recommendation is pending Committee action on common policy for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established. The table below reflects the Department’s request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, DIGITAL TRUNK RADIO PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	\$93,286	\$93,286	\$0	\$0	\$0	0.0
Non-prioritized decision items	47,829	47,829	0	0	0	0.0
<b>TOTAL</b>	<b>\$141,115</b>	<b>\$141,115</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$141,115</b>	<b>\$141,115</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$141,115</b>	<b>\$141,115</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

**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 is summarized in the table below. The request includes adjustments to centrally appropriated line items and the impact of requests from other departments.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,680,683	\$640,985	\$1,039,698	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,680,683</b>	<b>\$640,985</b>	<b>\$1,039,698</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,680,683	\$640,985	\$1,039,698	\$0	\$0	0.0



EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Non-prioritized decision items	11,073	11,073	0	0	0	0.0
Centrally appropriated line items	(762,446)	(290,784)	(471,662)	0	0	0.0
<b>TOTAL</b>	<b>\$929,310</b>	<b>\$361,274</b>	<b>\$568,036</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$751,373)</b>	<b>(\$279,711)</b>	<b>(\$471,662)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(44.7%)	(43.6%)	(45.4%)	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$929,310</b>	<b>\$361,274</b>	<b>\$568,036</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**UTILITIES**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, UTILITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(B) HEARINGS DIVISION**

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,795,124	\$0	\$2,795,124	\$0	\$0	33.3
Other legislation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$2,795,124</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,795,124	\$0	\$2,795,124	\$0	\$0	33.3
Indirect cost assessment	521,437	0	521,437	0	0	0.0
Centrally appropriated line items	67,467	0	67,467	0	0	0.0
<b>TOTAL</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$588,904</b>	<b>\$0</b>	<b>\$588,904</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	21.1%	0.0%	21.1%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$110,412	\$0	\$110,412	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$110,412	\$0	\$110,412	\$0	\$0	0.0

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Non-prioritized decision items	9,937	0	9,937	0	0	0.0
<b>TOTAL</b>	<b>\$120,349</b>	<b>\$0</b>	<b>\$120,349</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$9,937</b>	<b>\$0</b>	<b>\$9,937</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	0.0%	9.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$120,349</b>	<b>\$0</b>	<b>\$120,349</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$249,589	\$0	\$249,589	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$249,589</b>	<b>\$0</b>	<b>\$249,589</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$249,589	\$0	\$249,589	\$0	\$0	0.0
Indirect cost assessment	32,427	0	32,427	0	0	0.0
<b>TOTAL</b>	<b>\$282,016</b>	<b>\$0</b>	<b>\$282,016</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$32,427</b>	<b>\$0</b>	<b>\$32,427</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	13.0%	n/a	13.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$282,016</b>	<b>\$0</b>	<b>\$282,016</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (2) THE TAXATION BUSINESS GROUP

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

TAXATION BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$101,114,917	\$96,941,488	\$3,003,929	\$317,368	\$852,132	436.6
Other legislation	3,515,458	3,481,565	33,893	0	0	18.4
<b>TOTAL</b>	<b>\$104,630,375</b>	<b>\$100,423,053</b>	<b>\$3,037,822</b>	<b>\$317,368</b>	<b>\$852,132</b>	<b>455.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$104,630,375	\$100,423,053	\$3,037,822	\$317,368	\$852,132	455.0
R1 Taxation call center	360,211	360,211	0	0	0	6.0
R4 DRIVES and GenTax operational realignment	(520,488)	(520,488)	0	0	0	(7.0)
R5 GenTax fuel tracking system reduction	(348,640)	0	(348,640)	0	0	0.0
BA Proposition FF implementation	168,305	168,305	0	0	0	2.2
Centrally appropriated line items	1,052,167	1,019,790	32,377	0	0	0.0
Indirect cost assessment	10,169	10,169	0	0	0	0.0
Non-prioritized decision items	310,905	309,201	1,704	0	0	0.0
Technical adjustments	(4,550,619)	(4,550,619)	0	0	0	0.0
Annualize prior year legislation	(2,759,318)	(2,772,204)	12,886	0	0	(0.8)
<b>TOTAL</b>	<b>\$98,353,067</b>	<b>\$94,447,418</b>	<b>\$2,736,149</b>	<b>\$317,368</b>	<b>\$852,132</b>	<b>455.4</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$6,277,308)</b>	<b>(\$5,975,635)</b>	<b>(\$301,673)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.4</b>
Percentage Change	(6.0%)	(6.0%)	(9.9%)	0.0%	0.0%	0.1%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$98,385,584</b>	<b>\$94,479,935</b>	<b>\$2,736,149</b>	<b>\$317,368</b>	<b>\$852,132</b>	<b>455.4</b>
Request Above/(Below) Recommendation	\$32,517	\$32,517	\$0	\$0	\$0	(0.0)

### DECISION ITEMS – THE TAXATION BUSINESS GROUP

#### → R5 GEN TAX FUEL TRACKING SYSTEM REDUCTION

**REQUEST:** The request includes a net-zero realignment beginning in FY 2023-24 of \$101,677 cash fund spending authority and 1.5 FTE from Fuel Tracking System to Taxation Services Personal Services; a net-zero realignment starting in FY 2023-24 of \$64,014 cash fund spending authority from Fuel Tracking System to Tax Administration IT System GenTax Support; and a reduction beginning in FY 2023-24 of \$348,640 in cash fund spending authority from Fuel Tracking System. These actions would result in the elimination of the Fuel Tracking System line in the Long Bill.

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

*ANALYSIS:* The state motor fuel excise tax is assessed on the importation and distribution of gasoline and special fuel, including diesel. Before January 1, 2022, fuel distributors could defer the incidence of excise tax up to three times before the tax was due. To accurately account for the tax, distributors had to track the fuel in the Colorado Fuel Tracking System. H.B. 21-1322, Gasoline and Special Fuel Tax Restructuring, moved the incidence of the tax and eliminated the need to track fuel through multiple transfers; as a result, the Department decommissioned the fuel tracking system and developed a replacement filing system through GenTax.

The recommendation is comprised of the following three parts. These cumulative actions will result in the elimination of the Fuel Tracking System line in the Long Bill.

- A permanent net-zero realignment beginning in FY 2023-24 of \$101,677 in cash fund spending authority, \$126 in General Fund appropriation, and 1.5 FTE from Fuel Tracking System to Taxation Services Personal Services;
- A permanent net-zero realignment beginning in FY 2023-24 of \$65,014 in cash fund spending authority from Fuel Tracking System to Tax Administration IT System Gentax Support; and
- A permanent reduction beginning in FY 2023-24 of \$348,640 in cash fund spending authority from the Fuel Tracking System line in the Long Bill.

## LINE ITEM DETAIL - TAXATION BUSINESS GROUP

### (A) ADMINISTRATION

#### PERSONAL SERVICES

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

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

*REQUEST:* The Department request is summarized in the table below.

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

TAXATION BUSINESS GROUP, 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)	\$578,260	\$558,467	\$19,793	\$0	\$0	5.0
<b>TOTAL</b>	<b>\$578,260</b>	<b>\$558,467</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$578,260	\$558,467	\$19,793	\$0	\$0	5.0
Centrally appropriated line items	11,998	11,998	0	0	0	0.0
Indirect cost assessment	10,169	10,169	0	0	0	0.0
<b>TOTAL</b>	<b>\$600,427</b>	<b>\$580,634</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$22,167</b>	<b>\$22,167</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.8%	4.0%	0.0%	n/a	n/a	0.0%

TAXATION BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$600,427</b>	<b>\$580,634</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

TAXATION BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$12,543	\$12,543	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$12,543</b>	<b>\$12,543</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	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Non-prioritized decision items	1,129	1,129	0	0	0	0.0
<b>TOTAL</b>	<b>\$13,672</b>	<b>\$13,672</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,129</b>	<b>\$1,129</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	9.0%	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$13,672</b>	<b>\$13,672</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

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

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

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

*REQUEST:* The Department request is summarized in the table below, and includes the following annualization adjustments:

- S.B. 22-051 Reduce Emissions from the Built Environment

- S.B. 22-124 SALT Parity Act Retroactive
- S.B. 22-233 TABOR Refund
- H.B. 22-1007 Assist Landowner Wildfire Mitigation
- H.B. 22-1010 Early Childhood Income Tax Credit
- H.B. 22-1016 Voluntary Contribution Check-Off
- H.B. 22-1025 Repeal Infrequently Used Tax Expenditures
- H.B. 22-1026 Alternative Transportation Options
- H.B. 22-1083 Homeless Contribution Check-Off
- H.B. 22-1205 Senior Housing Income Credit
- H.B. 22-1254 Vehicle Taxes & Fees Late Registration
- H.B. 21-1311 Income Tax Bill
- H.B. 22-1320 ABLE Savings Account
- H.B. 22-1392 Contaminated Land Income & Property
- H.B. 22-1414 Healthy School Meals for All

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

TAXATION BUSINESS GROUP, ADMINISTRATION, TAX ADMINISTRATION IT SYSTEM (GENTAX) SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$6,463,171	\$6,445,279	\$17,892	\$0	\$0	0.0
Other legislation	\$402,377	\$391,864	\$10,513	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,865,548</b>	<b>\$6,837,143</b>	<b>\$28,405</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$6,865,548	\$6,837,143	\$28,405	\$0	\$0	0.0
Technical adjustments	177,311	177,311	0	0	0	0.0
R5 GenTax fuel tracking system reduction	65,014	0	65,014	0	0	0.0
BA Prop FF implementation	39,213	39,213	0	0	0	0.0
Annualize prior year legislation	(525,696)	(515,183)	(10,513)	0	0	0.0
<b>TOTAL</b>	<b>\$6,621,390</b>	<b>\$6,538,484</b>	<b>\$82,906</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$244,158)</b>	<b>(\$298,659)</b>	<b>\$54,501</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(3.6%)	(4.4%)	191.9%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$6,621,390</b>	<b>\$6,538,484</b>	<b>\$82,906</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**IDS PRINT PRODUCTION**

This line item provides funding for consolidated printing and mail services provided by Integrated Document Solutions in the Department of Personnel.

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

*REQUEST:* The Department request is summarized in the table below.

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

TAXATION BUSINESS GROUP, ADMINISTRATION, IDS PRINT PRODUCTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$9,376,630	\$9,376,630	\$0	\$0	\$0	0.0
Other legislation	\$1,780,625	\$1,757,245	\$23,380	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$11,157,255</b>	<b>\$11,133,875</b>	<b>\$23,380</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$11,157,255	\$11,133,875	\$23,380	\$0	\$0	0.0
Technical adjustments	(4,507,221)	(4,507,221)	0	0	0	0.0
Annualize prior year legislation	(1,692,793)	(1,716,192)	23,399	0	0	0.0
<b>TOTAL</b>	<b>\$4,957,241</b>	<b>\$4,910,462</b>	<b>\$46,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$6,200,014)</b>	<b>(\$6,223,413)</b>	<b>\$23,399</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(55.6%)	(55.9%)	100.1%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$4,957,241</b>	<b>\$4,910,462</b>	<b>\$46,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(B) TAXATION SERVICES**

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

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

The Taxpayer Service Division (TPS) administers the State’s tax programs and provides assistance and information to Colorado taxpayers. The Division maintains five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, as well as a tax information call center. The Division produces public information campaigns, administers tax classes to promote voluntary compliance, and distributes information to the public to explain the State’s tax laws and policies. TPS also issues licenses and permits, processes tax forms and requests for refunds, resolves taxpayer problems, and intercepts income tax refunds for payment of debts owed to other State agencies and the Internal Revenue Service.



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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below, and includes the following annualization adjustments:

- S.B. 22-006 Sales Tax Assistance for Small Business
- S.B. 22-032 Simplify Local Sales & Use Tax
- S.B. 22-051 Reduce Emissions from The Built Environment
- S.B. 22-124 SALT Parity Act Retroactive
- S.B. 22-233 TABOR Refund
- H.B. 22-1007 Assist Landowner Fire Mitigation
- H.B. 22-1010 Early Childhood Educator Income Tax Credit
- H.B. 22-1025 Repeal Infrequently Used Tax Expenditures
- H.B. 22- 1026 Alternative Transportation Options
- H.B. 22-1205 Senior Housing Income Credit
- H.B. 22-1311 Income Tax Bill
- H.B. 22-1320 ABLE Savings Account
- H.B. 22-1406 Qualified Retailer Sales Tax
- H.B. 22-1414 Healthy School Meals for All

*RECOMMENDATION:* Staff recommends approving the request, with minor adjustments to reflect JBC common policies. The recommendation includes approval of R1 (Taxation Call Center), R4 (DRIVES and GenTax Operational Realignment), R5 (GenTax and Fuel Tracking System Reduction), and BA1 (Proposition FF Implementation). Adjustments are outline in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
HB 22-1329 (Long Bill)	\$30,802,998	\$29,384,094	\$1,264,819	\$154,085	\$0	406.3
Other legislation	\$1,162,031	\$1,162,031	\$0	\$0	\$0	18.4
<b>TOTAL</b>	<b>\$31,965,029</b>	<b>\$30,546,125</b>	<b>\$1,264,819</b>	<b>\$154,085</b>	<b>\$0</b>	<b>424.7</b>

TAXATION BUSINESS GROUP, TAXATION SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$31,965,029	\$30,546,125	\$1,264,819	\$154,085	\$0	424.7
Centrally appropriated line items	1,006,176	973,799	32,377	0	0	0.0
R1 Taxation call center	312,091	312,091	0	0	0	6.0
R5 GenTax fuel tracking system reduction	101,803	126	101,677	0	0	1.5
BA Proposition FF implementation	99,988	99,988	0	0	0	2.2
R4 DRIVES and GenTax operational realignment	(509,988)	(509,988)	0	0	0	(7.0)
Annualize prior year legislation	(86,184)	(86,184)	0	0	0	(0.8)
<b>TOTAL</b>	<b>\$32,888,915</b>	<b>\$31,335,957</b>	<b>\$1,398,873</b>	<b>\$154,085</b>	<b>\$0</b>	<b>426.6</b>
<b>INCREASE/(DECREASE)</b>						
	<b>\$923,886</b>	<b>\$789,832</b>	<b>\$134,054</b>	<b>\$0</b>	<b>\$0</b>	<b>1.9</b>
Percentage Change	2.9%	2.6%	10.6%	0.0%	n/a	0.4%
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$34,227	\$34,227	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below, and includes adjustments for R1 (Taxation Call Center), R4 (DRIVES and GenTax Operational Realignment), and BA1 (Proposition FF Implementation).

*RECOMMENDATION:* Staff recommends approving the request, with minor adjustments to reflect JBC common policies. The recommendation includes approval of R1 (Taxation Call Center), R4 (DRIVES and GenTax Operational Realignment), and BA1 (Proposition FF Implementation). Adjustments are outline in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,381,050	\$3,362,117	\$18,933	\$0	\$0	0.0
Other legislation	\$170,425	\$170,425	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,551,475</b>	<b>\$3,532,542</b>	<b>\$18,933</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,551,475	\$3,532,542	\$18,933	\$0	\$0	0.0
Non-prioritized decision items	304,295	302,591	1,704	0	0	0.0
R1 Taxation call center	48,120	48,120	0	0	0	0.0
BA Proposition FF implementation	28,440	28,440	0	0	0	0.0
Annualize prior year legislation	(181,549)	(181,549)	0	0	0	0.0

TAXATION BUSINESS GROUP, TAXATION SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R4 DRIVES and GenTax operational realignment	(10,500)	(10,500)	0	0	0	0.0
<b>TOTAL</b>	<b>\$3,740,281</b>	<b>\$3,719,644</b>	<b>\$20,637</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$188,806</b>	<b>\$187,102</b>	<b>\$1,704</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5.3%	5.3%	9.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,738,571</b>	<b>\$3,717,934</b>	<b>\$20,637</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$1,710)	(\$1,710)	\$0	\$0	\$0	0.0

**JOINT AUDIT PROGRAM**

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

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

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

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

**MINERAL AUDIT PROGRAM**

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

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

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

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

**DOCUMENT MANAGEMENT**

This line item, previously located in the Taxpayer Service Division, provides funding for the data entry services provided by the Department of Personnel to capture information from paper tax forms and

from driver's license documentation, and image and store tax returns and related documentation primarily for audit purposes, account error resolutions, or taxpayer requests and inquiries.

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

*REQUEST:* The Department request is summarized in the table below, and includes BA1 (Proposition FF Implementation)

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

TAXATION BUSINESS GROUP, TAXATION SERVICES, DOCUMENT MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$4,714,433	\$4,714,433	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,714,433</b>	<b>\$4,714,433</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$4,714,433	\$4,714,433	\$0	\$0	\$0	0.0
BA Prop FF implementation	664	664	0	0	0	0.0
Annualize prior year legislation	(273,096)	(273,096)	0	0	0	0.0
Technical adjustments	(220,709)	(220,709)	0	0	0	0.0
<b>TOTAL</b>	<b>\$4,221,292</b>	<b>\$4,221,292</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$493,141)</b>	<b>(\$493,141)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(10.5%)	(10.5%)	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$4,221,292</b>	<b>\$4,221,292</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**FUEL TRACKING SYSTEM**

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

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

*REQUEST:* Approval of R5 (GenTax Fuel Tracking System Reduction) would result in the elimination of this line item from the Long Bill.

*RECOMMENDATION:* Staff recommends approval of the request.

TAXATION BUSINESS GROUP, TAXATION SERVICES, FUEL TRACKING SYSTEM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						

TAXATION BUSINESS GROUP, TAXATION SERVICES, FUEL TRACKING SYSTEM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1329 (Long Bill)	\$504,071	\$126	\$503,945	\$0	\$0	1.5
<b>TOTAL</b>	<b>\$504,071</b>	<b>\$126</b>	<b>\$503,945</b>	<b>\$0</b>	<b>\$0</b>	<b>1.5</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$504,071	\$126	\$503,945	\$0	\$0	1.5
R5 GenTax fuel tracking system reduction	(504,071)	(126)	(503,945)	0	0	(1.5)
<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>(\$504,071)</b>	<b>(\$126)</b>	<b>(\$503,945)</b>	<b>\$0</b>	<b>\$0</b>	<b>(1.5)</b>
Percentage Change	(100.0%)	(100.0%)	(100.0%)	n/a	n/a	(100.0%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$0</b>	<b>\$0</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

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* **Staff recommends approval of the request.**

TAXATION BUSINESS GROUP, TAXATION SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
HB 22-1329 (Long Bill)	\$11,386	\$0	\$11,386	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$11,386</b>	<b>\$0</b>	<b>\$11,386</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$11,386	\$0	\$11,386	\$0	\$0	0.0
R5 GenTax fuel tracking system reduction	(11,386)	0	(11,386)	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>(\$11,386)</b>	<b>\$0</b>	<b>(\$11,386)</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>\$0</b>	<b>\$0</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

(C) TAX CONFEREE

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

PERSONAL SERVICES

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

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

*REQUEST:* The Department request is summarized in the table below.

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

TAXATION BUSINESS GROUP, TAX CONFEREE, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,602,937	\$1,505,654	\$0	\$97,283	\$0	13.6
<b>TOTAL</b>	<b>\$1,602,937</b>	<b>\$1,505,654</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,602,937	\$1,505,654	\$0	\$97,283	\$0	13.6
Centrally appropriated line items	33,993	33,993	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,636,930</b>	<b>\$1,539,647</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$33,993</b>	<b>\$33,993</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.1%	2.3%	n/a	0.0%	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,636,930</b>	<b>\$1,539,647</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

OPERATING EXPENSES

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

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

*REQUEST:* The Department request is summarized in the table below.

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

TAXATION BUSINESS GROUP, TAX CONFEREE, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$60,905	\$60,905	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$60,905</b>	<b>\$60,905</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	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Non-prioritized decision items	5,481	5,481	0	0	0	0.0
<b>TOTAL</b>	<b>\$66,386</b>	<b>\$66,386</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$5,481</b>	<b>\$5,481</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	9.0%	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$66,386</b>	<b>\$66,386</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

**(D) SPECIAL PURPOSE**

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

**CIGARETTE TAX REBATE**

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

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

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

*REQUEST:* The Department requests that \$7,889,221 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2023 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation included in the Long Bill.

**AMENDMENT 35 DISTRIBUTION TO LOCAL GOVERNMENTS**

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

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

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

*REQUEST:* The Department requests an appropriation of \$1,046,637 cash funds from the Tobacco Tax Cash Fund.

*RECOMMENDATION:* Staff recommends reflecting an appropriation of \$1,046,637 cash funds. If the Committee makes any adjustments to the Tobacco Revenue Allocation, staff requests permission to reflect final action.

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

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

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

*REQUEST:* The Department requests that \$5,950,705 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2023 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

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

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						



TAXATION BUSINESS GROUP, SPECIAL PURPOSE, OLD AGE HEAT AND FUEL AND PROPERTY TAX ASSISTANCE GRANT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1329 (Long Bill)	\$5,950,705	\$5,950,705	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,950,705</b>	<b>\$5,950,705</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	\$5,950,705	\$5,950,705	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,950,705</b>	<b>\$5,950,705</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$5,950,705</b>	<b>\$5,950,705</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### COMMERCIAL VEHICLE ENTERPRISE SALES TAX REFUND

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

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

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

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

### RETAIL MARIJUANA SALES TAX DISTRIBUTION TO LOCAL GOVERNMENTS

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

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

*REQUEST:* The Department requests that \$27,550,000 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2023 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

### (3) DIVISION OF MOTOR VEHICLES

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

DIVISION OF MOTOR VEHICLES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$65,593,169	\$4,951,934	\$60,345,630	\$295,605	\$0	543.2
Other legislation	777,561	182,221	537,270	58,070	0	1.6
<b>TOTAL</b>	<b>\$66,370,730</b>	<b>\$5,134,155</b>	<b>\$60,882,900</b>	<b>\$353,675</b>	<b>\$0</b>	<b>544.8</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$66,370,730	\$5,134,155	\$60,882,900	\$353,675	\$0	544.8
R4 DRIVES and GenTax operational realignment	(490,820)	0	(490,820)	0	0	(6.0)
Centrally appropriated line items	1,144,960	176,713	967,324	923	0	0.0
Annualize prior year budget actions	(22,000)	0	(22,000)	0	0	0.0
Indirect cost assessment	207,486	13,613	193,873	0	0	0.0
Non-prioritized decision items	526,977	46,708	479,049	1,220	0	0.0
Technical adjustments	2,002,433	19,685	1,982,748	0	0	0.0
Annualize prior year legislation	(55,143)	(269,597)	380,724	(166,270)	0	1.2
<b>TOTAL</b>	<b>\$69,684,623</b>	<b>\$5,121,277</b>	<b>\$64,373,798</b>	<b>\$189,548</b>	<b>\$0</b>	<b>540.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,313,893</b>	<b>(\$12,878)</b>	<b>\$3,490,898</b>	<b>(\$164,127)</b>	<b>\$0</b>	<b>(4.8)</b>
Percentage Change	5.0%	(0.3%)	5.7%	(46.4%)	0.0%	(0.9%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$69,684,623</b>	<b>\$5,121,277</b>	<b>\$64,373,798</b>	<b>\$189,548</b>	<b>\$0</b>	<b>540.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

#### DECISION ITEMS - DIVISION OF MOTOR VEHICLES (NONE)

#### LINE ITEM DETAIL - DIVISION OF MOTOR VEHICLES

##### (A) ADMINISTRATION

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

##### PERSONAL SERVICES

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

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

*REQUEST:* The Department requests an appropriation of \$3,280,272 total funds, including \$617,237 General Fund, \$2,611,249 cash funds, \$51,786 reappropriated funds, and 36.9 FTE. The request includes a \$473,120 cash fund decrease associated with R4 (DRIVES and GenTax Operational Realignment). Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request.** Details of the recommendation are provided in the table below.

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,652,106	\$584,878	\$3,015,718	\$51,510	\$0	42.9
Other legislation	\$112,815	\$0	\$112,815	\$0	\$0	1.6
<b>TOTAL</b>	<b>\$3,764,921</b>	<b>\$584,878</b>	<b>\$3,128,533</b>	<b>\$51,510</b>	<b>\$0</b>	<b>44.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,764,921	\$584,878	\$3,128,533	\$51,510	\$0	44.5
Centrally appropriated line items	87,674	18,746	68,652	276	0	0.0
Indirect cost assessment	13,612	13,613	(1)	0	0	0.0
R4 DRIVES and GenTax operational realignment	(473,120)	0	(473,120)	0	0	(6.0)
Technical adjustments	(112,815)	0	(112,815)	0	0	(1.6)
<b>TOTAL</b>	<b>\$3,280,272</b>	<b>\$617,237</b>	<b>\$2,611,249</b>	<b>\$51,786</b>	<b>\$0</b>	<b>36.9</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$484,649)</b>	<b>\$32,359</b>	<b>(\$517,284)</b>	<b>\$276</b>	<b>\$0</b>	<b>(7.6)</b>
Percentage Change	(12.9%)	5.5%	(16.5%)	0.5%	0.0%	(17.1%)
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,280,272</b>	<b>\$617,237</b>	<b>\$2,611,249</b>	<b>\$51,786</b>	<b>\$0</b>	<b>36.9</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below, and includes a \$17,700 cash fund decrease associated with R4 DRIVES and GenTax Operational Realignment

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$559,428	\$63,731	\$492,307	\$3,390	\$0	0.0
Other legislation	\$20,768	\$0	\$20,768	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$580,196</b>	<b>\$63,731</b>	<b>\$513,075</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$580,196	\$63,731	\$513,075	\$3,390	\$0	0.0
Non-prioritized decision items	50,349	5,736	44,308	305	0	0.0
Technical adjustments	(20,768)	0	(20,768)	0	0	0.0
R4 DRIVES and GenTax operational realignment	(17,700)	0	(17,700)	0	0	0.0
Annualize prior year budget actions	(14,000)	0	(14,000)	0	0	0.0
<b>TOTAL</b>	<b>\$578,077</b>	<b>\$69,467</b>	<b>\$504,915</b>	<b>\$3,695</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,119)</b>	<b>\$5,736</b>	<b>(\$8,160)</b>	<b>\$305</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.4%)	9.0%	(1.6%)	9.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$578,077</b>	<b>\$69,467</b>	<b>\$504,915</b>	<b>\$3,695</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DRIVES MAINTENANCE AND SUPPORT

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

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

*REQUEST:* The Department requests a total appropriation of \$8,191,220, including \$18,000 General Fund, and \$8,173,220 cash funds. The request includes the following annualization adjustments:

- S.B. 22-055 Alcohol Monitoring for Impaired Driving Offenders
- S.B. 22-107 Pikes Peak International Hill Climb License Plate
- S.B. 22-190 United States Space Force Special License Plate
- S.B. 22-204 Repeal Federal Government Confirm Status for Identification Documents
- S.B. 22-217 Programs That Benefit Persons with Disabilities
- H.B. 22-1014 Epilepsy Awareness Special License Plate
- H.B. 22-1043 Motorcycle & Autocycle Definitions
- H.B. 22-1103 Delta Sigma Theta Special License Plate
- H.B. 22-1154 Colorado Rotary License Plate
- H.B. 22-1241 CASA Special License Plate
- H.B. 22-1254 Vehicle Taxes & Fees Late Registration

- H.B. 22-1351 Temporarily Reduce Road User Charges
- H.B. 22-1388 Vehicle Registration And Certificate Of Title
- S.B. 21-249 Keep Colorado Wild Annual Pass
- S.B. 21-257 Mobile Machinery Exemption

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, DRIVES MAINTENANCE AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$7,694,030	\$101,700	\$7,484,130	\$108,200	\$0	0.0
Other legislation	\$327,591	\$182,221	\$87,300	\$58,070	\$0	0.0
<b>TOTAL</b>	<b>\$8,021,621</b>	<b>\$283,921</b>	<b>\$7,571,430</b>	<b>\$166,270</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$8,021,621	\$283,921	\$7,571,430	\$166,270	\$0	0.0
Technical adjustments	689,090	0	689,090	0	0	0.0
Annualize prior year legislation	(519,491)	(265,921)	(87,300)	(166,270)	0	0.0
<b>TOTAL</b>	<b>\$8,191,220</b>	<b>\$18,000</b>	<b>\$8,173,220</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$169,599</b>	<b>(\$265,921)</b>	<b>\$601,790</b>	<b>(\$166,270)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.1%	(93.7%)	7.9%	(100.0%)	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$8,191,220</b>	<b>\$18,000</b>	<b>\$8,173,220</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (B) DRIVER SERVICES

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

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

The **Driver Control Program** is responsible for collecting, maintaining, analyzing, and producing all driver records for the state. It receives and processes penalty assessment citations and processes fine payments and administers driver license sanctions by imposing license suspensions and revocations in accordance with the law. The Driver Control Program also supports law enforcement with a 24/7 communications center that provides information on drivers and vehicles and supports prosecutors and courts with the production of evidence packets. This section also monitors drive log data on interlock restricted drivers and imposes restraints.

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

## PERSONAL SERVICES

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

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

*REQUEST:* The Department requests an appropriation of \$25,605,964 total funds, including \$3,030,850 General Fund, \$22,452,132 cash funds, \$122,982 reappropriated funds, and 426.9 FTE.

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

DIVISION OF MOTOR VEHICLES, DRIVER 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)	\$24,697,161	\$2,900,377	\$21,674,449	\$122,335	\$0	426.9
<b>TOTAL</b>	<b>\$24,697,161</b>	<b>\$2,900,377</b>	<b>\$21,674,449</b>	<b>\$122,335</b>	<b>\$0</b>	<b>426.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$24,697,161	\$2,900,377	\$21,674,449	\$122,335	\$0	426.9
Centrally appropriated line items	908,803	130,473	777,683	647	0	0.0
<b>TOTAL</b>	<b>\$25,605,964</b>	<b>\$3,030,850</b>	<b>\$22,452,132</b>	<b>\$122,982</b>	<b>\$0</b>	<b>426.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$908,803</b>	<b>\$130,473</b>	<b>\$777,683</b>	<b>\$647</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.7%	4.5%	3.6%	0.5%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$25,605,964</b>	<b>\$3,030,850</b>	<b>\$22,452,132</b>	<b>\$122,982</b>	<b>\$0</b>	<b>426.9</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

### OPERATING EXPENSES

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

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

*REQUEST:* The Department's request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,538,299	\$414,260	\$2,113,869	\$10,170	\$0	0.0
<b>TOTAL</b>	<b>\$2,538,299</b>	<b>\$414,260</b>	<b>\$2,113,869</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,538,299	\$414,260	\$2,113,869	\$10,170	\$0	0.0
Non-prioritized decision items	228,446	37,283	190,248	915	0	0.0
Annualize prior year budget actions	(4,000)	0	(4,000)	0	0	0.0
<b>TOTAL</b>	<b>\$2,762,745</b>	<b>\$451,543</b>	<b>\$2,300,117</b>	<b>\$11,085</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$224,446</b>	<b>\$37,283</b>	<b>\$186,248</b>	<b>\$915</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	8.8%	9.0%	8.8%	9.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,762,745</b>	<b>\$451,543</b>	<b>\$2,300,117</b>	<b>\$11,085</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DRIVER'S LICENSE DOCUMENTS

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

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, DRIVERS LICENSE DOCUMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$7,109,465	\$3,498	\$7,105,967	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$7,109,465</b>	<b>\$3,498</b>	<b>\$7,105,967</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$7,109,465	\$3,498	\$7,105,967	\$0	\$0	0.0
Technical adjustments	646,643	0	646,643	0	0	0.0
<b>TOTAL</b>	<b>\$7,756,108</b>	<b>\$3,498</b>	<b>\$7,752,610</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$646,643</b>	<b>\$0</b>	<b>\$646,643</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.1%	0.0%	9.1%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$7,756,108</b>	<b>\$3,498</b>	<b>\$7,752,610</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>



DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, DRIVERS LICENSE DOCUMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### IGNITION INTERLOCK PROGRAM

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

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

*REQUEST:* The Department requests an appropriation of \$695,945 cash funds and 6.9 FTE. The Department's request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, IGNITION INTERLOCK PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$682,567	\$0	\$682,567	\$0	\$0	6.9
<b>TOTAL</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$682,567</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$682,567	\$0	\$682,567	\$0	\$0	6.9
Centrally appropriated line items	13,378	0	13,378	0	0	0.0
<b>TOTAL</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$13,378</b>	<b>\$0</b>	<b>\$13,378</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.0%	0.0%	2.0%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

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

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

*REQUEST:* The Department requests an appropriation of \$3,302,287 cash funds. The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$3,171,043	\$0	\$3,171,043	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,171,043</b>	<b>\$0</b>	<b>\$3,171,043</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,171,043	\$0	\$3,171,043	\$0	\$0	0.0
Indirect cost assesment	131,244	0	131,244	0	0	0.0
<b>TOTAL</b>	<b>\$3,302,287</b>	<b>\$0</b>	<b>\$3,302,287</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$131,244</b>	<b>\$0</b>	<b>\$131,244</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.1%	0.0%	4.1%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,302,287</b>	<b>\$0</b>	<b>\$3,302,287</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(C) VEHICLE SERVICES**

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

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE 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)	\$2,874,914	\$626,188	\$2,248,726	\$0	\$0	50.5
<b>TOTAL</b>	<b>\$2,874,914</b>	<b>\$626,188</b>	<b>\$2,248,726</b>	<b>\$0</b>	<b>\$0</b>	<b>50.5</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,874,914	\$626,188	\$2,248,726	\$0	\$0	50.5
Technical adjustments	112,815	0	112,815	0	0	1.6
Centrally appropriated line items	104,086	27,494	76,592	0	0	0.0
Annualize prior year legislation	89,306	8,724	80,582	0	0	1.2
<b>TOTAL</b>	<b>\$3,181,121</b>	<b>\$662,406</b>	<b>\$2,518,715</b>	<b>\$0</b>	<b>\$0</b>	<b>53.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$306,207</b>	<b>\$36,218</b>	<b>\$269,989</b>	<b>\$0</b>	<b>\$0</b>	<b>2.8</b>
Percentage Change	10.7%	5.8%	12.0%	0.0%	0.0%	5.5%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,181,121</b>	<b>\$662,406</b>	<b>\$2,518,715</b>	<b>\$0</b>	<b>\$0</b>	<b>53.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE 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)	\$401,040	\$40,987	\$360,053	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$401,040</b>	<b>\$40,987</b>	<b>\$360,053</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$401,040	\$40,987	\$360,053	\$0	\$0	0.0
Non-prioritized decision items	36,094	3,689	32,405	0	0	0.0
Technical adjustments	20,768	0	20,768	0	0	0.0
Annualize prior year legislation	(29,523)	(12,400)	(17,123)	0	0	0.0
Annualize prior year budget actions	(4,000)	0	(4,000)	0	0	0.0
<b>TOTAL</b>	<b>\$424,379</b>	<b>\$32,276</b>	<b>\$392,103</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$23,339</b>	<b>(\$8,711)</b>	<b>\$32,050</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5.8%	(21.3%)	8.9%	0.0%	0.0%	0.0%

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$424,379</b>	<b>\$32,276</b>	<b>\$392,103</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LICENSE PLATE ORDERING

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

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, LICENSE PLATE ORDERING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$7,326,372	\$216,315	\$7,110,057	\$0	\$0	0.0
Other legislation	\$316,387	\$0	\$316,387	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$7,642,759</b>	<b>\$216,315</b>	<b>\$7,426,444</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$7,642,759	\$216,315	\$7,426,444	\$0	\$0	0.0
Technical adjustments	666,700	19,685	647,015	0	0	0.0
Annualize prior year legislation	404,565	0	404,565	0	0	0.0
<b>TOTAL</b>	<b>\$8,714,024</b>	<b>\$236,000</b>	<b>\$8,478,024</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,071,265</b>	<b>\$19,685</b>	<b>\$1,051,580</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	14.0%	9.1%	14.2%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$8,714,024</b>	<b>\$236,000</b>	<b>\$8,478,024</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	\$0

MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM

This program helps law enforcement officials verify owner compliance with motor vehicle insurance requirements and authorizes administrative suspension of driver's licenses that are held by motorists

suspected of being uninsured. A \$0.10 motorist insurance identification fee is credited to the Motorist Insurance Identification (MII) Account, a special purpose account within the Highway Users Tax Fund (HUTF), whenever a motor vehicle is registered. All funding for the program is from the MII Account.

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$344,394	\$0	\$344,394	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$344,394</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$344,394	\$0	\$344,394	\$0	\$0	1.0
Centrally appropriated line items	1,938	0	1,938	0	0	0.0
<b>TOTAL</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,938</b>	<b>\$0</b>	<b>\$1,938</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.6%	n/a	0.6%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### EMISSIONS PROGRAM

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

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

*REQUEST:* The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, EMISSIONS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,201,525	\$0	\$1,201,525	\$0	\$0	15.0

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, EMISSIONS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$1,201,525</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$1,201,525	\$0	\$1,201,525	\$0	\$0	15.0
Centrally appropriated line items	29,081	0	29,081	0	0	0.0
<b>TOTAL</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$29,081</b>	<b>\$0</b>	<b>\$29,081</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	0.0%	2.4%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

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

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

REQUEST: The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						
HB 22-1329 (Long Bill)	\$436,860	\$0	\$436,860	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$436,860</b>	<b>\$0</b>	<b>\$436,860</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2023-24 RECOMMENDED APPROPRIATION						
FY 2022-23 Appropriation	\$436,860	\$0	\$436,860	\$0	\$0	0.0
Indirect cost assesment	62,630	0	62,630	0	0	0.0
<b>TOTAL</b>	<b>\$499,490</b>	<b>\$0</b>	<b>\$499,490</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$62,630</b>	<b>\$0</b>	<b>\$62,630</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	14.3%	n/a	14.3%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$499,490</b>	<b>\$0</b>	<b>\$499,490</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (D) COUNTY SUPPORT SERVICES

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

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

### OPERATING EXPENSES

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

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

*REQUEST:* The Department requests an appropriation of \$2,568,623 cash funds.

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

### COUNTY OFFICE ASSET MAINTENANCE

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

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

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

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

### COUNTY OFFICE IMPROVEMENTS

This line item provides funding for improvements to and expansion of county offices to provide services related to CSTARS or DRIVES. Counties are required by statute (Section 42-1-210, C.R.S.) to provide motor vehicle title and registration services in a manner that is convenient and easily

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

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

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

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



**(4) SPECIALIZED BUSINESS GROUP**

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

SPECIALIZED BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$69,310,732	\$200,134	\$68,776,031	\$334,567	\$0	373.8
Other legislation	3,978,510	1,250,000	2,728,510	0	0	2.9
SB 23-131 (Supplemental Bill)	179,121	0	179,121	0	0	3.0
<b>TOTAL</b>	<b>\$73,468,363</b>	<b>\$1,450,134</b>	<b>\$71,683,662</b>	<b>\$334,567</b>	<b>\$0</b>	<b>379.7</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$73,468,363	\$1,450,134	\$71,683,662	\$334,567	\$0	379.7
R3 Racing compliance requirements	431,749	0	431,749	0	0	4.0
R6 Marijuana Enforcement Division cash fund solvency	0	0	0	0	0	0.0
Centrally appropriated line items	732,119	6,249	725,870	0	0	0.0
Staff initiated - Responsible gaming grant program line item	0	0	0	0	0	0.0
Indirect cost assessment	397,043	177	396,866	0	0	0.0
Non-prioritized decision items	198,915	637	197,834	444	0	0.0
Technical adjustments	(870,026)	0	(870,026)	0	0	0.0
Annualize prior year legislation	(1,346,125)	(1,250,000)	(96,125)	0	0	(1.4)
<b>TOTAL</b>	<b>\$73,012,038</b>	<b>\$207,197</b>	<b>\$72,469,830</b>	<b>\$335,011</b>	<b>\$0</b>	<b>382.3</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$456,325)</b>	<b>(\$1,242,937)</b>	<b>\$786,168</b>	<b>\$444</b>	<b>\$0</b>	<b>2.6</b>
Percentage Change	(0.6%)	(85.7%)	1.1%	0.1%	n/a	0.7%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$73,072,199</b>	<b>\$207,197</b>	<b>\$72,529,991</b>	<b>\$335,011</b>	<b>\$0</b>	<b>382.3</b>
Request Above/(Below) Recommendation	\$60,161	\$0	\$60,161	\$0	\$0	(0.0)

**DECISION ITEMS - SPECIALIZED BUSINESS GROUP****→ R6 MARIJUANA ENFORCEMENT DIVISION CASH FUND SOLVENCY**

*REQUEST:* The request asks the JBC to consider sponsoring legislation to transfer one-time funding of \$2.1 million from the Marijuana Tax Cash Fund to the Marijuana Cash Fund as a current-year, FY 2022-23 transfer. The Marijuana Cash Fund is the only funding mechanism for the Marijuana Enforcement Division. This transfer would allow the Marijuana Enforcement Division to maintain its current base operations and end the fiscal year with a positive fund balance in the Marijuana Cash Fund. The Division is currently consulting with stakeholders on a revised fee schedule, to be implemented in FY 2023-24, to restore the Marijuana Cash Fund to solvency.

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

*ANALYSIS:* The Marijuana Enforcement Division (MED) regulates the commercial marijuana sector. It prioritizes public safety through the administration of applicable laws, the licensure of medical and retail marijuana businesses, the licensure of owners, and enforcement efforts. The Marijuana Enforcement Division is funded entirely from the Marijuana Cash Fund (MCF).

Prior to FY 2016-17 the MCF had a balance that exceeded the statutory limit for excess reserves. To remedy this, the MED implemented a 22% fee reduction in FY 2016-17. Consequently, the MCF has been intentionally operating at a deficit since FY 2017-18. The current annual projected deficit is approximately \$6.4 million. This long-term financial strategy to lower the excess reserves was accelerated by transferring a total of \$15.2 million to other agencies over the past four fiscal years to fund legislation and other initiatives related to the marijuana industry, as well as budget balancing actions taken by the Joint Budget Committee.

The MCF came into statutory compliance in FY 2020-21, and the Division's next planned phase was to set fees to the appropriate break-even level in FY 2020-21 to reestablish long-term solvency for the MCF. However, due to the pandemic and the associated economic challenges, fees were not increased in FY 2020-21. In FY 2021-22, fees were restored to the same level as FY 2015-16, prior to the 22% fee reduction, but were not increased to the necessary level to support ongoing operations. This transfer will allow the MED to meet operational business needs and statutory requirements while it engages with stakeholders on a new fee schedule for FY 2023-24, which will restore the MCF to solvency.

#### → STAFF INITIATED – RESPONSIBLE GAMING GRANT PROGRAM LINE ITEM

*RECOMMENDATION:* Staff recommend adding a new Responsible Gaming Grant Program line in the Specialized Business Group, Limited Gaming Division section of the Long Bill. This net-zero funding realignment would provide greater transparency in the budget regarding the newly created Responsible Gaming Grant Program, and approval of the request would transfer \$2.5 million from the operating expense line item in Limited Gaming into the Responsible Gaming Grant Program line.

*ANALYSIS:* H.B. 22-1402, Responsible Gaming Grant Program, created the Responsible Gaming Grant Program in the Department of Revenue to promote responsible gambling and address problem gambling. The Limited Gaming Control Commission, in collaboration with the Behavioral Health Administration, must administer the program and award grants. The bill specifies the contents of grant applications and evaluation criteria for making awards. To maintain transparency of the administration of the grant money, Staff recommend separating these funds from the Operating Expense line item in the Limited Gaming Division into a unique line item. Approval of this request would transfer \$2.5 million in cash funds from the Limiting Gaming Operations line item in the Long Bill to a newly created Responsible Gaming Grant Program Line.

#### (A) ADMINISTRATION

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,119,913	\$7,871	\$782,413	\$329,629	\$0	11.0
<b>TOTAL</b>	<b>\$1,119,913</b>	<b>\$7,871</b>	<b>\$782,413</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,119,913	\$7,871	\$782,413	\$329,629	\$0	11.0
Centrally appropriated line items	21,254	250	21,004	0	0	0.0
<b>TOTAL</b>	<b>\$1,141,167</b>	<b>\$8,121</b>	<b>\$803,417</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$21,254</b>	<b>\$250</b>	<b>\$21,004</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.9%	3.2%	2.7%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,141,167</b>	<b>\$8,121</b>	<b>\$803,417</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
<b>TOTAL</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Non-prioritized decision items	1,254	10	800	444	0	0.0
<b>TOTAL</b>	<b>\$15,188</b>	<b>\$121</b>	<b>\$9,685</b>	<b>\$5,382</b>	<b>\$0</b>	<b>0.0</b>

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>INCREASE/(DECREASE)</b>	<b>\$1,254</b>	<b>\$10</b>	<b>\$800</b>	<b>\$444</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	9.0%	9.0%	9.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$15,188</b>	<b>\$121</b>	<b>\$9,685</b>	<b>\$5,382</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(B) LIMITED GAMING DIVISION**

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

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

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department's request reflects an informational appropriation of \$9,269,350 cash funds and 106.0 FTE.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$9,096,251	\$0	\$9,096,251	\$0	\$0	106.0
<b>TOTAL</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$9,096,251</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$9,096,251	\$0	\$9,096,251	\$0	\$0	106.0
Centrally appropriated line items	211,654	0	211,654	0	0	0.0
Indirect cost assessment	(38,555)	0	(38,555)	0	0	0.0
<b>TOTAL</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$173,099</b>	<b>\$0</b>	<b>\$173,099</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	1.9%	n/a	1.9%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department's request reflects an informational appropriation of \$3,731,736 cash funds.

***RECOMMENDATION:* Staff recommends the creation of a new line item within the Limited Gaming Division, Responsible Gaming Grant Program, and a transfer of \$2.5 million to the newly created line item. Details of the staff initiated recommendation are at the beginning of this section. Staff recommend an informational appropriation of \$1,231,763 cash funds.**

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0
HB 22-1329 (Long Bill)	\$1,130,731	\$0	\$1,130,731	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,630,731</b>	<b>\$0</b>	<b>\$3,630,731</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$3,630,731	\$0	\$3,630,731	\$0	\$0	0.0
Non-prioritized decision items	101,766	0	101,766	0	0	0.0
Staff initiated - Responsible gaming grant program line item	(2,500,000)	0	(2,500,000)	0	0	0.0
Indirect cost assessment	(734)	0	(734)	0	0	0.0
<b>TOTAL</b>	<b>\$1,231,763</b>	<b>\$0</b>	<b>\$1,231,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,398,968)</b>	<b>\$0</b>	<b>(\$2,398,968)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	(66.1%)	0.0%	(66.1%)	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$3,731,763</b>	<b>\$0</b>	<b>\$3,731,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0

PAYMENTS TO OTHER STATE AGENCIES

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

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

*REQUEST:* The Department request reflects a continuation of the informational appropriation of \$4,066,253 cash funds.

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

DISTRIBUTION TO GAMING CITIES AND COUNTIES

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

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

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

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

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

RESPONSIBLE GAMING GRANT PROGRAM [NEW LINE ITEM]

H.B. 22-1402 (Responsible Gaming Grant Program) created the Responsible Gaming Grant Program in the Department of Revenue to promote responsible gambling and address problem gambling. The Limited Gaming Control Commission, in collaboration with the Behavioral Health Administration in the Department of Human Services, must administer the program and award grants. The bill specifies the contents of grant applications and evaluation criteria for making awards.

*STATUTORY AUTHORITY:* Section 44-30-1701 *et seq.*, C.R.S.

*REQUEST:* The Department did not request the creation of this line item.

*RECOMMENDATION* **Staff recommends the creation of this new line item and a transfer of \$2.5 million from the Limited Gaming Division, Operating Expenses line. A summary of the recommendation is provided in the table below.**

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, RESPONSIBLE GAMING GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
Other legislation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
Staff initiated - Responsible gaming grant program line item	2,500,000	0	2,500,000	0	0	0.0
<b>TOTAL</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</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	(\$2,500,000)	\$0	(\$2,500,000)	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department’s request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$813,918	\$0	\$813,918	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$813,918</b>	<b>\$0</b>	<b>\$813,918</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$813,918	\$0	\$813,918	\$0	\$0	0.0
Indirect cost assesment	100,691	0	100,691	0	0	0.0
<b>TOTAL</b>	<b>\$914,609</b>	<b>\$0</b>	<b>\$914,609</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$100,691</b>	<b>\$0</b>	<b>\$100,691</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	12.4%	0.0%	12.4%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$914,609</b>	<b>\$0</b>	<b>\$914,609</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(C) LIQUOR AND TOBACCO ENFORCEMENT DIVISION**

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department requests an appropriation of \$4,969,276 total funds, including \$191,363 General Fund and \$4,777,913 cash funds, and 63.7 FTE.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$4,818,907	\$185,187	\$4,633,720	\$0	\$0	63.7
<b>TOTAL</b>	<b>\$4,818,907</b>	<b>\$185,187</b>	<b>\$4,633,720</b>	<b>\$0</b>	<b>\$0</b>	<b>63.7</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$4,818,907	\$185,187	\$4,633,720	\$0	\$0	63.7
Centrally appropriated line items	124,842	5,999	118,843	0	0	0.0
Indirect cost assesment	25,527	177	25,350	0	0	0.0
<b>TOTAL</b>	<b>\$4,969,276</b>	<b>\$191,363</b>	<b>\$4,777,913</b>	<b>\$0</b>	<b>\$0</b>	<b>63.7</b>



<b>INCREASE/(DECREASE)</b>	<b>\$150,369</b>	<b>\$6,176</b>	<b>\$144,193</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.1%	3.3%	3.1%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$4,969,276</b>	<b>\$191,363</b>	<b>\$4,777,913</b>	<b>\$0</b>	<b>\$0</b>	<b>63.7</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department requests an appropriation of \$585,942 total funds, including \$7,592 General Fund and \$578,350 cash funds.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$537,565	\$6,965	\$530,600	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$537,565</b>	<b>\$6,965</b>	<b>\$530,600</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$537,565	\$6,965	\$530,600	\$0	\$0	0.0
Non-prioritized decision items	48,381	627	47,754	0	0	0.0
Indirect cost assessment	(4)	0	(4)	0	0	0.0
<b>TOTAL</b>	<b>\$585,942</b>	<b>\$7,592</b>	<b>\$578,350</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$48,377</b>	<b>\$627</b>	<b>\$47,750</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	9.0%	9.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$585,942</b>	<b>\$7,592</b>	<b>\$578,350</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department requests an appropriation of \$538,716 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$480,246	\$0	\$480,246	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$480,246</b>	<b>\$0</b>	<b>\$480,246</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$480,246	\$0	\$480,246	\$0	\$0	0.0
Indirect cost assesment	58,470	0	58,470	0	0	0.0
<b>TOTAL</b>	<b>\$538,716</b>	<b>\$0</b>	<b>\$538,716</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$58,470</b>	<b>\$0</b>	<b>\$58,470</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	12.2%	n/a	12.2%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$538,716</b>	<b>\$0</b>	<b>\$538,716</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(D) DIVISION OF RACING EVENTS**

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department requests an appropriation of \$1,397,449 cash funds and 11.7 FTE, and includes adjustments for R3, (Racing Compliance Requirements).

*RECOMMENDATION:* Staff recommends approving the request, with adjustments for JBC common policy related to FTE.

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$983,678	\$0	\$983,678	\$0	\$0	7.7
SB 23-131 (Supplemental Bill)	\$61,997	\$0	\$61,997	\$0	\$0	3.0

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$1,045,675</b>	<b>\$0</b>	<b>\$1,045,675</b>	<b>\$0</b>	<b>\$0</b>	<b>10.7</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,045,675	\$0	\$1,045,675	\$0	\$0	10.7
R3 Racing compliance requirements	332,619	0	332,619	0	0	4.0
Centrally appropriated line items	14,929	0	14,929	0	0	0.0
Annualize prior year legislation	(61,997)	0	(61,997)	0	0	(3.0)
Indirect cost assessment	(608)	0	(608)	0	0	0.0
<b>TOTAL</b>	<b>\$1,330,618</b>	<b>\$0</b>	<b>\$1,330,618</b>	<b>\$0</b>	<b>\$0</b>	<b>11.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$284,943</b>	<b>\$0</b>	<b>\$284,943</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
Percentage Change	27.2%	n/a	27.2%	n/a	n/a	9.3%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,397,449</b>	<b>\$0</b>	<b>\$1,397,449</b>	<b>\$0</b>	<b>\$0</b>	<b>11.7</b>
Request Above/(Below) Recommendation	\$66,831	\$0	\$66,831	\$0	\$0	(0.0)

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

*RECOMMENDATION:* **Staff recommends approving the request**, with adjustments for JBC common policies.

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$202,268	\$0	\$202,268	\$0	\$0	0.0
SB 23-131 (Supplemental Bill)	\$117,124	\$0	\$117,124	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$319,392</b>	<b>\$0</b>	<b>\$319,392</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$319,392	\$0	\$319,392	\$0	\$0	0.0
R3 Racing compliance requirements	99,130	0	99,130	0	0	0.0
Non-prioritized decision items	18,204	0	18,204	0	0	0.0
Annualize prior year legislation	(117,124)	0	(117,124)	0	0	0.0
Indirect cost assessment	(54)	0	(54)	0	0	0.0
<b>TOTAL</b>	<b>\$319,548</b>	<b>\$0</b>	<b>\$319,548</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$156</b>	<b>\$0</b>	<b>\$156</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$312,878</b>	<b>\$0</b>	<b>\$312,878</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$6,670)	\$0	(\$6,670)	\$0	\$0	0.0

**PURSES AND BREEDERS AWARDS**

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

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

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

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

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

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department requests an appropriation of \$66,438 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$59,124	\$0	\$59,124	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$59,124</b>	<b>\$0</b>	<b>\$59,124</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$59,124	\$0	\$59,124	\$0	\$0	0.0
Indirect cost assessment	7,314	0	7,314	0	0	0.0
<b>TOTAL</b>	<b>\$66,438</b>	<b>\$0</b>	<b>\$66,438</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$7,314</b>	<b>\$0</b>	<b>\$7,314</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

Percentage Change	12.4%	n/a	12.4%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$66,438</b>	<b>\$0</b>	<b>\$66,438</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(E) MOTOR VEHICLE DEALER LICENSING BOARD**

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

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$2,533,228	\$0	\$2,533,228	\$0	\$0	32.3
<b>TOTAL</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$2,533,228</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$2,533,228	\$0	\$2,533,228	\$0	\$0	32.3
Centrally appropriated line items	62,621	0	62,621	0	0	0.0
Indirect cost assessment	(2,550)	0	(2,550)	0	0	0.0
<b>TOTAL</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$60,071</b>	<b>\$0</b>	<b>\$60,071</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	n/a	2.4%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$325,670	\$0	\$325,670	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$325,670</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$325,670	\$0	\$325,670	\$0	\$0	0.0
Non-prioritized decision items	29,310	0	29,310	0	0	0.0
Indirect cost assessment	(224)	0	(224)	0	0	0.0
<b>TOTAL</b>	<b>\$354,756</b>	<b>\$0</b>	<b>\$354,756</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$29,086</b>	<b>\$0</b>	<b>\$29,086</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	8.9%	n/a	8.9%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$354,756</b>	<b>\$0</b>	<b>\$354,756</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department request is summarized in the table below.

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, 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)	\$248,015	\$0	\$248,015	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$248,015</b>	<b>\$0</b>	<b>\$248,015</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$248,015	\$0	\$248,015	\$0	\$0	0.0

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Indirect cost assesment	30,683	0	30,683	0	0	0.0
<b>TOTAL</b>	<b>\$278,698</b>	<b>\$0</b>	<b>\$278,698</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$30,683</b>	<b>\$0</b>	<b>\$30,683</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	12.4%	n/a	12.4%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$278,698</b>	<b>\$0</b>	<b>\$278,698</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**(F) MARIJUANA ENFORCEMENT**

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

**MARIJUANA ENFORCEMENT**

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

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

*REQUEST:* The Department requests an appropriation of \$16,138,823 cash funds and 157.6 FTE, which includes a net increase of \$397,193 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, MARIJUANA ENFORCEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$15,513,120	\$0	\$15,513,120	\$0	\$0	153.1
Other legislation	\$228,510	\$0	\$228,510	\$0	\$0	2.9
<b>TOTAL</b>	<b>\$15,741,630</b>	<b>\$0</b>	<b>\$15,741,630</b>	<b>\$0</b>	<b>\$0</b>	<b>156.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$15,741,630	\$0	\$15,741,630	\$0	\$0	156.0
Centrally appropriated line items	296,819	0	296,819	0	0	0.0

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, MARIJUANA ENFORCEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	82,996	0	82,996	0	0	1.6
Indirect cost assessment	17,378	0	17,378	0	0	0.0
R6 Marijuana enforcement division cash fund solvency	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$16,138,823</b>	<b>\$0</b>	<b>\$16,138,823</b>	<b>\$0</b>	<b>\$0</b>	<b>157.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$397,193</b>	<b>\$0</b>	<b>\$397,193</b>	<b>\$0</b>	<b>\$0</b>	<b>1.6</b>
Percentage Change	2.5%	n/a	2.5%	n/a	n/a	1.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$16,138,823</b>	<b>\$0</b>	<b>\$16,138,823</b>	<b>\$0</b>	<b>\$0</b>	<b>157.6</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

INDIRECT COST ASSESSMENT

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

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

*REQUEST:* The Department requests an appropriation of \$1,508,692 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,308,983	\$0	\$1,308,983	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,308,983</b>	<b>\$0</b>	<b>\$1,308,983</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,308,983	\$0	\$1,308,983	\$0	\$0	0.0
Indirect cost assesment	199,709	0	199,709	0	0	0.0
<b>TOTAL</b>	<b>\$1,508,692</b>	<b>\$0</b>	<b>\$1,508,692</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$199,709</b>	<b>\$0</b>	<b>\$199,709</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	15.3%	0.0%	15.3%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,508,692</b>	<b>\$0</b>	<b>\$1,508,692</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0



## (5) STATE LOTTERY DIVISION

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

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

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

STATE LOTTERY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 Appropriation</b>						
HB 22-1329 (Long Bill)	\$139,344,283	\$0	\$139,344,283	\$0	\$0	102.1
Other legislation	200,000	0	200,000	0	0	0.0
<b>TOTAL</b>	<b>\$139,544,283</b>	<b>\$0</b>	<b>\$139,544,283</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$139,544,283	\$0	\$139,544,283	\$0	\$0	102.1
R2 Lottery modernization of sales equipment	5,000,000	0	5,000,000	0	0	0.0
Centrally appropriated line items	197,944	0	197,944	0	0	0.0
Annualize prior year budget actions	2,497,833	0	2,497,833	0	0	0.0
Indirect cost assessment	95,071	0	95,071	0	0	0.0
Non-prioritized decision items	138,648	0	138,648	0	0	0.0
<b>TOTAL</b>	<b>\$147,473,779</b>	<b>\$0</b>	<b>\$147,473,779</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$7,929,496</b>	<b>\$0</b>	<b>\$7,929,496</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5.7%	n/a	5.7%	n/a	n/a	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$147,473,779</b>	<b>\$0</b>	<b>\$147,473,779</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DECISION ITEMS - STATE LOTTERY DIVISION

#### → R2 LOTTERY MODERNIZATION OF SALES EQUIPMENT

*REQUEST:* The request includes a \$5.0 million increase in Lottery Cash Fund spending authority for purchasing self-service Lottery vending kiosks and self-updating digital jackpot signs. Twenty-one percent of Colorado's three thousand Lottery retailers currently have self-service kiosks. This request would provide funding for expanding these kiosks, as well as digital menu boards and self-updating digital jackpot signage at independent and chain retailers.

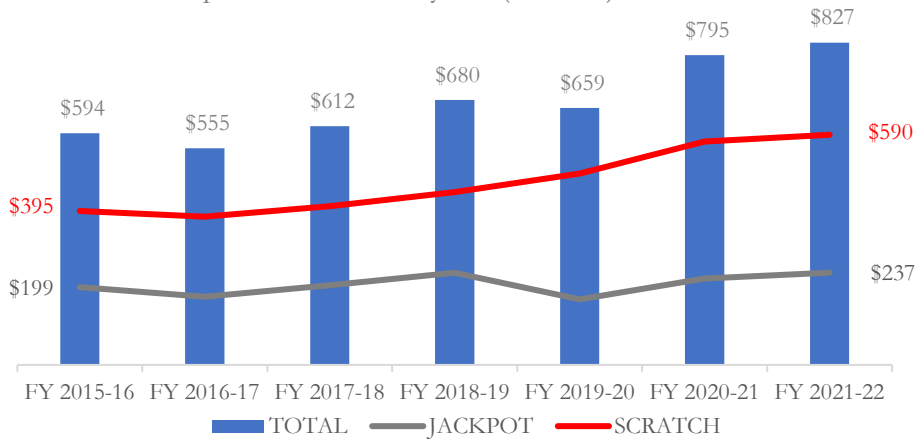
*RECOMMENDATION:* **Staff recommends approval of the request.**

*EVIDENCE LEVEL:* The Department indicated that this request item is data-informed, and staff agree with this designation.

*ANALYSIS:* The Colorado Lottery has experienced growth in recent years with combined jackpot and scratch sales growing from \$594.41 million in FY 2015-16 to \$826.9 million in FY 2021-22, equating to a compound annual growth rate (CAGR) of 5.7 percent. During this same period scratch games grew at a CAGR of 6.9 percent, from \$395 million to \$590 million, and jackpot games grew from \$199 million to \$236 million, a CAGR of 2.9 percent.

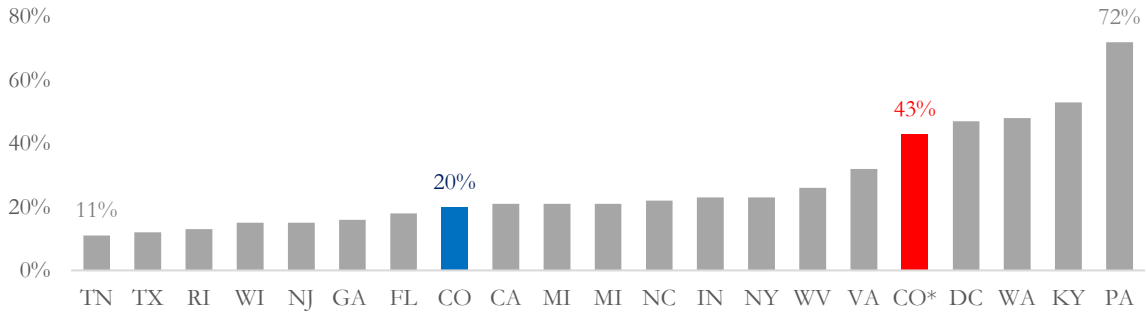
COLORADO LOTTERY SALES			
	JACKPOT	SCRATCH	TOTAL
FY 2015-16	\$199,249,458	\$395,162,447	\$594,411,905
FY 2016-17	175,083,998	380,249,492	555,333,490
FY 2017-18	204,503,998	407,489,335	611,993,333
FY 2018-19	236,369,644	443,409,967	679,779,611
FY 2019-20	168,144,063	490,695,434	658,839,497
FY 2020-21	221,914,884	573,017,390	794,932,274
FY 2021-22	\$236,590,471	590,288,982	\$826,879,453

The Colorado Lottery has grown at a compound annual growth rate of 5.7 % over the previous six fiscal years (millions)



State lotteries are increasingly utilizing kiosks for lottery transactions. Colorado currently lags many other states in the adoption of this technology. The graph below shows the Lottery kiosk market penetration rate in Colorado relative to other state Lotteries.

Currently CO has a lottery kiosk market penetration rate of 20 percent. The addition of 775 kiosks over three years would increase market penetration to 43 percent.



\* calculated as number of retailers with at least one kiosk / total number of retailers.

**Colorado Lottery Beneficiaries**

Lottery proceeds are distributed pursuant to Article XXVII, Section 3 of the Colorado Constitution, with 40 percent of proceeds going to the Conservation Trust Fund (CTF), 10 percent of proceeds going to Colorado Parks and Wildlife, and 50 percent going to Get Outdoor Colorado (GoCo). The 50 percent distribution to GOCO is capped and calculated yearly according to a standard formula that utilizes 1992 as the base year and adjusts annually for inflation, equating to \$75.7 million in FY 2022-23.

Net Lottery proceeds above the GOCO cap are distributed according to a revised allocation established in HB 21-1318. This legislation established the Colorado Outdoor Equity Grant Program (COEGP) within the Department of Natural Resources. The Grant Program focuses its funding on low-income youth, youth with disabilities, LGBTQ+ populations, and racially and ethnically diverse Coloradans, and is intended to help enhance outdoor opportunities for these communities and create greater access to Colorado wilderness and foster meaningful engagement with the great outdoors.

COLORADO LOTTERY BENEFICIARIES FY 2022-23		
	Allocation	Cap
Great Outdoors Colorado (GoCo)	50% to cap	\$75,706,639
Conservation Trust Fund (CTF)	40%	
Colorado Parks and Wildlife (CPW)	10%	
Outdoor Equity Fund (OEF)	Over GoCo cap	2,250,000
Public School Capital Construction Assistance Fund (BEST) - base		3,000,000
Wildlife Cash Fund		25%
Parks / Outdoor Recreation Cash Fund		25%
Public School Capital Construction Assistance Fund (BEST) - overflow		50%

Since its inception in 1983, the Colorado Lottery has distributed over \$3.9 billion to Lottery beneficiaries. In FY 2021-22 the Colorado Lottery paid over \$180 million to the following program beneficiaries:

- Great Outdoors Colorado: \$73.1 million. GOCO's independent board awards competitive grants to local governments and land trusts in addition to making investments through Colorado Parks and Wildlife.

- Conservation Trust Fund: \$72.1 million. In FY 2021-22, allocations include wildlife conservation, river recovery, and fish recovery funding.
- Colorado Parks and Wildlife: \$24.3 million. CPW's mission is to perpetuate the state's wildlife resources, provide a quality state parks system, and provide enjoyable and sustainable outdoor recreation opportunities that educate and inspire current and future generations to serve as active stewards of Colorado's natural resources.
- Building Excellent Schools Today: \$9.3 million. BEST is a competitive grant program available to all school districts, charter schools, and institute charter schools whose purpose is to repair or replace Colorado's most needy school facilities.
- Outdoor Equity Fund: \$1.5 million. Colorado Parks and Wildlife manages this newly established grant program designed to increase outdoor access and opportunities for underserved communities. This grant money will go to over 40 projects that support its mission.<sup>1</sup>

**LOTTERY MODERNIZATION OF SALES EQUIPMENT**

Technology has reshaped the landscape of retail locations, and retailers are increasingly relying on self-service checkout counters. This shift makes Lottery kiosks a necessity if customers are to have access to Lottery games, because the purchase of Lottery tickets is not possible at self-service checkout counters. The Department also states that there has been an increase in ticket theft at checkout counters. Lottery kiosks have proven to be more secure and thus reduce the possibility of ticket theft. Additionally, the Colorado Lottery has experienced new retailers moving into the state demanding self-service Lottery kiosks. Often Lottery transactions can create a bottleneck at retail checkout lines, inconveniencing other customers waiting in line during peak business hours. The introduction of kiosks eliminates this issue.

The Department has requested a three-year implementation window for the kiosks, digital menu boards, and digital jackpot signs. The \$15 million in increased spending authority is requested over three years, FY 2023-24 through FY 2025-26. Specific quantities of each item Lottery will purchase in a given year depend on supply chain issues that continue to impact the availability of these machines and display boards. The table below shows the approximate quantity of merchandising and vending machines and their associated costs.

LOTTERY MODERNIZATION OF SALES EQUIPMENT			
	Quantity	Unit Price	Total
Self-Service Kiosk	225	\$20,000	\$ 4,500,000
Jackpot Signs	1000	816	816,000
Digital Menu Board	100	1,700	170,000
			<b>\$ 5,486,000</b>

Lottery projects the following return on investment from the request:

- For every 225 kiosks deployed, Lottery anticipates an additional \$50 million in additional sales. After full implementation of the request, 775 additional Lottery kiosks would generate approximately \$150 million per year in revenue.
- Self-updating digital jackpot signs are needed to replace the aging signs currently in the field and bring Colorado up to date with current best Lottery practices. Colorado Lottery indicates sales are 7 percent greater in retailers with the self-updating jackpot signs.

<sup>1</sup> [www.playcolorado.com/colorado-lottery-reord-revenue-fiscal-year-2022/](http://www.playcolorado.com/colorado-lottery-reord-revenue-fiscal-year-2022/)

- Digital scratch ticket menu boards are a standard Lottery best practice for marketing scratch games. Colorado Lottery indicates that sales are 18 percent higher in retail stores with digital scratch menu boards.

The Division projects that this investment would return an additional \$150 million to \$200 million per year after full implementation. The historical return to Colorado Lottery beneficiaries has been approximately 21 percent. Consequently, the Division projects that this request would generate an additional \$30 to \$40 million in annual proceeds for beneficiaries after full implementation.

**ADDITIONAL CONSIDERATIONS:**

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

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

Although Staff recommend approval of this request based on market evolution, security, and accessibility, Staff have concerns with the regressive nature of Lotteries. According to the Colorado Lottery’s FY 2021-22 annual report, two-thirds of Colorado Lottery players have a household income over \$45,000, which conversely means that approximately one-third of Colorado Lottery players have an annual household income below \$45,000. Additionally, what is unclear from this statistic is the frequency of play and the percentage of disposable income that Lottery players from different household income groups are spending on Lottery tickets. While the beneficiaries of the Colorado Lottery’s growth are easily identifiable, the demographic bearing the cost of this growth remains unclear.

**LINE ITEM DETAIL - STATE LOTTERY DIVISION**

**PERSONAL SERVICES**

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

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

*REQUEST:* The Department requests an appropriation of \$9,362,056 cash funds and 102.1 FTE. Details of the request and recommendation are listed in the table below.

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

STATE LOTTERY DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION						

STATE LOTTERY DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 22-1329 (Long Bill)	\$9,164,112	\$0	\$9,164,112	\$0	\$0	102.1
<b>TOTAL</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$9,164,112</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$9,164,112	\$0	\$9,164,112	\$0	\$0	102.1
Centrally appropriated line items	197,944	0	197,944	0	0	0.0
<b>TOTAL</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$197,944</b>	<b>\$0</b>	<b>\$197,944</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.2%	0.0%	2.2%	0.0%	0.0%	0.0%
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

*REQUEST:* The Department’s request is provided in the table below.

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

STATE LOTTERY DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
Non-prioritized decision items	138,648	0	138,648	0	0	0.0
<b>TOTAL</b>	<b>\$1,679,181</b>	<b>\$0</b>	<b>\$1,679,181</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$138,648</b>	<b>\$0</b>	<b>\$138,648</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	9.0%	n/a	9.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$1,679,181</b>	<b>\$0</b>	<b>\$1,679,181</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAYMENTS TO OTHER STATE AGENCIES**

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

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

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

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

**MARKETING AND COMMUNICATIONS**

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

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

*REQUEST:* The Department requests an appropriation of \$14,900,000 cash funds.

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

STATE LOTTERY DIVISION, MARKETING AND COMMUNICATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$14,700,000	\$0	\$14,700,000	\$0	\$0	0.0
Other legislation	\$200,000	\$0	\$200,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**MULTI-STATE LOTTERY FEES**

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

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

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

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

**VENDOR FEES**

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

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

*REQUEST:* The Department requests an appropriation of \$35,254,852 cash funds, including an increase of \$2,497,833 for the annualization of prior year budget actions and \$5,000,000 for R2, Lottery Modernization of Sales Equipment.

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

STATE LOTTERY DIVISION, VENDOR FEES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$27,757,019	\$0	\$27,757,019	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$27,757,019</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$27,757,019	\$0	\$27,757,019	\$0	\$0	0.0
R2 Lottery modernization of sales equipment	5,000,000	0	5,000,000	0	0	0.0
Annualize prior year budget actions	2,497,833	0	2,497,833	0	0	0.0
<b>TOTAL</b>	<b>\$35,254,852</b>	<b>\$0</b>	<b>\$35,254,852</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$7,497,833</b>	<b>\$0</b>	<b>\$7,497,833</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	27.0%	n/a	27.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**RETAILER COMPENSATION**

These payments are commissions, cashing bonuses, and marketing agreement bonuses to compensate retailers for selling State Lottery products. Retailers are paid a 7.0 percent commission on scratch sales, and a 6.0 percent commission for jackpot game sales. In addition, retailers are paid a 1% bonus of all prizes they pay out, as well as bonuses for selling large winning tickets. (for example, selling a Powerball or MegaMillions top prize winning ticket generates a bonus to the retailer of \$50,000.) Retailers receiving these payments include convenience stores, gas stations, supermarkets, tobacco shops, and liquor stores.

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

*REQUEST:* The Department’s request is summarized in the table below.

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



STATE LOTTERY DIVISION, RETAILER COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

*REQUEST:* The Department requests an appropriation of \$860,847 cash funds including an increase of \$95,071 cash funds. Details of the recommendation are listed in the table below.

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

STATE LOTTERY DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2022-23 APPROPRIATION</b>						
HB 22-1329 (Long Bill)	\$765,776	\$0	\$765,776	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$765,776</b>	<b>\$0</b>	<b>\$765,776</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2023-24 RECOMMENDED APPROPRIATION</b>						
FY 2022-23 Appropriation	\$765,776	\$0	\$765,776	\$0	\$0	0.0
Indirect cost assessment	95,071	0	95,071	0	0	0.0
<b>TOTAL</b>	<b>\$860,847</b>	<b>\$0</b>	<b>\$860,847</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$95,071</b>	<b>\$0</b>	<b>\$95,071</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	12.4%	n/a	12.4%	n/a	n/a	n/a
<b>FY 2023-24 EXECUTIVE REQUEST</b>	<b>\$860,847</b>	<b>\$0</b>	<b>\$860,847</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

The 2022 Long Bill includes no footnotes specific to the Department of Revenue. Staff recommends no footnotes for the Department of Revenue for the 2023 Long Bill.

### REQUESTS FOR INFORMATION

Staff recommends discontinuing the following request for information.

- 1 Department of Revenue, Division of Motor Vehicles - The Department is requested to provide, by November 1, 2022, a report to the Joint Budget Committee concerning the impact of H.B. 21-1314 (Department of Revenue Action Against Certain Documents). Specifically, please provide to the Committee information on the reduction in driver's license revocations, the number of related hearings, and the revenue/expenditure impact that H.B. 21-1314 has had on DMV operations.

**Comment:** The Department submitted the requested information. This was a one-time request.

## INDIRECT COST ASSESSMENTS

### DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

The Department of Revenue indirect cost assessment methodology is calculated based on three components: an “*Indirect Cost Pool*”, an “*Indirect Cost Base*”, and an “*Indirect Cost Rate*”.

The *Indirect Cost Pool* is comprised of personal services expenses in the Executive Director's Office. In addition, for business group and divisional indirect costs, the *Indirect Cost Pool* for those divisions consist of personal services and operating expenses in the administration section of those business groups.

The *Indirect Cost Base* is comprised of the appropriations for personal services in each business group or division.

The *Indirect Cost Rate* is calculated either based on the number of FTE and/or the workload, where it can be identified. Because each division and cash fund may have different rates based on the number of FTE or workload, the number of different variations is not included here.

Indirect cost methodology is necessarily based on estimating and allocating overhead costs for the year; i.e., indirect costs do not capture actual expenditures or true-up after the fact to actual expenditures but instead represent the best approximation of the budget year's estimated overhead expenses. On that basis, **staff recommends approving the Department's requested indirect cost assessment plan** rather than waiting for pending budget items and incremental differences that may be established in the final budget.

### INDIRECT COST POOL

The Indirect Cost Pool is based on the estimated personal services, operating, and utility line items for the requested budget year in the Executive Director's Office. For FY 2023-24, the Department’s Indirect Cost Pool as requested is \$12,801,442.

Table 1 outlines which line items are included in the Department’s Indirect Cost Pool.

TABLE 1: DEPARTMENT OF REV INDIRECT COST POOL	
DIVISION	REQUEST
Executive Director's Office	\$12,801,442
<b>FY 2023-24 Indirect Cost Pool</b>	<b>\$12,801,442</b>

### INDIRECT COST BASE

The Indirect Cost Base is set equal to the Indirect Cost Pool. Table 2 summarizes the Department’s Indirect Cost Base by division.

**TABLE 2: DEPARTMENT OF REV INDIRECT COST BASE**

DIVISION AND LINE ITEM	REQUEST
(1) EDO (A) Admin, Personal Services	\$1,267,381
(1) EDO, (B) Hearings, Personal Services	254,041
(3) TBG, (A) Admin., Personal Services	38,144
(3) TBG, (B) TAC, Personal Services	1,937,728
(3) TBG, (B) TAC, Mineral Audit	77,814
(3) TBG, (C) TPS, Personal Services	1,302,245
(3) TBG, (C) TPS, Fuel Tracking System	11,443
(3) TBG, (D) Tax Conferee, Personal Services	103,752
(4) DMV, (A) Admin., Personal Services	327,278
(4) DMV, (B) Driver Services, Personal Services	3,256,758
(4) DMV, (B) Driver Services, Ignition Interlock	52,639
(4) DMV, (C) Vehicle Services, Personal Services	397,463
(4) DMV, (C) VS, Motorist Information Database	7,629
(4) DMV, (C) VS, Emissions	114,433
(5) EBG, (A) Admin., Personal Services	83,917
(5) EBG, (B) Gaming, Personal Services	808,658
(5) EBG, (C) Liquor & Tobacco, Personal Services	485,958
(5) EBG, (D) Racing, Personal Services	58,742
(5) EBG, (F) Dealer Board, Personal Services	246,412
(5) EBG, (G) Marijuana, Personal Services	1,190,101
(6) Lottery, Personal Services	778,906
<b>Total</b>	<b>\$12,801,442</b>

**INDIRECT COST REQUEST**

For FY 2023-24 the Department has requested \$12,801,442 for indirect cost assessments. This amount is equal to the Indirect Cost Pool. Table 3 shows the FY 2023-24 Department indirect cost assessment based on the November 1 request for each division.

**TABLE 3: DEPARTMENT OF REVENUE INDIRECT COST REQUEST**

DIVISION	GENERAL FUND	CASH FUND	TOTAL
(1) EDO (A) Admin, Personal Services	\$1,267,381	\$0	\$1,267,381
(1) EDO, (B) Hearings, Personal Services	0	254,041	254,041
(3) TBG, (A) Admin., Personal Services	36,466	1,678	38,144
(3) TBG, (B) TAC, Personal Services	1,852,819	84,909	1,937,728
(3) TBG, (B) TAC, Mineral Audit	77,814	0	77,814
(3) TBG, (C) TPS, Personal Services	1,256,243	46,002	1,302,245
(3) TBG, (C) TPS, Fuel Tracking System	0	11,443	11,443
(3) TBG, (D) Tax Conferee, Personal Services	103,752	0	103,752
(4) DMV, (A) Admin., Personal Services	42,950	284,328	327,278
(4) DMV, (B) DS, Personal Services	448,653	2,808,105	3,256,758
(4) DMV, (B) DS, Ignition Interlock	0	52,639	52,639
(4) DMV, (C) VS, Personal Services	93,225	304,238	397,463
(4) DMV, (C) VS, MIIDB	0	7,629	7,629
(4) DMV, (C) VS, Emissions	0	114,433	114,433
(5) EBG, (A) Admin., Personal Services	25,328	58,589	83,917
(5) EBG, (B) Gaming, Personal Services	0	808,658	808,658
(5) EBG, (C) Liquor & Tobacco, Personal Services	20,064	465,894	485,958
(5) EBG, (D) Racing, Personal Services	0	58,742	58,742
(5) EBG, (F) Dealer Board, Personal Services	0	246,412	246,412
(5) EBG, (G) Marijuana, Personal Services	0	1,190,101	1,190,101
(6) Lottery, Personal Services	0	778,906	778,906
<b>Total</b>	<b>\$5,224,695</b>	<b>\$7,576,747</b>	<b>\$12,801,442</b>

## APPENDIX A NUMBERS PAGES

Appendix A is available in digital format only.

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

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

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

**(A) Administration and Support**

Personal Services	<u>11,141,307</u>	<u>12,103,851</u>	<u>16,230,705</u>	<u>19,853,359</u>	<u>19,853,359</u> *
FTE	145.0	145.0	176.7	188.6	188.6
General Fund	5,277,113	4,557,291	6,309,098	9,625,086	9,625,086
Cash Funds	219,713	301,236	2,232,380	3,420,238	3,420,238
Reappropriated Funds	5,644,481	7,245,324	7,684,830	6,803,638	6,803,638
Federal Funds	0	0	4,397	4,397	4,397
Health, Life, and Dental	<u>14,493,017</u>	<u>16,884,143</u>	<u>19,305,563</u>	<u>20,890,862</u>	<u>20,790,040</u> *
General Fund	3,833,915	6,547,644	8,514,392	9,125,689	9,035,999
Cash Funds	10,646,037	10,328,497	10,626,881	11,344,780	11,333,648
Reappropriated Funds	13,065	8,002	4,073	105,704	105,704
Federal Funds	0	0	160,217	314,689	314,689
Short-term Disability	<u>158,490</u>	<u>162,697</u>	<u>164,290</u>	<u>165,165</u>	<u>164,355</u> *
General Fund	61,023	73,725	74,569	71,739	71,130
Cash Funds	97,307	88,898	88,239	89,970	89,769
Reappropriated Funds	160	74	44	937	937
Federal Funds	0	0	1,438	2,519	2,519

*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>4,685,439</u>	<u>4,786,269</u>	<u>5,173,740</u>	<u>5,583,910</u>	<u>5,558,624</u> *
General Fund	1,800,739	1,997,077	2,344,687	2,415,700	2,396,678
Cash Funds	2,879,995	2,786,870	2,782,485	3,051,293	3,045,029
Reappropriated Funds	4,705	2,322	1,394	32,028	32,028
Federal Funds	0	0	45,174	84,889	84,889
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>4,685,439</u>	<u>4,786,269</u>	<u>5,173,740</u>	<u>5,583,910</u>	<u>5,558,624</u> *
General Fund	1,800,739	1,997,077	2,344,687	2,415,700	2,396,678
Cash Funds	2,879,995	2,786,870	2,782,485	3,051,293	3,045,029
Reappropriated Funds	4,705	2,322	1,394	32,028	32,028
Federal Funds	0	0	45,174	84,889	84,889
PERA Direct Distribution	<u>0</u>	<u>2,240,773</u>	<u>1,193,374</u>	<u>347,261</u>	<u>347,261</u>
General Fund	0	919,342	0	150,048	150,048
Cash Funds	0	1,320,327	1,192,776	189,918	189,918
Reappropriated Funds	0	1,104	598	1,980	1,980
Federal Funds	0	0	0	5,315	5,315
Salary Survey	<u>0</u>	<u>3,192,094</u>	<u>3,563,081</u>	<u>6,374,343</u>	<u>6,374,343</u>
General Fund	0	1,282,289	1,571,176	2,634,881	2,634,881
Cash Funds	0	1,908,289	1,939,792	3,604,053	3,604,053
Reappropriated Funds	0	1,516	923	44,015	44,015
Federal Funds	0	0	51,190	91,394	91,394

*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
Shift Differential	<u>123,918</u>	<u>102,026</u>	<u>123,194</u>	<u>115,151</u>	<u>115,151</u>
General Fund	0	0	0	0	0
Cash Funds	123,918	102,026	123,194	115,151	115,151
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>0</u>	<u>143,618</u>	<u>488,085</u>	<u>488,085</u>
General Fund	0	0	54,368	211,363	211,363
Cash Funds	0	0	89,250	266,444	266,444
Reappropriated Funds	0	0	0	2,784	2,784
Federal Funds	0	0	0	7,494	7,494
Workers' Compensation	<u>692,913</u>	<u>544,852</u>	<u>487,491</u>	<u>380,987</u>	<u>380,987</u>
General Fund	264,266	207,799	185,922	145,303	145,303
Cash Funds	428,647	337,053	301,569	235,684	235,684
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,772,807</u>	<u>3,026,135</u>	<u>3,444,329</u>	<u>3,746,042</u>	<u>3,746,042</u> *
General Fund	1,545,317	2,036,482	2,238,082	2,434,171	2,434,171
Cash Funds	227,490	989,653	1,159,747	1,281,824	1,281,824
Reappropriated Funds	0	0	46,500	30,047	30,047
Federal Funds	0	0	0	0	0
Postage	<u>2,403,106</u>	<u>97,221</u>	<u>152,880</u>	<u>221,480</u>	<u>221,480</u>
General Fund	2,049,195	52,165	52,165	99,175	99,175
Cash Funds	353,911	45,056	100,715	122,305	122,305
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*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
Legal Services	<u>5,871,769</u>	<u>4,894,253</u>	<u>5,846,609</u>	<u>5,141,523</u>	<u>5,141,523</u>
General Fund	3,145,162	2,410,120	2,896,468	2,547,161	2,547,161
Cash Funds	2,726,607	2,484,133	2,950,141	2,594,362	2,594,362
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>1,405</u>	<u>12,770</u>	<u>322</u>	<u>1,319</u>	<u>1,319</u>
General Fund	0	0	0	0	0
Cash Funds	1,405	12,770	322	1,319	1,319
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Statewide training	<u>0</u>	<u>0</u>	<u>0</u>	<u>23,840</u>	<u>23,840</u> *
General Fund	0	0	0	9,074	9,074
Cash Funds	0	0	0	14,766	14,766
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>273,106</u>	<u>425,409</u>	<u>749,074</u>	<u>776,668</u>	<u>776,668</u>
General Fund	104,158	162,245	285,671	296,142	296,142
Cash Funds	168,948	263,164	463,403	480,526	480,526
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vehicle Lease Payments	<u>560,096</u>	<u>579,595</u>	<u>738,765</u>	<u>994,560</u>	<u>994,560</u> *
General Fund	153,683	111,224	103,731	138,057	138,057
Cash Funds	406,413	468,371	635,034	856,503	856,503
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Leased Space	<u>5,193,913</u>	<u>4,192,283</u>	<u>6,649,699</u>	<u>6,690,079</u>	<u>6,690,079</u>
General Fund	1,027,619	375,003	480,592	520,972	520,972
Cash Funds	4,166,294	3,817,280	6,169,107	6,169,107	6,169,107
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>2,316,836</u>	<u>902,493</u>	<u>866,380</u>	<u>1,055,327</u>	<u>1,055,327</u> *
General Fund	863,503	336,367	322,906	447,538	447,538
Cash Funds	1,453,333	566,126	543,474	607,789	607,789
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>20,521,724</u>	<u>6,671,718</u>	<u>11,640,728</u>	<u>20,631,149</u>	<u>20,631,149</u> *
General Fund	11,915,609	6,292,566	7,977,684	11,331,982	11,331,982
Cash Funds	8,606,115	379,152	3,655,569	9,299,167	9,299,167
Reappropriated Funds	0	0	7,475	0	0
Federal Funds	0	0	0	0	0
Digital Trunk Radio Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>141,115</u>	<u>141,115</u>
General Fund	0	0	0	141,115	141,115
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>1,343,376</u>	<u>987,111</u>	<u>1,680,683</u>	<u>929,310</u>	<u>929,310</u> *
General Fund	512,342	376,468	640,985	361,274	361,274
Cash Funds	831,034	610,643	1,039,698	568,036	568,036
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Utilities	<u>80,930</u>	<u>82,905</u>	<u>83,703</u>	<u>83,703</u>	<u>83,703</u>
General Fund	0	0	0	0	0
Cash Funds	80,930	82,905	83,703	83,703	83,703
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration and Support</b>	76,319,591	66,674,867	83,411,968	100,219,148	100,066,944
FTE	<u>145.0</u>	<u>145.0</u>	<u>176.7</u>	<u>188.6</u>	<u>188.6</u>
General Fund	34,354,383	29,734,884	36,397,183	45,122,170	44,993,827
Cash Funds	36,298,092	29,679,319	38,959,964	47,448,231	47,424,370
Reappropriated Funds	5,667,116	7,260,664	7,747,231	7,053,161	7,053,161
Federal Funds	0	0	307,590	595,586	595,586

**(B) Hearings Division**

Personal Services	<u>2,288,991</u>	<u>2,263,947</u>	<u>2,795,124</u>	<u>3,384,028</u>	<u>3,384,028</u>
FTE	33.0	33.3	33.3	33.3	33.3
General Fund	(29,512)	0	0	0	0
Cash Funds	2,318,503	2,263,947	2,795,124	3,384,028	3,384,028
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>67,979</u>	<u>88,523</u>	<u>110,412</u>	<u>120,349</u>	<u>120,349</u> *
General Fund	0	0	0	0	0
Cash Funds	67,979	88,523	110,412	120,349	120,349
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Indirect Cost Assessment	<u>186,966</u>	<u>242,870</u>	<u>249,589</u>	<u>282,016</u>	<u>282,016</u>
General Fund	0	0	0	0	0
Cash Funds	186,966	242,870	249,589	282,016	282,016
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Hearings Division</b>	2,543,936	2,595,340	3,155,125	3,786,393	3,786,393
<i>FTE</i>	<u>33.0</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>
General Fund	(29,512)	0	0	0	0
Cash Funds	2,573,448	2,595,340	3,155,125	3,786,393	3,786,393
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (1) Executive Director's Office</b>	78,863,527	69,270,207	86,567,093	104,005,541	103,853,337
<i>FTE</i>	<u>178.0</u>	<u>178.3</u>	<u>210.0</u>	<u>221.9</u>	<u>221.9</u>
General Fund	34,324,871	29,734,884	36,397,183	45,122,170	44,993,827
Cash Funds	38,871,540	32,274,659	42,115,089	51,234,624	51,210,763
Reappropriated Funds	5,667,116	7,260,664	7,747,231	7,053,161	7,053,161
Federal Funds	0	0	307,590	595,586	595,586

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

**(2) INFORMATION TECHNOLOGY DIVISION**

**(A) System Support**

Personal Services	<u>70,488</u>
General Fund	70,488
Cash Funds	0
Reappropriated Funds	0
Federal Funds	0
Operating Expenses	<u>1,170,329</u>
General Fund	839,219
Cash Funds	331,110
Reappropriated Funds	0
Federal Funds	0

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

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

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

*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
Operating Expenses	<u>1,543,737</u>				
General Fund	0				
Cash Funds	1,543,737				
Reappropriated Funds	0				
Federal Funds	0				
County Office Asset Maintenance	<u>512,298</u>				
General Fund	0				
Cash Funds	512,298				
Reappropriated Funds	0				
Federal Funds	0				
County Office Improvements	<u>21,631</u>				
General Fund	0				
Cash Funds	21,631				
Reappropriated Funds	0				
Federal Funds	0				
<b>SUBTOTAL - (B) DMV IT System (DRIVES)</b>					
<b>Support</b>	2,077,666				
<i>FTE</i>	<u>0.0</u>				
General Fund	0				
Cash Funds	2,077,666				
Reappropriated Funds	0				
Federal Funds	0				

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

*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>(3) TAXATION BUSINESS GROUP</b>					
<b>(A) Administration</b>					
Personal Services	<u>491,614</u>	<u>444,892</u>	<u>578,260</u>	<u>600,427</u>	<u>600,427</u>
FTE	5.0	5.0	5.0	5.0	5.0
General Fund	465,612	425,448	558,467	580,634	580,634
Cash Funds	26,002	19,444	19,793	19,793	19,793
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>10,209</u>	<u>5,830</u>	<u>12,543</u>	<u>13,672</u>	<u>13,672</u> *
General Fund	10,209	5,830	12,543	13,672	13,672
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Tax Administration IT System (GenTax) Support	<u>5,982,763</u>	<u>5,834,558</u>	<u>6,865,548</u>	<u>6,621,390</u>	<u>6,621,390</u> *
General Fund	5,982,763	5,834,558	6,837,143	6,538,484	6,538,484
Cash Funds	0	0	28,405	82,906	82,906
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IDS Print Production	<u>0</u>	<u>4,624,048</u>	<u>11,157,255</u>	<u>4,957,241</u>	<u>4,916,188</u>
General Fund	0	4,624,048	11,133,875	4,910,462	4,869,409
Cash Funds	0	0	23,380	46,779	46,779
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*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>SUBTOTAL - (A) Administration</b>	6,484,586	10,909,328	18,613,606	12,192,730	12,151,677
<i>FTE</i>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
General Fund	6,458,584	10,889,884	18,542,028	12,043,252	12,002,199
Cash Funds	26,002	19,444	71,578	149,478	149,478
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(B) Taxation Services**

Personal Services	<u>0</u>	<u>26,365,691</u>	<u>31,965,029</u>	<u>32,923,142</u>	<u>32,888,915</u> *
FTE	0.0	401.5	424.7	426.6	426.6
General Fund	0	25,574,685	30,546,125	31,370,184	31,335,957
Cash Funds	0	683,269	1,264,819	1,398,873	1,398,873
Reappropriated Funds	0	107,737	154,085	154,085	154,085
Federal Funds	0	0	0	0	0
Operating Expenses	<u>0</u>	<u>3,176,971</u>	<u>3,551,475</u>	<u>3,738,571</u>	<u>3,740,281</u> *
General Fund	0	3,169,428	3,532,542	3,717,934	3,719,644
Cash Funds	0	7,543	18,933	20,637	20,637
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Joint Audit Program	<u>0</u>	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>
General Fund	0	131,244	131,244	131,244	131,244
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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
Mineral Audit Program	<u>0</u>	<u>0</u>	<u>918,132</u>	<u>918,132</u>	<u>918,132</u>
FTE	0.0	10.2	10.2	10.2	10.2
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	66,000	66,000	66,000
Federal Funds	0	0	852,132	852,132	852,132
Document Management	<u>0</u>	<u>4,618,015</u>	<u>4,714,433</u>	<u>4,221,292</u>	<u>4,262,345</u> *
General Fund	0	4,618,015	4,714,433	4,221,292	4,262,345
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>0</u>	<u>528,139</u>	<u>504,071</u>	<u>0</u>	<u>0</u> *
FTE	0.0	1.5	1.5	0.0	0.0
General Fund	0	126	126	0	0
Cash Funds	0	528,013	503,945	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>0</u>	<u>10,870</u>	<u>11,386</u>	<u>0</u>	<u>0</u> *
General Fund	0	0	0	0	0
Cash Funds	0	10,870	11,386	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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>SUBTOTAL - (B) Taxation Services</b>	0	34,830,930	41,795,770	41,932,381	41,940,917
<i>FTE</i>	<u>0.0</u>	<u>413.2</u>	<u>436.4</u>	<u>436.8</u>	<u>436.8</u>
General Fund	0	33,493,498	38,924,470	39,440,654	39,449,190
Cash Funds	0	1,229,695	1,799,083	1,419,510	1,419,510
Reappropriated Funds	0	107,737	220,085	220,085	220,085
Federal Funds	0	0	852,132	852,132	852,132

**(C) Tax Conferee**

Personal Services	<u>1,455,173</u>	<u>1,441,786</u>	<u>1,602,937</u>	<u>1,636,930</u>	<u>1,636,930</u>
<i>FTE</i>	13.6	13.6	13.6	13.6	13.6
General Fund	1,455,173	1,441,786	1,505,654	1,539,647	1,539,647
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0
Operating Expenses	<u>45,175</u>	<u>24,326</u>	<u>60,905</u>	<u>66,386</u>	<u>66,386</u> *
General Fund	45,175	60,905	60,905	66,386	66,386
Cash Funds	0	(36,579)	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (C) Tax Conferee</b>	1,500,348	1,466,112	1,663,842	1,703,316	1,703,316
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>
General Fund	1,500,348	1,502,691	1,566,559	1,606,033	1,606,033
Cash Funds	0	(36,579)	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0

*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>(D) Special Purpose</b>					
Cigarette Tax Rebate	<u>9,264,323</u>	<u>8,223,947</u>	<u>7,889,291</u>	<u>7,889,291</u>	<u>7,889,291</u>
General Fund	9,264,323	8,223,947	7,889,291	7,889,291	7,889,291
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Amendment 35 Distribution to Local Governments	<u>1,172,966</u>	<u>1,092,394</u>	<u>1,046,637</u>	<u>1,046,637</u>	<u>1,046,637</u>
General Fund	0	0	0	0	0
Cash Funds	1,172,966	1,092,394	1,046,637	1,046,637	1,046,637
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Old Age Heat and Fuel and Property Tax Assistance					
Grant	<u>6,358,838</u>	<u>7,198,621</u>	<u>5,950,705</u>	<u>5,950,705</u>	<u>5,950,705</u>
General Fund	6,358,838	7,198,621	5,950,705	5,950,705	5,950,705
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Commercial Vehicle Enterprise Sales Tax Refund	<u>46,068</u>	<u>90,028</u>	<u>120,524</u>	<u>120,524</u>	<u>120,524</u>
General Fund	0	0	0	0	0
Cash Funds	46,068	90,028	120,524	120,524	120,524
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Retail Marijuana Sales Tax Distribution to Local Governments	<u>28,987,553</u>	<u>25,620,732</u>	<u>27,550,000</u>	<u>27,550,000</u>	<u>27,550,000</u>
General Fund	28,987,553	25,620,732	27,550,000	27,550,000	27,550,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (D) Special Purpose</b>	<b>45,829,748</b>	<b>42,225,722</b>	<b>42,557,157</b>	<b>42,557,157</b>	<b>42,557,157</b>
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	44,610,714	41,043,300	41,389,996	41,389,996	41,389,996
Cash Funds	1,219,034	1,182,422	1,167,161	1,167,161	1,167,161
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(E) Taxation and Compliance Division**

Personal Services	<u>17,504,935</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0
General Fund	16,563,935	0	0	0
Cash Funds	802,357	0	0	0
Reappropriated Funds	138,643	0	0	0
Federal Funds	0	0	0	0
Operating Expenses	<u>903,466</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	902,759	0	0	0
Cash Funds	707	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

*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
Joint Audit Program	<u>131,244</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	131,244	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Mineral Audit Program	<u>2,265</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	10.2	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	2,265	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (E) Taxation and Compliance</b>					
<b>Division</b>	18,541,910	0	0	0	0
FTE	<u>10.2</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	17,597,938	0	0	0	0
Cash Funds	803,064	0	0	0	0
Reappropriated Funds	140,908	0	0	0	0
Federal Funds	0	0	0	0	0

*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>(F) Taxpayer Service Division</b>					
Personal Services	<u>10,296,932</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	9,739,513	0	0	0	0
Cash Funds	557,419	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>499,472</u>	<u>(27,449)</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.5	0.0	0.0	0.0	0.0
General Fund	2,419	0	0	0	0
Cash Funds	497,053	(27,449)	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>306,254</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	305,500	0	0	0	0
Cash Funds	754	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Seasonal Tax Processing	<u>296,391</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	296,391	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Document Management	<u>4,855,832</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	4,855,832	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>9,603</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	9,603	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (F) Taxpayer Service Division</b>	16,264,484	(27,449)	0	0	0
<i>FTE</i>	<u>1.5</u>	<u>0.0</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	15,199,655	0	0	0	0
Cash Funds	1,064,829	(27,449)	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (3) Taxation Business Group</b>	88,621,076	89,404,643	104,630,375	98,385,584	98,353,067
<i>FTE</i>	<u>30.3</u>	<u>431.8</u>	<u>455.0</u>	<u>455.4</u>	<u>455.4</u>
General Fund	85,367,239	86,929,373	100,423,053	94,479,935	94,447,418
Cash Funds	3,112,929	2,367,533	3,037,822	2,736,149	2,736,149
Reappropriated Funds	140,908	107,737	317,368	317,368	317,368
Federal Funds	0	0	852,132	852,132	852,132



*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>(4) DIVISION OF MOTOR VEHICLES</b>					
<b>(A) Administration</b>					
Personal Services	<u>3,433,528</u>	<u>2,986,061</u>	<u>3,764,921</u>	<u>3,280,272</u>	<u>3,280,272</u> *
FTE	48.9	48.9	44.5	36.9	36.9
General Fund	370,437	(66,196)	584,878	617,237	617,237
Cash Funds	3,011,581	3,000,747	3,128,533	2,611,249	2,611,249
Reappropriated Funds	51,510	51,510	51,510	51,786	51,786
Federal Funds	0	0	0	0	0
Operating Expenses	<u>283,677</u>	<u>322,599</u>	<u>580,196</u>	<u>578,077</u>	<u>578,077</u> *
General Fund	63,633	63,682	63,731	69,467	69,467
Cash Funds	216,654	255,527	513,075	504,915	504,915
Reappropriated Funds	3,390	3,390	3,390	3,695	3,695
Federal Funds	0	0	0	0	0
DRIVES Maintenance and Support	<u>6,352,500</u>	<u>7,239,443</u>	<u>8,021,621</u>	<u>8,191,220</u>	<u>8,191,220</u>
General Fund	18,000	841,219	283,921	18,000	18,000
Cash Funds	6,334,500	6,398,224	7,571,430	8,173,220	8,173,220
Reappropriated Funds	0	0	166,270	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration</b>	10,069,705	10,548,103	12,366,738	12,049,569	12,049,569
FTE	<u>48.9</u>	<u>48.9</u>	<u>44.5</u>	<u>36.9</u>	<u>36.9</u>
General Fund	452,070	838,705	932,530	704,704	704,704
Cash Funds	9,562,735	9,654,498	11,213,038	11,289,384	11,289,384
Reappropriated Funds	54,900	54,900	221,170	55,481	55,481
Federal Funds	0	0	0	0	0

*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>(B) Driver Services</b>					
Personal Services	<u>21,340,705</u>	<u>22,310,627</u>	<u>24,697,161</u>	<u>25,605,964</u>	<u>25,605,964</u>
FTE	428.5	428.5	426.9	426.9	426.9
General Fund	2,647,300	3,771,293	2,900,377	3,030,850	3,030,850
Cash Funds	18,572,586	18,418,515	21,674,449	22,452,132	22,452,132
Reappropriated Funds	120,819	120,819	122,335	122,982	122,982
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,472,558</u>	<u>2,700,636</u>	<u>2,538,299</u>	<u>2,762,745</u>	<u>2,762,745</u> *
General Fund	411,155	1,524,707	414,260	451,543	451,543
Cash Funds	1,051,233	1,165,759	2,113,869	2,300,117	2,300,117
Reappropriated Funds	10,170	10,170	10,170	11,085	11,085
Federal Funds	0	0	0	0	0
Drivers License Documents	<u>5,648,165</u>	<u>6,303,098</u>	<u>7,109,465</u>	<u>7,756,108</u>	<u>7,756,108</u>
General Fund	0	3,498	3,498	3,498	3,498
Cash Funds	5,648,165	6,299,600	7,105,967	7,752,610	7,752,610
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ignition Interlock Program	<u>589,878</u>	<u>569,871</u>	<u>682,567</u>	<u>695,945</u>	<u>695,945</u>
FTE	6.9	6.9	6.9	6.9	6.9
General Fund	0	0	0	0	0
Cash Funds	589,878	569,871	682,567	695,945	695,945
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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>
Indirect Cost Assessment	<u>2,482,987</u>	<u>3,228,570</u>	<u>3,171,043</u>	<u>3,302,287</u>	<u>3,302,287</u>
General Fund	0	0	0	0	0
Cash Funds	2,482,987	3,228,570	3,171,043	3,302,287	3,302,287
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Driver Services</b>	<b>31,534,293</b>	<b>35,112,802</b>	<b>38,198,535</b>	<b>40,123,049</b>	<b>40,123,049</b>
<i>FTE</i>	<u>435.4</u>	<u>435.4</u>	<u>433.8</u>	<u>433.8</u>	<u>433.8</u>
General Fund	3,058,455	5,299,498	3,318,135	3,485,891	3,485,891
Cash Funds	28,344,849	29,682,315	34,747,895	36,503,091	36,503,091
Reappropriated Funds	130,989	130,989	132,505	134,067	134,067
Federal Funds	0	0	0	0	0

**(C) Vehicle Services**

Personal Services	<u>2,560,101</u>	<u>2,503,725</u>	<u>2,874,914</u>	<u>3,181,121</u>	<u>3,181,121</u>
FTE	46.6	46.6	50.5	53.3	53.3
General Fund	502,180	580,442	626,188	662,406	662,406
Cash Funds	2,057,921	1,923,283	2,248,726	2,518,715	2,518,715
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>202,582</u>	<u>431,882</u>	<u>401,040</u>	<u>424,379</u>	<u>424,379</u> *
General Fund	26,157	431,882	40,987	32,276	32,276
Cash Funds	176,425	0	360,053	392,103	392,103
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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>
License Plate Ordering	<u>5,270,486</u>	<u>6,796,932</u>	<u>7,642,759</u>	<u>8,714,024</u>	<u>8,714,024</u>
General Fund	216,315	610,468	216,315	236,000	236,000
Cash Funds	5,054,171	6,186,464	7,426,444	8,478,024	8,478,024
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Motorist Insurance Identification Database Program	<u>252,287</u>	<u>342,442</u>	<u>344,394</u>	<u>346,332</u>	<u>346,332</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	252,287	342,442	344,394	346,332	346,332
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emissions Program	<u>1,082,814</u>	<u>1,029,793</u>	<u>1,201,525</u>	<u>1,230,606</u>	<u>1,230,606</u>
FTE	15.0	15.0	15.0	15.0	15.0
General Fund	0	0	0	0	0
Cash Funds	1,082,814	1,029,793	1,201,525	1,230,606	1,230,606
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>423,381</u>	<u>426,885</u>	<u>436,860</u>	<u>499,490</u>	<u>499,490</u>
General Fund	0	0	0	0	0
Cash Funds	423,381	426,885	436,860	499,490	499,490
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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) Vehicle Services</b>	9,791,651	11,531,659	12,901,492	14,395,952	14,395,952
<i>FTE</i>	<u>62.6</u>	<u>62.6</u>	<u>66.5</u>	<u>69.3</u>	<u>69.3</u>
General Fund	744,652	1,622,792	883,490	930,682	930,682
Cash Funds	9,046,999	9,908,867	12,018,002	13,465,270	13,465,270
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) County Support Services**

Operating Expenses	<u>0</u>	<u>1,712,863</u>	<u>2,356,535</u>	<u>2,568,623</u>	<u>2,568,623</u> *
General Fund	0	0	0	0	0
Cash Funds	0	1,712,863	2,356,535	2,568,623	2,568,623
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Asset Maintenance	<u>0</u>	<u>247,369</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>
General Fund	0	0	0	0	0
Cash Funds	0	247,369	511,430	511,430	511,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Improvements	<u>0</u>	<u>2,330</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	2,330	36,000	36,000	36,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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 - (D) County Support Services</b>	0	1,962,562	2,903,965	3,116,053	3,116,053
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	1,962,562	2,903,965	3,116,053	3,116,053
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (4) Division of Motor Vehicles</b>	51,395,649	59,155,126	66,370,730	69,684,623	69,684,623
<i>FTE</i>	<u>546.9</u>	<u>546.9</u>	<u>544.8</u>	<u>540.0</u>	<u>540.0</u>
General Fund	4,255,177	7,760,995	5,134,155	5,121,277	5,121,277
Cash Funds	46,954,583	51,208,242	60,882,900	64,373,798	64,373,798
Reappropriated Funds	185,889	185,889	353,675	189,548	189,548
Federal Funds	0	0	0	0	0

*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>(5) SPECIALIZED BUSINESS GROUP</b>					
<b>(A) Administration</b>					
Personal Services	<u>651,842</u>	<u>731,876</u>	<u>1,119,913</u>	<u>1,141,167</u>	<u>1,141,167</u>
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	7,694	7,694	7,871	8,121	8,121
Cash Funds	414,972	500,759	782,413	803,417	803,417
Reappropriated Funds	229,176	223,423	329,629	329,629	329,629
Federal Funds	0	0	0	0	0
Operating Expenses	<u>4,124</u>	<u>7,918</u>	<u>13,934</u>	<u>15,188</u>	<u>15,188</u> *
General Fund	111	111	111	121	121
Cash Funds	2,710	5,018	8,885	9,685	9,685
Reappropriated Funds	1,303	2,789	4,938	5,382	5,382
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration</b>	<b>655,966</b>	<b>739,794</b>	<b>1,133,847</b>	<b>1,156,355</b>	<b>1,156,355</b>
FTE	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>
General Fund	7,805	7,805	7,982	8,242	8,242
Cash Funds	417,682	505,777	791,298	813,102	813,102
Reappropriated Funds	230,479	226,212	334,567	335,011	335,011
Federal Funds	0	0	0	0	0

*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>(B) Limited Gaming Division</b>					
Personal Services	<u>7,969,273</u>	<u>8,664,625</u>	<u>9,096,251</u>	<u>9,269,350</u>	<u>9,269,350</u>
FTE	106.0	106.0	106.0	106.0	106.0
General Fund	0	0	0	0	0
Cash Funds	7,969,273	8,664,625	9,096,251	9,269,350	9,269,350
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>615,706</u>	<u>778,202</u>	<u>3,630,731</u>	<u>3,731,763</u>	<u>1,231,763</u> *
General Fund	0	0	0	0	0
Cash Funds	615,706	778,202	3,630,731	3,731,763	1,231,763
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>4,316,731</u>	<u>3,805,206</u>	<u>4,936,279</u>	<u>4,066,253</u>	<u>4,066,253</u>
General Fund	0	0	0	0	0
Cash Funds	4,316,731	3,805,206	4,936,279	4,066,253	4,066,253
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Distribution to Gaming Cities and Counties	<u>107,005,904</u>	<u>148,635,902</u>	<u>25,038,902</u>	<u>23,788,902</u>	<u>23,788,902</u>
General Fund	0	0	1,250,000	0	0
Cash Funds	107,005,904	148,635,902	23,788,902	23,788,902	23,788,902
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Responsible Gaming Grant Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,500,000</u>
Cash Funds	0	0	0	0	2,500,000



*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>
Indirect Cost Assessment	<u>815,276</u>	<u>992,866</u>	<u>813,918</u>	<u>914,609</u>	<u>914,609</u>
General Fund	0	0	0	0	0
Cash Funds	815,276	992,866	813,918	914,609	914,609
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Limited Gaming Division</b>	120,722,890	162,876,801	43,516,081	41,770,877	41,770,877
FTE	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>
General Fund	0	0	1,250,000	0	0
Cash Funds	120,722,890	162,876,801	42,266,081	41,770,877	41,770,877
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

Personal Services	<u>1,784,650</u>	<u>4,456,684</u>	<u>4,818,907</u>	<u>4,969,276</u>	<u>4,969,276</u>
FTE	58.7	58.7	63.7	63.7	63.7
General Fund	180,228	2,058,228	185,187	191,363	191,363
Cash Funds	1,604,422	2,398,456	4,633,720	4,777,913	4,777,913
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>117,606</u>	<u>453,893</u>	<u>537,565</u>	<u>585,942</u>	<u>585,942</u> *
General Fund	6,966	6,965	6,965	7,592	7,592
Cash Funds	110,640	446,928	530,600	578,350	578,350
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Indirect Cost Assessment	<u>197,793</u>	<u>364,720</u>	<u>480,246</u>	<u>538,716</u>	<u>538,716</u>
General Fund	0	0	0	0	0
Cash Funds	197,793	364,720	480,246	538,716	538,716
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (C) Liquor and Tobacco</b>					
<b>Enforcement Division</b>	2,100,049	5,275,297	5,836,718	6,093,934	6,093,934
<i>FTE</i>	<u>58.7</u>	<u>58.7</u>	<u>63.7</u>	<u>63.7</u>	<u>63.7</u>
General Fund	187,194	2,065,193	192,152	198,955	198,955
Cash Funds	1,912,855	3,210,104	5,644,566	5,894,979	5,894,979
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) Division of Racing Events**

Personal Services	<u>846,789</u>	<u>965,745</u>	<u>1,045,675</u>	<u>1,397,449</u>	<u>1,330,618</u> *
FTE	7.7	7.7	10.7	11.7	11.7
General Fund	0	0	0	0	0
Cash Funds	846,789	965,745	1,045,675	1,397,449	1,330,618
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>131,259</u>	<u>166,554</u>	<u>319,392</u>	<u>312,878</u>	<u>319,548</u> *
General Fund	0	0	0	0	0
Cash Funds	131,259	166,554	319,392	312,878	319,548
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Purses and Breeders Awards	<u>669,584</u>	<u>741,302</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
General Fund	0	0	0	0	0
Cash Funds	669,584	741,302	1,400,000	1,400,000	1,400,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>49,967</u>	<u>58,972</u>	<u>59,124</u>	<u>66,438</u>	<u>66,438</u>
General Fund	0	0	0	0	0
Cash Funds	49,967	58,972	59,124	66,438	66,438
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (D) Division of Racing Events</b>	<b>1,697,599</b>	<b>1,932,573</b>	<b>2,824,191</b>	<b>3,176,765</b>	<b>3,116,604</b>
<i>FTE</i>	<u>7.7</u>	<u>7.7</u>	<u>10.7</u>	<u>11.7</u>	<u>11.7</u>
General Fund	0	0	0	0	0
Cash Funds	1,697,599	1,932,573	2,824,191	3,176,765	3,116,604
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**Hearings Division**

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

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

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

Personal Services	<u>1,961,848</u>	<u>2,092,857</u>	<u>2,533,228</u>	<u>2,593,299</u>	<u>2,593,299</u>
FTE	32.3	32.3	32.3	32.3	32.3
General Fund	0	0	0	0	0
Cash Funds	1,961,848	2,092,857	2,533,228	2,593,299	2,593,299
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Operating Expenses	<u>194,055</u>	<u>198,851</u>	<u>325,670</u>	<u>354,756</u>	<u>354,756</u> *
General Fund	0	0	0	0	0
Cash Funds	194,055	198,851	325,670	354,756	354,756
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>209,603</u>	<u>247,372</u>	<u>248,015</u>	<u>278,698</u>	<u>278,698</u>
General Fund	0	0	0	0	0
Cash Funds	209,603	247,372	248,015	278,698	278,698
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (F) Motor Vehicle Dealer</b>					
<b>Licensing Board</b>	2,365,506	2,539,080	3,106,913	3,226,753	3,226,753
<i>FTE</i>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>
General Fund	0	0	0	0	0
Cash Funds	2,365,506	2,539,080	3,106,913	3,226,753	3,226,753
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(G) Marijuana Enforcement**

Marijuana Enforcement	<u>10,773,174</u>	<u>9,879,646</u>	<u>15,741,630</u>	<u>16,138,823</u>	<u>16,138,823</u> *
FTE	152.0	152.0	156.0	157.6	157.6
General Fund	0	(2,719,323)	0	0	0
Cash Funds	10,773,174	12,598,969	15,741,630	16,138,823	16,138,823
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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
Indirect Cost Assessment	<u>862,812</u>	<u>1,168,700</u>	<u>1,308,983</u>	<u>1,508,692</u>	<u>1,508,692</u>
General Fund	0	0	0	0	0
Cash Funds	862,812	1,168,700	1,308,983	1,508,692	1,508,692
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Transfers to Other Departments	<u>1,336,719</u>	<u>200,991</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	1,336,719	200,991	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (G) Marijuana Enforcement</b>	12,972,705	11,249,337	17,050,613	17,647,515	17,647,515
<i>FTE</i>	<u>152.0</u>	<u>152.0</u>	<u>156.0</u>	<u>157.6</u>	<u>157.6</u>
General Fund	0	(2,719,323)	0	0	0
Cash Funds	12,972,705	13,968,660	17,050,613	17,647,515	17,647,515
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (5) Specialized Business Group</b>	140,514,715	184,612,882	73,468,363	73,072,199	73,012,038
<i>FTE</i>	<u>367.7</u>	<u>367.7</u>	<u>379.7</u>	<u>382.3</u>	<u>382.3</u>
General Fund	194,999	(646,325)	1,450,134	207,197	207,197
Cash Funds	140,089,237	185,032,995	71,683,662	72,529,991	72,469,830
Reappropriated Funds	230,479	226,212	334,567	335,011	335,011
Federal Funds	0	0	0	0	0

*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>(6) STATE LOTTERY DIVISION</b>					
Personal Services	<u>7,821,646</u>	<u>7,544,037</u>	<u>9,164,112</u>	<u>9,362,056</u>	<u>9,362,056</u>
FTE	102.1	102.1	102.1	102.1	102.1
General Fund	0	0	0	0	0
Cash Funds	7,821,646	7,544,037	9,164,112	9,362,056	9,362,056
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>944,015</u>	<u>881,580</u>	<u>1,540,533</u>	<u>1,679,181</u>	<u>1,679,181</u> *
General Fund	0	0	0	0	0
Cash Funds	944,015	881,580	1,540,533	1,679,181	1,679,181
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>141,886</u>	<u>134,212</u>	<u>239,410</u>	<u>239,410</u>	<u>239,410</u>
General Fund	0	0	0	0	0
Cash Funds	141,886	134,212	239,410	239,410	239,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Marketing and Communications	<u>14,559,546</u>	<u>14,680,192</u>	<u>14,900,000</u>	<u>14,900,000</u>	<u>14,900,000</u>
General Fund	0	0	0	0	0
Cash Funds	14,559,546	14,680,192	14,900,000	14,900,000	14,900,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*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>
Multi-State Lottery Fees	<u>156,370</u>	<u>90,878</u>	<u>177,433</u>	<u>177,433</u>	<u>177,433</u>
General Fund	0	0	0	0	0
Cash Funds	156,370	90,878	177,433	177,433	177,433
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vendor Fees	<u>15,418,546</u>	<u>19,832,699</u>	<u>27,757,019</u>	<u>35,254,852</u>	<u>35,254,852</u> *
General Fund	0	0	0	0	0
Cash Funds	15,418,546	19,832,699	27,757,019	35,254,852	35,254,852
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retailer Compensation	<u>61,103,090</u>	<u>62,184,571</u>	<u>85,000,000</u>	<u>85,000,000</u>	<u>85,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	61,103,090	62,184,571	85,000,000	85,000,000	85,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>636,573</u>	<u>729,711</u>	<u>765,776</u>	<u>860,847</u>	<u>860,847</u>
General Fund	0	0	0	0	0
Cash Funds	636,573	729,711	765,776	860,847	860,847
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ticket Costs	<u>4,537,165</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	4,537,165	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0



*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>TOTAL - (6) State Lottery Division</b>	105,318,837	106,077,880	139,544,283	147,473,779	147,473,779
<i>FTE</i>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>
General Fund	0	0	0	0	0
Cash Funds	105,318,837	106,077,880	139,544,283	147,473,779	147,473,779
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - Department of Revenue</b>	468,032,287	508,520,738	470,580,844	492,621,726	492,376,844
<i>FTE</i>	<u>1,225.0</u>	<u>1,626.8</u>	<u>1,691.6</u>	<u>1,701.7</u>	<u>1,701.7</u>
General Fund	125,051,993	123,778,927	143,404,525	144,930,579	144,769,719
Cash Funds	336,755,902	376,961,309	317,263,756	338,348,341	338,264,319
Reappropriated Funds	6,224,392	7,780,502	8,752,841	7,895,088	7,895,088
Federal Funds	0	0	1,159,722	1,447,718	1,447,718