

JOINT BUDGET COMMITTEE



STAFF FIGURE SETTING FY 2024-25

DEPARTMENT OF LOCAL AFFAIRS

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

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HOW TO USE THIS DOCUMENT

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

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

DEPARTMENT OVERVIEW

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

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

SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$377,813,556	\$52,892,283	\$184,795,741	\$15,109,746	\$125,015,786	233.2
Other legislation	4,983,294	1,983,294	0	3,000,000	0	1.3
HB 24-1999 (Supplemental)	86,141	32,948	18,379	42,552	(7,738)	0.0
TOTAL	\$382,882,991	\$54,908,525	\$184,814,120	\$18,152,298	\$125,008,048	234.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$382,882,991	\$54,908,525	\$184,814,120	\$18,152,298	\$125,008,048	234.5
R1 Cont. of HB 19-1009 voucher program	999,479	0	999,479	0	0	1.0
R2 EDO IT business project manager	82,443	0	0	82,443	0	0.9
R3 SDO statistical analyst	0	0	0	0	0	0.0
R4 DCFA grant program reduction	(500,000)	(500,000)	0	0	0	0.0
Non-prioritized decision items	805,520	156,923	257,860	316,321	74,416	0.0
Technical adjustment	(4,435,156)	0	(4,435,156)	0	0	1.2
Centrally appropriated line items	4,224,681	1,433,861	1,804,283	595,116	391,421	0.0
Indirect cost assessment	(141,876)	0	98,212	(169,690)	(70,398)	0.0
Annualize prior year budget actions	5,892,047	6,547,642	(536,081)	(9,176)	(110,338)	2.0
Annualizing prior year legislation	(1,424,690)	(372,018)	(1,017,858)	(42,552)	7,738	(2.2)
BA1 Property tax exemption filing fee	0	0	0	0	0	0.0
TOTAL	\$388,385,439	\$62,174,933	\$181,984,859	\$18,924,760	\$125,300,887	237.4
INCREASE/(DECREASE)	\$5,502,448	\$7,266,408	(\$2,829,261)	\$772,462	\$292,839	2.9
Percentage Change	1.4%	13.2%	(1.5%)	4.3%	0.2%	1.2%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	(\$1,242,195)	(\$359,970)	\$68,357	(\$501,161)	(\$449,421)	0.9

DESCRIPTION OF INCREMENTAL CHANGES – FY 2024-25

R1 CONTINUATION OF H.B. 19-1009 VOUCHER PROGRAM: The recommendation includes approval of \$999,479 for a permanent continuation from the Marijuana Tax Cash Fund to maintain the substance use disorders program established by H.B. 19-1009 (“Substance Use Disorders Recovery”). The request would continue the program’s current level of funding, with no change from the FY 2023-24 appropriation. The Division of Housing refers to this as the recovery-oriented housing voucher program (ROHP). These funds would also continue to support 1.0 FTE, and Community and Economic Development Specialist III, who manages the program and was a part of the original funding. The Department identified this request as proven (Step 5).

R2 EXECUTIVE DIRECTOR’S OFFICE (EDO) IT BUSINESS PRODUCT MANAGER: The recommendation includes \$93,536 in General Fund to be refinanced with indirect cost recoveries and an associated 0.9 FTE in 2024-25, annualizing to \$87,533 and 1.0 FTE in FY 2025-26 and ongoing for a Business Product Manager to address increasing departmental administrative workload for information technology. According to the Department, the drivers of the workload include the development of new IT systems for new programs as well as the planning and administration for the ongoing replacement of existing programs’ legacy systems that are becoming or have become obsolete, which OIT refers to as “technical debt.” There are currently 17 technical debt applications in progress or projected for development or replacing over the next 3-5 years.

R3 STATE DEMOGRAPHY OFFICE STATISTICAL ANALYST: The recommendation does not include approval of the Department’s request for one full-time, ongoing FTE Statistical Analyst III to increase the capacity of the State Demography Office (SDO) to create, display, and release additional housing and household data. The Department’s request proposes an increase of \$113,935 General Fund and 0.9 FTE for this purpose.

R4 DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM REDUCTION: The recommendation includes a decrease of \$500,000 General Fund in FY 2024-25 and ongoing for the Defense Counsel on First Appearance Grant Program. This program reimburses local governments for the costs of providing public defense counsel to defendants on their first appearance in municipal court if they are facing incarceration. This program was created by H.B. 18- 1353 and extended by H.B. 23-072 following Sunset Review. The Department reports that the reduction will not impact distributions from FY 2024-25.

BA1 PROPERTY TAX EXEMPTION FILING FEES ADJUSTMENT (REQUIRES LEGISLATION): The recommendation includes sponsoring legislation and an increase to the statutory fees used to fund the Property Tax Exemptions Program. The Department states that the increased fee revenues to the Property Tax Exemption Cash Fund are needed to address both increasing centrally appropriated and program costs.

NON-PRIORITIZED DECISION ITEMS: The recommendation includes a net increase of \$805,520 total funds for non-prioritized decision items, including \$156,923 General Fund; final amounts will reflect the Committee’s decisions on Common Policy. The outstanding request items will be addressed in separate staff figure settings for the Department of Personnel and the Governor’s Office.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP01 Central services omnibus request	\$686,005	\$199,866	\$255,970	\$146,014	\$84,155	0.0
NP4 HCPF R14 Host home contract true up	181,335	0	0	181,335	0	0.0
NPBA 2 DPA HLD True Up	(49,310)	(14,123)	(11,263)	(14,185)	(9,739)	0.0
NP02 Annual fleet vehicle request	(12,510)	(28,820)	13,153	3,157	0	0.0
TOTAL	\$805,520	\$156,923	\$257,860	\$316,321	\$74,416	0.0

TECHNICAL ADJUSTMENTS: The recommendation includes a decrease of \$4.4 million total funds, including a Ft. Lyon ARPA adjustment.

TECHNICAL ADJUSTMENTS				
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FTE
Adjust. to informational lines w (I) notation	\$567,180	\$0	\$567,180	1.2
ARPA Prepay Base Adjustment	(5,002,336)	0	(5,002,336)	0.0
TOTAL	(\$4,435,156)	\$0	(\$4,435,156)	1.2

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

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SAED/AED	\$1,899,732	\$590,386	\$425,920	\$554,976	\$328,450	0.0
Salary Survey	687,434	214,008	152,764	202,472	118,190	0.0
Step Plan	638,041	188,367	179,341	142,344	127,989	0.0
Worker's compensation	539,537	152,742	146,414	175,744	64,637	0.0
Health, Life, and Dental	420,853	164,307	153,713	183,157	(80,324)	0.0
FY24-25 Payments to OIT adjustment	213,553	211,297	748,526	(603,335)	(142,935)	0.0
Capitol Complex Leased Space	181,352	57,487	28,975	51,210	43,680	0.0
Risk management and property	39,797	9,456	37,156	(6,815)	0	0.0
AIJ	9,170	0	9,170	0	0	0.0
Short-term disability	2,625	1,041	1,745	1,070	(1,231)	0.0
SAED/AED base adjustment	0	0	0	0	0	0.0
CORE Operations	(304,905)	(84,149)	(49,683)	(104,038)	(67,035)	0.0
FY24-25 Legal services adjustment	(102,508)	(71,081)	(29,758)	(1,669)	0	0.0
TOTAL	\$4,224,681	\$1,433,861	\$1,804,283	\$595,116	\$391,421	0.0

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

ANNUALIZE PRIOR YEAR LEGISLATION: The recommendation includes a net decrease of \$1.4 million total funds, including \$337,359 General Fund to reflect 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
HB19-1009 Substance use disorders recovery	(\$999,479)	\$0	(\$999,479)	\$0	\$0	(1.0)
HB23-1257 Mobile home park water quality	(136,885)	(136,885)	0	0	0	0.0
HB23-1253 Study corp. home ownership	(122,549)	(122,549)	0	0	0	(0.4)
HB24-1192 DOLA supplemental	(86,141)	(32,948)	(18,379)	(42,552)	7,738	0.0
HB23-1086 Due process asset forfeiture act	(22,549)	(22,549)	0	0	0	0.0
SB21-032 mobile veterans support unit	(22,428)	(22,428)	0	0	0	(0.3)
TOTAL	(\$1,390,031)	(\$337,359)	(\$1,017,858)	(\$42,552)	\$7,738	(1.7)

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The recommendation includes a net increase of \$5.9 million total funds, including \$6.5 million General Fund for prior year budget actions, as detailed in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY23-24 NPBA6 ARPA prepay utilization	\$5,002,336	\$5,002,336	\$0	\$0	\$0	0.0
FY24 R1 DOLA-HCPF voucher increase	1,739,292	1,739,292	0	0	0	0.8
FY24 R3 Resiliency and disaster recovery	12,570	12,570	0	0	0	0.4
FY23-24 R6 Executive director's office cap	11,465	0	0	11,465	0	0.4
FY23-24 NP1 IT accessibility	(579,813)	(229,433)	(219,401)	(20,641)	(110,338)	0.0
FY23-24 R7 Moffat tunnel lease renewal	(267,123)	22,877	(290,000)	0	0	0.4
FY 23-24 R5 Manufactured buildings prog.	(26,680)	0	(26,680)	0	0	0.0
TOTAL	\$5,892,047	\$6,547,642	(\$536,081)	(\$9,176)	(\$110,338)	2.0

MAJOR DIFFERENCES FROM THE REQUEST

- Cumulative recommended funding for all new FTE requests is lower by \$115,973. This is due to differences in assumptions used to calculate new FTE as well as the exclusion of 1.0 FTE for the State Demography Office Statistical Assistant in the Executive Director's Office.
- The recommendation includes updates to the Department's Indirect Cost Plan that result in additional indirect cost assessments for cash, reappropriated, and federal funds.
- Staff does not recommend including new legislation for the continuation of the H.B. 19-1009 Recovery Oriented Housing Program (ROHP) voucher program. Staff does not believe that new legislation is necessary for the continuation of the program.

(1) EXECUTIVE DIRECTOR'S OFFICE

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

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$15,844,844	\$4,768,044	\$3,098,104	\$5,583,313	\$2,395,383	24.8
Other legislation	145,098	145,098	0	0	0	0.4
HB 24-1999 (Supplemental)	86,141	32,948	18,379	42,552	(7,738)	0.0
TOTAL	\$16,076,083	\$4,946,090	\$3,116,483	\$5,625,865	\$2,387,645	25.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$16,076,083	\$4,946,090	\$3,116,483	\$5,625,865	\$2,387,645	25.2
R2 EDO IT business project manager	82,443	0	0	82,443	0	0.9
R3 SDO statistical analyst	0	0	0	0	0	0.0
Non-prioritized decision items	624,185	156,923	257,860	134,986	74,416	0.0
Annualize prior year budget actions	(1,705,363)	(496,854)	(677,053)	(194,907)	(336,549)	0.4
Centrally appropriated line items	4,224,681	1,433,861	1,804,283	595,116	391,421	0.0
Indirect cost assessment	937	0	731	0	206	0.0
Annualizing prior year legislation	(231,239)	(178,046)	(18,379)	(42,552)	7,738	(0.4)
TOTAL	\$19,071,727	\$5,861,974	\$4,483,925	\$6,200,951	\$2,524,877	26.1
INCREASE/(DECREASE)	\$2,995,644	\$915,884	\$1,367,442	\$575,086	\$137,232	0.9
Percentage Change	18.6%	18.5%	43.9%	10.2%	5.7%	3.6%
FY 2024-25 EXECUTIVE REQUEST	\$17,609,848	\$5,502,004	\$4,488,671	\$5,587,005	\$2,032,168	27.0
Request Above/(Below) Recommendation	(\$1,461,879)	(\$359,970)	\$4,746	(\$613,946)	(\$492,709)	0.9

DECISION ITEMS - EXECUTIVE DIRECTOR'S OFFICE

➔ R2 EXECUTIVE DIRECTOR'S OFFICE (EDO) IT BUSINESS PROJECT MANAGER

REQUEST: The Department requests \$97,267 reappropriated funds and .9 FTE in FY 2024-25 and \$98,117 and 1.0 FTE in FY 2025-26 and ongoing for a Business Product Manager to address increasing department administrative workload from the development of new IT systems.

RECOMMENDATION: Staff recommends approving this request but with modifications to align with the Committee's common policies. The recommendation includes \$82,443 reappropriated funds from indirect cost recoveries and an associated .9 FTE in FY 2024-25, annualizing to \$96,971 and 1.0 FTE for FY 2025-26 and ongoing. The recommendation for FY 2024-25 is based on common committee appropriations to FTE requests for the first year of employment.

EVIDENCE LEVEL: The Department indicated that this request is not on the Evidence Continuum. Instead, the Department identified performance metrics for the Business Product Manager position. These metrics will tie into OIT metrics on whether weaknesses regarding the following system criteria have been addressed:

- Interoperability: How well does this system fit in with others?
- Optimization: Has the business process been optimized for automation?
- Usability: Is the system accessible? Is it easy to use for its critical users?
- Code Base: Is the system dependent on a legacy code base that is no longer taught in schools or commonly used elsewhere?
- Platform/Environment: Is this on an OIT-supported platform or supported by a vendor?
- Defects and Issues: How many tickets (incidents and change orders) are processed for this application each year?
- Last Upgrade/Patching: Is OIT able to apply standard patches to this system or is it too old, fragile or non-standard to allow that?
- Security: Are there any known security concerns with this platform?

ANALYSIS: The Department states that the growing number of IT systems, the complexity of the systems, and the budget needed to support these systems has grown significantly over the past decade.

The Department has listed the following changes that are driving this request:

- OIT has identified that the department has 53 existing applications of which 17 are considered “technical debt” applications dating from 2000-2010 that must be replaced or modernized over the next few years.
- DOLA’s Payments to OIT (POIT) budget line increased 161% from FY 2015-16 to FY 2023-24

DEPARTMENT PAYMENTS TO OIT		
Fiscal Year	Appropriation	% Change
FY 2015-16	1,442,481	
FY 2016-17	1,631,609	13.1
FY 2017-18	1,924,322	17.9
FY 2018-19	2,006,808	4.3
FY 2019-20	2,602,351	29.7
FY 2020-21	1,892,794	(27.3)
FY 2021-22	2,224,181	17.5
FY 2022-23	3,102,972	39.5
FY 2023-24	3,801,219	22.5
Overall Change		163.5

- The 2022 and 2023 legislative sessions also added 11 new systems or system modifications and an additional \$1.4 million for OIT development.

The Department states that the EDO’s lack of IT expertise and management resources will continue to contribute to IT project delays. The Department noted that the implementation of a new timekeeping system (which is integral to meet the requirements of providing bi-weekly pay) was implemented a year later than anticipated due to the Department’s lack of IT resources.

The Department's OIT director is currently divided between the Department of Local Affairs and the Department of Natural Resources (DNR), with a 25/75 division between the respective departments. The Department's OIT director recommend pursuing this position due to how DNR and other agencies have successfully implemented similar positions in recent years.

The Department has listed the following as the Business Project's Managers responsibilities:

- Ensure all OIT and contractor efforts align with the Department's strategic goals and available resources
 - Create and monitor the Department's 5-year IT development plan and advise on the implementation schedule and cost estimates to align with the Department's budget planning and resources.
 - Coordinate all change management and prioritize program requests according to available resources and required deadlines.
 - Negotiate and monitor all service level agreements and review and advice on all OIT proposed service charge changes.
 - Ensure and monitor all new or replacement online applications adhere to the accessibility requirements.
- Lead the evaluation of IT application and system needs
 - Work with Department management and program staff for identifying business application needs and deficiencies and evaluating service options.
 - The position will represent the Department in all evaluation, planning, and implementation work with OIT and contractors.
- Serve as the Department's single point of contact for all IT project coordination
 - Acts as product owner for all Department-wide IT projects, interagency agreements, and policies.
 - Manage the communication between Department staff and OIT and contractor systems analysts and application programmers for all OIT projects.
 - Coordinate and manage the modernization of the 17 applications identified as a "tech-debt."
 - Monitor the Department's OIT Real-Time Billing processes and provide OIT rates and services analysis, as well as coordinate with Department data managers of OIT budget requests and impacts.

Given the number of legacy systems at the Department and the associated risk, staff agrees that additional information technology expertise appears to be necessary. Based on the OIT Staff's apparent recommendation that the Department move forward with this model to support OIT's services to the Department, staff recommends approval of the request.

→ R3 STATE DEMOGRAPHY OFFICE STATISTICAL ASSISTANT

REQUEST: The Department requests an increase of \$113,935 General Fund and 0.9 FTE in FY 2024-25 and 1.0 FTE for a State Demography Office Statistical Assistant.

RECOMMENDATION:

Staff does not recommend funding this position.

The Department states that the request is for administrative resources to expand the data, information, and expertise provided by the State Demography Office and is not on the Evidence Continuum, but also states that this request will have a positive equity impact and promote equity across the state by creating further data. Staff does not believe that there is enough tangible evidence of equitable outcomes based on the information provided to approve this request.

ANALYSIS: The Department requests funding for a position that is meant to develop long-term housing and income forecasts for state-wide use.

The Department states that this position is requested to increase the capacity of the State Demography Office (SDO) to release additional housing and household data and information to improve strategic decision making in Colorado. The Department states that this position would specifically be targeting state agencies, local governments, and policy makers to improve planning and decision-making.

Currently, the SDO collects, analyzes, and publishes insights into population and demographic changes in the State. The SDO's staff currently produces population, housing, and housing unit estimates by county and municipality.

The Department states that this position would be beneficial to assist in presentations and data visualizations that will support the Governor's priority to create more housing for Coloradans.

Staff does not believe that there is enough information or evidence presented to show that this position will broadly create more housing for Coloradans. However, staff suggests that a comeback by the Department could be beneficial if the Committee wishes to discuss the Department's vision for the position.

LINE ITEM DETAIL — EXECUTIVE DIRECTOR'S OFFICE

(A) ADMINISTRATION

PERSONAL SERVICES

This line item supports 20.1 FTE in the Executive Director's Office, including:

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

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

REQUEST: The Department requests \$2,200,109 reappropriated funds (from indirect cost recoveries) and 20.1 FTE.

***RECOMMENDATION:* Staff recommendation is shown below and slightly differs from the request due to differences in R2, as discussed earlier in this document.**

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,003,568	\$0	\$0	\$2,003,568	\$0	18.8
TOTAL	\$2,003,568	\$0	\$0	\$2,003,568	\$0	18.8
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,003,568	\$0	\$0	\$2,003,568	\$0	18.8
Annualize prior year budget actions	106,970	0	0	106,970	0	0.4
R2 EDO IT business project manager	75,940	0	0	75,940	0	0.9
TOTAL	\$2,186,478	\$0	\$0	\$2,186,478	\$0	20.1
INCREASE/(DECREASE)	\$182,910	\$0	\$0	\$182,910	\$0	1.3
Percentage Change	9.1%	0.0%	0.0%	9.1%	0.0%	6.9%
FY 2024-25 EXECUTIVE REQUEST	\$2,200,109	\$0	\$0	\$2,200,109	\$0	20.1
Request Above/(Below) Recommendation	\$13,631	\$0	\$0	\$13,631	\$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.

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

REQUEST: The Department requests \$3.2 million total funds, including \$1.1 million General Fund.

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

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,888,228	\$949,848	\$607,025	\$676,707	\$654,648	0.0
TOTAL	\$2,888,228	\$949,848	\$607,025	\$676,707	\$654,648	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,888,228	\$949,848	\$607,025	\$676,707	\$654,648	0.0
Centrally appropriated line items	335,365	137,740	134,547	158,183	(95,105)	0.0
Non-prioritized requests	(49,310)	(14,123)	(11,263)	(14,185)	(9,739)	0.0
TOTAL	\$3,174,283	\$1,073,465	\$730,309	\$820,705	\$549,804	0.0
INCREASE/(DECREASE)	\$286,055	\$123,617	\$123,284	\$143,998	(\$104,844)	0.0
Percentage Change	9.9%	13.0%	20.3%	21.3%	(16.0%)	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$3,174,283	\$1,073,465	\$730,309	\$820,705	\$549,804	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SHORT-TERM DISABILITY

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

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

REQUEST: The Department requests \$28,497 total funds (including \$8,856 General Fund).

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$25,872	\$7,815	\$4,644	\$7,255	\$6,158	0.0
TOTAL	\$25,872	\$7,815	\$4,644	\$7,255	\$6,158	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$25,872	\$7,815	\$4,644	\$7,255	\$6,158	0.0
Centrally appropriated line items	2,625	1,041	1,745	1,070	(1,231)	0.0
TOTAL	\$28,497	\$8,856	\$6,389	\$8,325	\$4,927	0.0
INCREASE/(DECREASE)	\$2,625	\$1,041	\$1,745	\$1,070	(\$1,231)	0.0
Percentage Change	10.1%	13.3%	37.6%	14.7%	(20.0%)	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$28,497	\$8,856	\$6,389	\$8,325	\$4,927	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS

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

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

RECOMMENDATION: **Staff recommends an appropriation of \$1,899,732 total funds, including \$590,386 General Fund for FY 2024-25**, which is consistent with Committee common policy.

PERA DIRECT DISTRIBUTION

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

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

REQUEST: The Department requests \$457,988 total funds, including \$142,330 General Fund.

RECOMMENDATION: **Staff recommends a slight difference from the request including \$454,530 total funds including \$138,872 General Fund**, which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$61,117	\$18,462	\$10,970	\$17,139	\$14,546	0.0
TOTAL	\$61,117	\$18,462	\$10,970	\$17,139	\$14,546	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$61,117	\$18,462	\$10,970	\$17,139	\$14,546	0.0
Centrally appropriated line items	393,413	120,410	91,711	116,655	64,637	0.0
TOTAL	\$454,530	\$138,872	\$102,681	\$133,794	\$79,183	0.0
INCREASE/(DECREASE)	\$393,413	\$120,410	\$91,711	\$116,655	\$64,637	0.0
Percentage Change	643.7%	652.2%	836.0%	680.6%	444.4%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$457,988	\$142,330	\$102,681	\$133,794	\$79,183	0.0
Request Above/(Below) Recommendation	\$3,458	\$3,458	\$0	\$0	\$0	0.0

SALARY SURVEY

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

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

REQUEST: The Department requests \$1.3 million total funds, including \$402,375 General Fund.

RECOMMENDATION: **Staff recommends a slight difference from the request including \$687,434 total funds including \$214,008 General Fund,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$956,230	\$288,707	\$172,018	\$268,031	\$227,474	0.0
TOTAL	\$956,230	\$288,707	\$172,018	\$268,031	\$227,474	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$956,230	\$288,707	\$172,018	\$268,031	\$227,474	0.0
Centrally appropriated line items	687,434	214,008	152,764	202,472	118,190	0.0
Annualize prior year budget actions	(956,230)	(288,707)	(172,018)	(268,031)	(227,474)	0.0
TOTAL	\$687,434	\$214,008	\$152,764	\$202,472	\$118,190	0.0
INCREASE/(DECREASE)	(\$268,796)	(\$74,699)	(\$19,254)	(\$65,559)	(\$109,284)	0.0
Percentage Change	(28.1%)	(25.9%)	(11.2%)	(24.5%)	(48.0%)	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$1,325,475	\$402,375	\$332,105	\$344,816	\$246,179	0.0
Request Above/(Below) Recommendation	\$638,041	\$188,367	\$179,341	\$142,344	\$127,989	0.0

STEP PAY (NEW LINE ITEM)

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan takes effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

STATUTORY AUTHORITY: Section 24-50-1101, C.R.S.

REQUEST: The Department requests an appropriation of \$638,041 total funds, including \$188,367 General Fund and \$179,341 cash funds for FY 2024-25.

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

WORKERS' COMPENSATION

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

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

REQUEST: The Department requests \$156,269 total funds, including \$51,807 General Fund.

RECOMMENDATION: **Staff recommends a slight difference from the request including \$249.429 total funds including \$68,878 General Fund,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$103,305	\$36,546	\$21,854	\$44,905	\$0	0.0
TOTAL	\$103,305	\$36,546	\$21,854	\$44,905	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$103,305	\$36,546	\$21,854	\$44,905	\$0	0.0
Centrally appropriated line items	146,124	32,332	54,703	59,089	0	0.0
TOTAL	\$249,429	\$68,878	\$76,557	\$103,994	\$0	0.0
INCREASE/(DECREASE)	\$146,124	\$32,332	\$54,703	\$59,089	\$0	0.0
Percentage Change	141.4%	88.5%	250.3%	131.6%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$156,269	\$51,807	\$66,349	\$38,113	\$0	0.0
Request Above/(Below) Recommendation	(\$93,160)	(\$17,071)	(\$10,208)	(\$65,881)	\$0	0.0

OPERATING EXPENSES

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

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

REQUEST: The Department requests \$148,225 total funds, paid entirely by indirect cost recoveries, including an increase of \$6,003 associated with request R2 and a decrease of \$13,205 to annualize prior year actions.

RECOMMENDATION: Staff recommends a slight decrease from the request, including \$147,082 in total funds. This is due to the differences in operating expenses from the Departments R2 request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$153,784	\$0	\$0	\$153,784	\$0	0.0
TOTAL	\$153,784	\$0	\$0	\$153,784	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$153,784	\$0	\$0	\$153,784	\$0	0.0
R2 EDO IT business project manager	6,503	0	0	6,503	0	0.0
Annualize prior year budget actions	(13,205)	0	0	(13,205)	0	0.0
TOTAL	\$147,082	\$0	\$0	\$147,082	\$0	0.0
INCREASE/(DECREASE)	(\$6,702)	\$0	\$0	(\$6,702)	\$0	0.0
Percentage Change	(4.4%)	0.0%	0.0%	(4.4%)	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$148,255	\$0	\$0	\$148,255	\$0	0.0
Request Above/(Below) Recommendation	\$1,173	\$0	\$0	\$1,173	\$0	0.0

LEGAL SERVICES

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

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

REQUEST: The Department requests \$925,905 total funds including \$552,061 General Fund, to purchase legal services from the Department of Law.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,028,413	\$623,142	\$392,926	\$12,345	\$0	0.0
TOTAL	\$1,028,413	\$623,142	\$392,926	\$12,345	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,028,413	\$623,142	\$392,926	\$12,345	\$0	0.0
Technical adjustment	(102,508)	(71,081)	(29,758)	(1,669)	0	0.0
TOTAL	\$925,905	\$552,061	\$363,168	\$10,676	\$0	0.0
INCREASE/(DECREASE)	(\$102,508)	(\$71,081)	(\$29,758)	(\$1,669)	\$0	0.0
Percentage Change	(10.0%)	(11.4%)	(7.6%)	(13.5%)	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$925,905	\$552,061	\$363,168	\$10,676	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ADMINISTRATIVE LAW JUDGE SERVICES

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

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

REQUEST: The Department requests \$410 cash funds.

RECOMMENDATION: **Staff recommends a slight increase from the request including \$9,580 cash funds,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$410	\$0	\$410	\$0	\$0	0.0
TOTAL	\$410	\$0	\$410	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$410	\$0	\$410	\$0	\$0	0.0
Centrally appropriated line items	9,170	0	9,170	0	0	0.0
TOTAL	\$9,580	\$0	\$9,580	\$0	\$0	0.0
INCREASE/(DECREASE)	\$9,170	\$0	\$9,170	\$0	\$0	0.0
Percentage Change	2,236.6%	0.0%	2,236.6%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$410	\$0	\$410	\$0	\$0	0.0
Request Above/(Below) Recommendation	(\$9,170)	\$0	(\$9,170)	\$0	\$0	0.0

PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

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

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

REQUEST: The Department requests \$111,752, including \$37,048 General Fund.

RECOMMENDATION: **Staff recommends an increase from the request including \$157,641 total funds including \$51,118 General Fund,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
HB 24-1999 (Supplemental)	\$130,039	\$45,974	\$27,292	\$56,773	\$0	0.0
SB 23-214 (Long Bill)	\$117,844	\$41,662	\$24,733	\$51,449	\$0	0.0
TOTAL	\$247,883	\$87,636	\$52,025	\$108,222	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$247,883	\$87,636	\$52,025	\$108,222	\$0	0.0
Non-prioritized requests	39,797	9,456	37,156	(6,815)	0	0.0
Annualizing prior year legislation	(130,039)	(45,974)	(27,292)	(56,773)	0	0.0
TOTAL	\$157,641	\$51,118	\$61,889	\$44,634	\$0	0.0
INCREASE/(DECREASE)	(\$90,242)	(\$36,518)	\$9,864	(\$63,588)	\$0	0.0
Percentage Change	(36.4%)	(41.7%)	19.0%	(58.8%)	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$111,752	\$37,048	\$47,448	\$27,256	\$0	0.0
Request Above/(Below) Recommendation	(\$45,889)	(\$14,070)	(\$14,441)	(\$17,378)	\$0	0.0

VEHICLE LEASE PAYMENTS

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

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

REQUEST: The Department requests \$121,638, including \$66,032 General Fund.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$134,148	\$94,852	\$28,551	\$10,745	\$0	0.0
HB 24-1999 (Supplemental)	\$0	\$0	\$0	\$0	\$0	0.0
TOTAL	\$134,148	\$94,852	\$28,551	\$10,745	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$134,148	\$94,852	\$28,551	\$10,745	\$0	0.0
Non-prioritized requests	(12,510)	(28,820)	13,153	3,157	0	0.0
TOTAL	\$121,638	\$66,032	\$41,704	\$13,902	\$0	0.0
INCREASE/(DECREASE)	(\$12,510)	(\$28,820)	\$13,153	\$3,157	\$0	0.0
Percentage Change	(9.3%)	(30.4%)	46.1%	29.4%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$121,638	\$66,032	\$41,704	\$13,902	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INFORMATION TECHNOLOGY ASSET MAINTENANCE

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

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

REQUEST: The Department requests a continuation appropriation of \$102,656 total funds, including \$36,158 General Fund, with no change from the FY 2023-24 appropriation.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, INFORMATION TECHNOLOGY ASSET MAINTENANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$102,656	\$36,158	\$13,909	\$52,589	\$0	0.0
TOTAL	\$102,656	\$36,158	\$13,909	\$52,589	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$102,656	\$36,158	\$13,909	\$52,589	\$0	0.0
TOTAL	\$102,656	\$36,158	\$13,909	\$52,589	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$102,656	\$36,158	\$13,909	\$52,589	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LEASED SPACE

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

SUMMARY OF LEASED SPACE			
CITY	ADDRESS	FY 2023-24 LEASE PAYMENTS	SPACE (SQ. FEET)
Alamosa	610 State Street	\$6,600	291
Pueblo	132 West B Street	16,400	800
Sterling	109 North Front Street	6,300	500
Total		\$29,300	1,591

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

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

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

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

CAPITOL COMPLEX LEASED SPACE

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

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

REQUEST: The Department requests \$1.1 million total funds, including \$352,791 General Fund.

RECOMMENDATION: **Staff recommends a decrease from the request including \$891,319 total funds including \$57,487 General Fund,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CAPITOL COMPLEX LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$709,967	\$225,055	\$113,426	\$200,484	\$171,002	0.0
TOTAL	\$709,967	\$225,055	\$113,426	\$200,484	\$171,002	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$709,967	\$225,055	\$113,426	\$200,484	\$171,002	0.0
Centrally appropriated line items	181,352	57,487	28,975	51,210	43,680	0.0
TOTAL	\$891,319	\$282,542	\$142,401	\$251,694	\$214,682	0.0
INCREASE/(DECREASE)	\$181,352	\$57,487	\$28,975	\$51,210	\$43,680	0.0
Percentage Change	25.5%	25.5%	25.5%	25.5%	25.5%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$1,159,050	\$352,791	\$451,819	\$205,897	\$148,543	0.0
Request Above/(Below) Recommendation	\$267,731	\$70,249	\$309,418	(\$45,797)	(\$66,139)	0.0

PAYMENTS TO OIT

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

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

REQUEST: The Department requests \$4.0 million total funds including \$1.3 million General Fund.

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,801,219	\$1,047,925	\$687,047	\$1,392,703	\$673,544	0.0
Other legislation	\$22,549	\$22,549	\$0	\$0	\$0	0.0
HB 24-1999 (Supplemental)	(43,898)	(13,026)	(8,913)	(14,221)	(7,738)	0.0
TOTAL	\$3,779,870	\$1,057,448	\$678,134	\$1,378,482	\$665,806	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,779,870	\$1,057,448	\$678,134	\$1,378,482	\$665,806	0.0
Technical adjustment	213,553	211,297	748,526	(603,335)	(142,935)	0.0
Annualizing prior year legislation	21,349	(9,523)	8,913	14,221	7,738	0.0
TOTAL	\$4,014,772	\$1,259,222	\$1,435,573	\$789,368	\$530,609	0.0
INCREASE/(DECREASE)	\$234,902	\$201,774	\$757,439	(\$589,114)	(\$135,197)	0.0
Percentage Change	6.2%	19.1%	111.7%	(42.7%)	(20.3%)	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$4,014,772	\$1,259,222	\$1,435,573	\$789,368	\$530,609	0.0
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 \$180,994 total funds, including \$52,654 General Fund.

RECOMMENDATION: **Staff recommends a decrease from the request including \$118,422 total funds including \$32,683 General Fund,** which is consistent with Committee common policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$423,327	\$116,832	\$68,976	\$144,448	\$93,071	0.0
TOTAL	\$423,327	\$116,832	\$68,976	\$144,448	\$93,071	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$423,327	\$116,832	\$68,976	\$144,448	\$93,071	0.0
Centrally appropriated line items	(304,905)	(84,149)	(49,683)	(104,038)	(67,035)	0.0
TOTAL	\$118,422	\$32,683	\$19,293	\$40,410	\$26,036	0.0
INCREASE/(DECREASE)	(\$304,905)	(\$84,149)	(\$49,683)	(\$104,038)	(\$67,035)	0.0
Percentage Change	(72.0%)	(72.0%)	(72.0%)	(72.0%)	(72.0%)	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$62,572	\$19,971	\$48,141	(\$1,674)	(\$3,866)	0.0

MOFFAT TUNNEL IMPROVEMENT DISTRICT

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

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

Cash funds are received from annual lease revenues. There are currently two lessees, Union Pacific Railroad and Century Link (formerly Qwest). The leases require payments of \$12,000 per year from Union Pacific and \$14,659 per year from Century Link. The Union Pacific lease term ends in 2025 with a right to renew and the Century Link lease term ends in 2091 with right to renew. The

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

appropriation provides spending authority from reserves in the Moffat Tunnel Cash Fund in case money is needed to protect the right-of-way from legal challenges.

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

REQUEST: The Department requests \$5,000 in cash funds. The large decrease in funds compared to FY 2023-24 is due to a substantial appropriation in the last fiscal year.

RECOMMENDATION: Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION, MOFFAT TUNNEL IMPROVEMENT DISTRICT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$295,000	\$0	\$295,000	\$0	\$0	0.0
TOTAL	\$295,000	\$0	\$295,000	\$0	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$295,000	\$0	\$295,000	\$0	\$0	0.0
Annualize prior year budget actions	(290,000)	0	(290,000)	0	0	0.0
TOTAL	\$5,000	\$0	\$5,000	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$290,000)	\$0	(\$290,000)	\$0	\$0	0.0
Percentage Change	(98.3%)	0.0%	(98.3%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) STATE DEMOGRAPHY OFFICE

PROGRAM COSTS

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

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

REQUEST: The Department requests \$762,851 total funds, including \$631,886 General Fund.

RECOMMENDATION: **Staff recommendation includes a slight decrease from the Department request due to the differences in R3, as discussed earlier in this document.** Staff requests permission to make adjustments as necessary to reflect the Committee's final action.

EXECUTIVE DIRECTOR'S OFFICE, STATE DEMOGRAPHY OFFICE, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$622,001	\$496,665	\$105,717	\$0	\$19,619	6.0
Other legislation	\$122,549	\$122,549	\$0	\$0	\$0	0.4
TOTAL	\$744,550	\$619,214	\$105,717	\$0	\$19,619	6.4
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$744,550	\$619,214	\$105,717	\$0	\$19,619	6.4
Annualize prior year budget actions	26,915	21,286	4,366	0	1,263	0.0
R3 SDO statistical analyst	0	0	0	0	0	0.0
Annualizing prior year legislation	(122,549)	(122,549)	0	0	0	(0.4)
TOTAL	\$648,916	\$517,951	\$110,083	\$0	\$20,882	6.0
INCREASE/(DECREASE)	(\$95,634)	(\$101,263)	\$4,366	\$0	\$1,263	(0.4)
Percentage Change	(12.8%)	(16.4%)	4.1%	0.0%	6.4%	(6.3%)
FY 2024-25 EXECUTIVE REQUEST	\$762,851	\$631,886	\$110,083	\$0	\$20,882	6.9
Request Above/(Below) Recommendation	\$113,935	\$113,935	\$0	\$0	\$0	0.9

INDIRECT COST ASSESSMENT

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

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

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

REQUEST: The Department requests \$15,719 total fund, including \$13,234 cash funds and \$2,485 reappropriated funds.

RECOMMENDATION: **Staff recommends \$15,993 total funds, which is based on the Department's updated indirect cost plan.** [More information about the Department's indirect cost assessments is provided at the end of this packet.]

(2) PROPERTY TAXATION

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

PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$4,214,311	\$2,678,933	\$1,273,612	\$261,766	\$0	51.0
TOTAL	\$4,214,311	\$2,678,933	\$1,273,612	\$261,766	\$0	51.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,214,311	\$2,678,933	\$1,273,612	\$261,766	\$0	51.0
Annualize prior year budget actions	199,635	149,270	48,870	1,495	0	0.4
Indirect cost assessment	(14,975)	0	(9,064)	(5,911)	0	0.0
BA1 Property tax exemption filing fee	0	0	0	0	0	0.0
TOTAL	\$4,398,971	\$2,828,203	\$1,313,418	\$257,350	\$0	51.4
INCREASE/(DECREASE)	\$184,660	\$149,270	\$39,806	(\$4,416)	\$0	0.4
Percentage Change	4.4%	5.6%	3.1%	(1.7%)	0.0%	0.8%
FY 2024-25 EXECUTIVE REQUEST	\$4,446,788	\$2,828,203	\$1,350,887	\$267,698	\$0	51.4
Request Above/(Below) Recommendation	\$47,817	\$0	\$37,469	\$10,348	\$0	(0.0)

DECISION ITEMS – PROPERTY TAXATION

➔ BA1 PROPERTY TAX EXEMPTION FILING FEES ADJUSTMENT

REQUEST: The Department requests an increase to the statutory fees used to fund the Property Tax Exemptions Program. The request is for adjustment of the statutory filing fees for tax-exempt status applications on real and personal property in order to generate sufficient revenue for both central and programmatic appropriations. No increases in either program or central appropriations are requested. This request requires legislation.

RECOMMENDATION: **Staff recommends approving the request.** This request will require legislation to adjust the statutory filing fees used for tax-exempt status.

ANALYSIS: The Property Tax Exemption Program (the Program) in the Division of Property Taxation is responsible for determining qualifications for exemption from property taxation for properties that are owned and used for religious, charitable, and private school purposes. The program is funded with statutorily established filing fees charged to property owners who apply for property tax exemption status, or by those submitting annual reports required to maintain exempt status.

The fee structure for the Program was first authorized by statute in 2003, and fees were increased once in FY 2010-11 by H.B. 10-1386 to replace the remaining General Fund support for the program. The Property Tax Exemptions Cash Fund is annually appropriated and nominally supports 11.1 FTE administering the program. A table showing the Program's appropriations is below.

PROPERTY TAX EXEMPTION PROGRAM APPROPRIATIONS		
Fiscal Year	Appropriations	Annual % Change
FY 2009-10	\$690,877	
FY 2010-11*	991,950	43.6
FY 2011-12	861,804	(0.7)
FY 2012-13	853,525	(13.3)
FY 2013-14	853,525	0.0
FY 2014-15	884,726	3.7
FY 2015-16	913,318	3.2
FY 2016-17	926,873	1.5
FY 2017-18	928,842	0.2
FY 2018-19	942,096	1.4
FY 2019-20	964,358	2.4
FY 2020-21	992,358	2.9
FY 2021-22	992,358	0.0
FY 2022-23	1,012,361	2
FY 2023-24	1,050,056	3.7
FY 2024-25 (base request)	1,098,518	4.6

*HB 10-1386 Fee Increase

Currently, every owner of real or personal property for which exemption from general taxation has previously been granted files a report with the Property Tax Administrator with an accompanied filing fee of \$75. Each annual report filed later than April 15, but prior to July 1, must be accompanied by a late filing fee of \$250. Through statute, the Property Tax Administrator has the authority to waive all or a portion of the late filing fee for good cause. Annual report revenues, which consistently represent more than 95% of program fees collected, are generally collected in the last quarter of the fiscal year.

In addition to revenues from Annual Reports, any applications claiming initial exemption of real and personal property must be accompanied by a one-time payment of \$175. Thereafter, annual reports and fees must be submitted to maintain the property tax exemption. Revenue from Applications for Exemption typically average less than ten percent of annual revenues. However, program changes and the repeal of the Gallagher Amendment have had one-time impacts offsetting one another and are expected to result in no significant changes to annual revenues.

Program revenues have remained generally unchanged while program costs, primarily from central appropriations, have increased. In addition, statewide indirect costs and step increases to salaries are anticipated to contribute to additional operating shortfalls. The number of annual filings has been consistent for the past seven fiscal years and the fees have remained unchanged since 2011. The table below shows total expenses for the program versus total revenues, showing a shortfall in revenue to catch up with and pay for all program expenditures.

PROGRAM EXPENSE AND REVENUE SUMMARY & PROJECTIONS		
Fiscal Year	Total Expenses	Total Revenues
FY 2014-15	\$1,192,284	\$1,011,876
FY 2015-16	1,058,732	1,032,549
FY 2016-17	973,636	1,040,522
FY 2017-18	1,102,766	1,025,494
FY 2018-19	1,233,284	1,040,533
FY 2019-20	898,252	918,102
FY 2020-21	936,633	1,165,075
FY 2021-22	1,063,912	1,053,500
FY 2022-23	1,268,528	1,055,100
FY 2023-24	1,326,847	1,107,600
FY 2024-25 Requested	1,467,924	1,147,825
% Change 2015-2025	23.10%	13.40%

The Department proposes an adjustment to the statutory filing fees for tax-exempt status applications on real and personal property by the amounts listed below. The Department used averages for annual report filings and applications for fiscal years 2016 through 2023 to generate 30% greater revenue than what was collected in FY 2022-23. Actual fee revenues will depend on late filing and one-time applications for the exemption of new properties.

Type of Fee	Current Fee	Proposed Fee	Incremental Increase	Estimated Applicants	Incremental Revenue
Application Fee	\$175	\$200	\$25	600	\$15,000
Annual - One-time Filing	75	110	35	9,429	330,025
Annual - Late Filing	250	300	50	721	36,050
Total Impact					\$381,075

The fee increase is anticipated to cover proposed costs for FY 2024-25 and projected costs for FY 2025-26. Legislation to adjust the fee language in section 39-2-117 C.R.S. will be needed to adjust the above amounts.

Given the ongoing shortfall of revenues relative to expenditures, staff recommends approving the request and sponsoring legislation to increase the fees. The recommendation assumes that the General Assembly would like for program revenues to continue to support the program's administration.

LINE ITEM DETAIL — PROPERTY TAXATION

DIVISION OF PROPERTY TAXATION

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

- The *Appraisal Standards Section* ensures property tax equity by issuing appraisal standards and training county assessors.

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

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

The line item supports 38.2 FTE, including:

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

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

REQUEST: The Department requests \$3.6 million, including \$2.2 million General Fund, and 38.2 FTE for FY 2024-25.

***RECOMMENDATION:* Staff recommends approval of this request, including the proposal to sponsor legislation to increase property tax exemption filing fees (BA1, discussed above).**

PROPERTY TAXATION, DIVISION OF PROPERTY TAXATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,390,353	\$2,100,358	\$1,050,056	\$239,939	\$0	37.8
TOTAL	\$3,390,353	\$2,100,358	\$1,050,056	\$239,939	\$0	37.8
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,390,353	\$2,100,358	\$1,050,056	\$239,939	\$0	37.8
Annualize prior year budget actions	172,540	122,661	48,462	1,417	0	0.4
BA1 Property tax exemption filing fee	0	0	0	0	0	0.0
TOTAL	\$3,562,893	\$2,223,019	\$1,098,518	\$241,356	\$0	38.2
INCREASE/(DECREASE)	\$172,540	\$122,661	\$48,462	\$1,417	\$0	0.4
Percentage Change	5.1%	5.8%	4.6%	0.6%	0.0%	1.1%
FY 2024-25 EXECUTIVE REQUEST	\$3,562,893	\$2,223,019	\$1,098,518	\$241,356	\$0	38.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

STATE BOARD OF EQUALIZATION

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

- The Governor (or his or her designee).
- The Speaker of the House of Representatives (or his or her designee).

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

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

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

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

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

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

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

BOARD OF ASSESSMENT APPEALS

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

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

sector employment in addition to their duties on the Board. This line item supports 13.2 FTE, including the eight board members and 5.2 FTE staff.

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

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

REQUEST: The Department requests \$718,817 total funds, including \$592,328 General Fund and 13.2 FTE.

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

PROPERTY TAXATION, BOARD OF ASSESSMENT APPEALS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$692,208	\$565,719	\$126,489	\$0	\$0	13.2
TOTAL	\$692,208	\$565,719	\$126,489	\$0	\$0	13.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$692,208	\$565,719	\$126,489	\$0	\$0	13.2
Annualize prior year budget actions	26,609	26,609	0	0	0	0.0
TOTAL	\$718,817	\$592,328	\$126,489	\$0	\$0	13.2
INCREASE/(DECREASE)	\$26,609	\$26,609	\$0	\$0	\$0	0.0
Percentage Change	3.8%	4.7%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$718,817	\$592,328	\$126,489	\$0	\$0	13.2
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

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

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

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

REQUEST: The Department requests \$152,222 total funds.

RECOMMENDATION: Staff recommends appropriating \$104,405 total funds based on the Department's updated indirect cost plan. [More information about the Department's indirect cost assessments is provided at the end of this packet.]

PROPERTY TAXATION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$118,894	\$0	\$97,067	\$21,827	\$0	0.0
TOTAL	\$118,894	\$0	\$97,067	\$21,827	\$0	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$118,894	\$0	\$97,067	\$21,827	\$0	0.0
Non-prioritized decision items	0	0	0	0	0	0.0
Indirect cost assessment	(14,975)	0	(9,064)	(5,911)	0	0.0
TOTAL	\$103,919	\$0	\$88,003	\$15,916	\$0	0.0
INCREASE/(DECREASE)	(\$14,975)	\$0	(\$9,064)	(\$5,911)	\$0	0.0
Percentage Change	(12.6%)	0.0%	(9.3%)	(27.1%)	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$152,222	\$0	\$125,880	\$26,342	\$0	0.0
Request Above/(Below) Recommendation	\$48,303	\$0	\$37,877	\$10,426	\$0	0.0

(3) DIVISION OF HOUSING

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

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

DIVISION OF HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$164,545,969	\$31,673,318	\$24,645,319	\$1,899,248	\$106,328,084	93.2
Other legislation	136,885	136,885	0	0	0	0.0
TOTAL	\$164,682,854	\$31,810,203	\$24,645,319	\$1,899,248	\$106,328,084	93.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$164,682,854	\$31,810,203	\$24,645,319	\$1,899,248	\$106,328,084	93.2
R1 Cont. of HB 19-1009 voucher program	999,479	0	999,479	0	0	1.0
Non-prioritized decision items	181,335	0	0	181,335	0	0.0
Technical adjustment	(4,435,156)	0	(4,435,156)	0	0	2.2
Annualize prior year budget actions	7,132,627	6,821,089	64,131	67,323	180,084	1.0
Indirect cost assessment	(10,542)	0	87,420	(84,133)	(13,829)	0.0
Annualizing prior year legislation	(1,136,364)	(136,885)	(999,479)	0	0	(1.0)
TOTAL	\$167,414,233	\$38,494,407	\$20,361,714	\$2,063,773	\$106,494,339	96.4
INCREASE/(DECREASE)	\$2,731,379	\$6,684,204	(\$4,283,605)	\$164,525	\$166,255	3.2
Percentage Change	1.7%	21.0%	(17.4%)	8.7%	0.2%	3.4%
FY 2024-25 EXECUTIVE REQUEST	\$167,055,849	\$38,494,407	\$19,971,908	\$2,105,861	\$106,483,673	96.4
Request Above/(Below) Recommendation	(\$358,384)	\$0	(\$389,806)	\$42,088	(\$10,666)	0.0

DECISION ITEMS – DIVISION OF HOUSING

→ R1 CONTINUATION OF H.B. 19-1009 VOUCHER PROGRAM

REQUEST: The Department requests an increase of \$999,479 for a permanent continuation of funding from the Marijuana Tax Cash Fund to maintain the substance use disorders voucher program established by H.B. 19-1009 (“Substance Use Disorders Recovery”). The Division of Housing refers to this as the Recovery-Oriented Housing Voucher Program (ROHP). These funds will also continue to support the 1.0 FTE, a Community and Economic Development Specialist III, who manages the program and was part of the original legislation and its associated funding. The request would continue to fund the existing program – and does not represent an increase in funding.

RECOMMENDATION: **Staff recommends approving the request.** The Department has requested new legislation to continue the program, but JBC Staff believes that new legislation is not required to continue funding.

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

*ANALYSIS:**Summary*

H.B. 19-1009 allocated funds to the Division to create the ROHP program in 2019, intending to create Recovery-Oriented Housing (Recovery Housing). Recovery Housing is a model employing substance use-specific services, peer support, and physical design features to support individuals on a path to recovery from addiction. Current funding for this program expires at the end of FY 2023-24. The Department states that the funding for this program is integral in preventing homelessness and treating addiction for Coloradans.

For FY 2023-24, the Department was appropriated a total of \$999,479 from the Marijuana Tax Cash Fund, comprised of \$939,649 for the provision of ROHP vouchers and tenancy support services, \$57,392 for 1.0 FTE for a Community and Development Specialist III who currently manages this program, and \$2,438 for operating costs. The Department states that they are requesting the same allocation for FY 2024-25 due to no needed changes in funding or staffing.

ROHP Vouchers

ROHP vouchers were created in response to the epidemic of opioid abuse in Colorado, which is coupled with poverty and bankruptcy for many Coloradans suffering from addiction. The eligibility requirements of the ROHP are specifically targeted to people with substance use disorders. This voucher program has provided housing and resources to over 75 households per year since its inception. Areas served include Larimer, Weld, Pueblo, El Paso, and Mesa counties, as well as counties in the Metro Denver area (Adams, Arapahoe, Denver, Jefferson), Northeastern Plains (Logan, Sedwick, Philips, Yuma, Kit Carson, Cheyenne, Lincoln, Elbert, Washington, Morgan), and Southwest Colorado (San Juan, Montezuma, Dolores, Archuleta, La Plata).

The Department states that without continued funding, many of the program's recipients will lose the benefits provided through the voucher. There is no funding available in other State of federal voucher programs to cover the costs that are provided through the ROHP. Since all of the program recipients have substance use disorders, frequently combined with mental health issues, it is unlikely that they will be able to qualify for other housing programs.

Marijuana Tax Cash Fund and Housing

The Marijuana Tax Cash Fund (MTCF) was created with the intent to be used for a variety of purposes, including housing, rental assistance, and supportive services as stated in 39-28.8-501(2)(a)(N) C.R.S. The statute states that the funds should be appropriated according to the standards set in 24-32-471 C.R.S, which focuses specifically on the allocation of funds to assist with housing for persons with behavioral, mental health, or substance use disorders.

The MTCF is only meant to be allocated to housing initiatives of programs that specifically focus on people experiencing behavioral, mental health, or substance use disorders. Considering that the ROHP focuses exclusively on housing vouchers for persons with substance use disorders, the MTCF would be an appropriate source of funding for the continuation of this voucher.

Evidence

The public health implications of homelessness are significant and include interactions that exacerbate substance abuse.² Mortality rates among people experiencing homelessness are more than three times that of people that have some type of housing.³ The relationship between homelessness and substance abuse is complex, with data suggesting that substance use can be both a cause and a consequence of homelessness.⁴

There has been a substantial rise in deaths of people experiencing addiction and homelessness across the state, with a noted increase in deaths in Denver. In 2022, 95 of the 173 deaths of people experiencing homelessness were the result of an overdose.⁵ Among these deaths, fentanyl was a factor in the death of 47 of these 95 deaths.⁶ Methamphetamine was a factor in 51 of the 95 deaths, and

² Fitzpatrick-Lewis D., Ganann R., Krishnaratne S., Ciliska D., Kouyoumdjian F., Hwang S. W. Effectiveness of interventions to improve the health and housing status of homeless people: A rapid systematic review. *BMC Public Health*

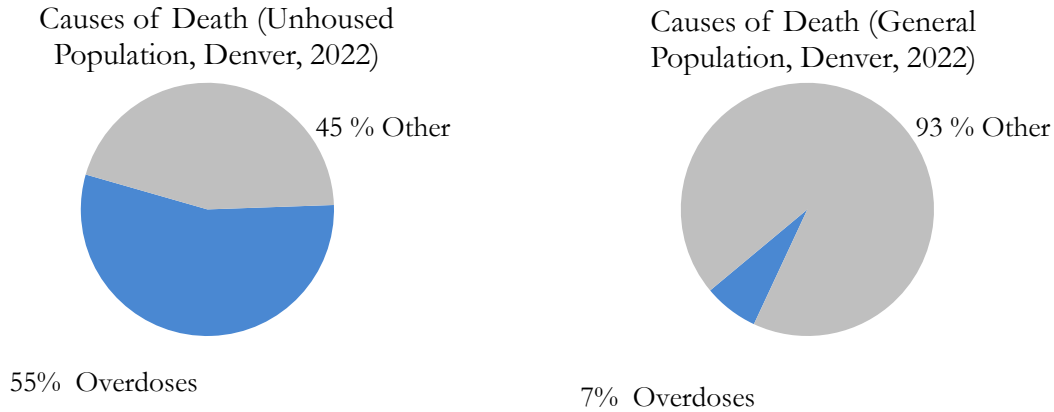
³ O'Connell J. J. *Premature mortality in homeless populations: A review of the literature*. Nashville, TN: National Health Care for the Homeless Council; 2005

⁴ National Coalition for the Homeless, *Substance Abuse and Homelessness*. 2009, Retrieved from <http://www.nationalhomeless.org>.

⁵ Colorado Coalition for the Homeless, *Homeless Death Review*, 2022, Retrieved from https://www.coloradocoalition.org/sites/default/files/2022-12/2022%20Death%20Review_Digital_E.pdf.

⁶ Ibid.

many of these deaths included both substances.⁷ These numbers indicate that over 50 percent of the deaths of unhoused people in Denver in 2022 were due to overdoses, while 7 percent of the deaths in Denver county in the same year were attributed to overdoses within the general population, as shown in the graphs below.⁸



Mortality data identifies housing as the most prominent protective factor against unnatural deaths among people that are experiencing homelessness. Research indicates that when people have access to stable housing, they experience fewer barriers to physical and mental health care and treatment for substance use.⁹ For people recovering from homelessness in Colorado, the average age at death in this period was nearly seven years older than unhoused people.¹⁰

A randomized control trial that was conducted over a 5-year period in Denver found that, among those experiencing chronic homelessness and addiction, Permanent Supportive Housing was associated with a 40 percent reduction in arrests, a 27 percent reduction in total days spend in jail, a 65 percent reduction in detoxification services, and a 39 percent reduction in shelter stays.¹¹

The Department also states that previous data shows that, without stable housing, many ROHP recipients would increase the utilization of other, more expensive services in the Department of Health Care Policy and Financing and Human Services.

LINE ITEM DETAIL — DIVISION OF HOUSING

(A) COMMUNITY AND NON-PROFIT SERVICES

This subdivision encompasses activities headquartered at the main Division of Housing office in Denver. This includes the administration of the Division and oversight of services that are managed

⁷ Ibid.

⁸ Department of Public Health & Environment, *Colorado Death Statistics*, 2022, Retrieved from <https://cdphe.colorado.gov/colorado-death-statistics>

⁹ Morrison, David S. "Homelessness as an Independent Risk Factor for Mortality: Results from a Retrospective Cohort Study." *International Journal of Epidemiology* 38, no.3 (March 21, 2009): 877-83

¹⁰ Ibid.

¹¹ Breaking the Homelessness-Jail Cycle with Housing First: Results from the Denver Supportive Housing Social Impact Bond Initiative; Urban Institute, 2021. <https://www.urban.org/research/publication/breaking-homelessness-jail-cycle-housing-first-results-denver-supportive-housing-social-impact-bond-initiative>

in the community through partnerships with community service and non-profit agencies. This section is also responsible for coordinating the allocation of Private Activity Bonds (tax-exempt bonds) through the work of the Private Activity Bond Allocation Committee.

(I) ADMINISTRATION

PERSONAL SERVICES

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

The line item supports 36.9 FTE, including:

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

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

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

REQUEST: The Department requests \$3.7 million total funds, including \$1.2 million General Fund, and 36.9 FTE.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,301,166	\$1,040,180	\$76,136	\$71,178	\$2,113,672	35.2
TOTAL	\$3,301,166	\$1,040,180	\$76,136	\$71,178	\$2,113,672	35.2
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,301,166	\$1,040,180	\$76,136	\$71,178	\$2,113,672	35.2
R1 ROHP voucher program	57,392	0	57,392	0	0	1.0
Non-prioritized requests	181,335	0	0	181,335	0	0.0
Annualize prior year budget actions	256,792	116,007	1,310	3,622	135,853	1.0
Annualizing prior year legislation	(57,392)	0	(57,392)	0	0	(0.3)
TOTAL	\$3,739,293	\$1,156,187	\$77,446	\$256,135	\$2,249,525	36.9
INCREASE/(DECREASE)	\$438,127	\$116,007	\$1,310	\$184,957	\$135,853	1.7
Percentage Change	13.3%	11.2%	1.7%	259.9%	6.4%	4.8%
FY 2024-25 EXECUTIVE REQUEST	\$3,739,293	\$1,156,187	\$77,446	\$256,135	\$2,249,525	36.9
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

OPERATING EXPENSES

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

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

REQUEST: The Department requests \$469,181 total funds, including \$59,230 in General Fund.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$474,501	\$64,550	\$4,938	\$64,918	\$340,095	0.0
TOTAL	\$474,501	\$64,550	\$4,938	\$64,918	\$340,095	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$474,501	\$64,550	\$4,938	\$64,918	\$340,095	0.0
R1 ROHP voucher program	2,438	0	2,438	0	0	0.0
Annualize prior year budget actions	(5,320)	(5,320)	0	0	0	0.0
Annualizing prior year legislation	(2,438)	0	(2,438)	0	0	0.0
TOTAL	\$469,181	\$59,230	\$4,938	\$64,918	\$340,095	0.0
INCREASE/(DECREASE)	(\$5,320)	(\$5,320)	\$0	\$0	\$0	0.0
Percentage Change	(1.1%)	(8.2%)	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$469,181	\$59,230	\$4,938	\$64,918	\$340,095	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(II) COMMUNITY SERVICES

LOW INCOME RENTAL SUBSIDIES

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

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

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

The Division administers two state-funded voucher programs:

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

STATUTORY AUTHORITY: Section 24-32-705 (1)(t), C.R.S. [Division's role in administering and distributing financial housing assistance to persons in low- and moderate-income households and

persons with disabilities]; Section 25.5-6-1501 (1)(d), C.R.S. [Colorado Choice Transition program housing vouchers]

REQUEST: The Department requests \$106.0 million total funds, including \$21.2 million General Fund. The request includes continuation of \$939,649 cash funds from the Marijuana Tax Cash Fund associated with request R1 (ROHP Voucher Program, discussed above).

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, LOW INCOME RENTAL SUBSIDIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$104,314,174	\$19,484,245	\$939,649	\$0	\$83,890,280	0.0
TOTAL	\$104,314,174	\$19,484,245	\$939,649	\$0	\$83,890,280	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$104,314,174	\$19,484,245	\$939,649	\$0	\$83,890,280	0.0
R1 ROHP voucher program	939,649	0	939,649	0	0	0.0
Annualize prior year budget actions	1,683,230	1,683,230	0	0	0	0.0
Annualizing prior year legislation	(939,649)	0	(939,649)	0	0	0.0
TOTAL	\$105,997,404	\$21,167,475	\$939,649	\$0	\$83,890,280	0.0
INCREASE/(DECREASE)	\$1,683,230	\$1,683,230	\$0	\$0	\$0	0.0
Percentage Change	1.6%	8.6%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$105,997,404	\$21,167,475	\$939,649	\$0	\$83,890,280	0.0
Request Above/ (Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

HOMELESS PREVENTION PROGRAMS

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

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

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

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

REQUEST: The Department requests \$2,306,506 total funds, including \$170,000 cash funds.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, HOMELESS PREVENTION PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,306,506	\$0	\$170,000	\$0	\$2,136,506	0.0
TOTAL	\$2,306,506	\$0	\$170,000	\$0	\$2,136,506	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,306,506	\$0	\$170,000	\$0	\$2,136,506	0.0
TOTAL	\$2,306,506	\$0	\$170,000	\$0	\$2,136,506	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$2,306,506	\$0	\$170,000	\$0	\$2,136,506	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

APPROPRIATION TO THE FLEX FUND

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

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

REQUEST: The Department requests \$305,016 General Fund for FY 2024-25.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, APPROPRIATION TO THE FLEX FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$300,581	\$300,581	\$0	\$0	\$0	1.0
TOTAL	\$300,581	\$300,581	\$0	\$0	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$300,581	\$300,581	\$0	\$0	\$0	1.0
Annualize prior year budget actions	4,435	4,435	0	0	0	0.0
TOTAL	\$305,016	\$305,016	\$0	\$0	\$0	1.0
INCREASE/(DECREASE)	\$4,435	\$4,435	\$0	\$0	\$0	0.0
Percentage Change	1.5%	1.5%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$305,016	\$305,016	\$0	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

RIDGE VIEW CAMPUS

This line item was created by S.B. 22-211 (Repurpose the Ridge View Campus), which transfers ownership of the Ridge View Campus from the Department of Human Services to the Department

of Personnel and Administration for use by DOLA's Division of Housing as a supportive residential community for people experiencing homelessness. The bill provided a one-time appropriation of \$45.0 million in FY 2022-23 from the Economic Recovery and Relief Cash Fund, originating as federal American Rescue Plan Act dollars.

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

REQUEST: The Department does not request additional funding for this program as the appropriation in S.B. 22-211 was one-time in nature.

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

(III) FORT LYON SUPPORTIVE HOUSING PROGRAM

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

The FY 2023-24 appropriation consists of \$750,000 General Fund and \$5.0 million in one-time funding from the Revenue Loss Restoration Cash Fund (originating as federal funds). For FY 2024-25, the request would again fund the entire line item from the General Fund.

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

REQUEST: The Department requests \$5.8 million in total funds, funded entirely from the General Fund. As noted above, the FY 2023-24 appropriation includes \$5.0 million in one-time funding that originated as federal stimulus funds. The FY 2024-25 request restores the General Fund appropriation.

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

DIVISION OF HOUSING, COMMUNITY AND NON-PROFIT SERVICES, FORT LYON SUPPORTIVE HOUSING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,752,336	\$750,000	\$5,002,336	\$0	\$0	1.0
TOTAL	\$5,752,336	\$750,000	\$5,002,336	\$0	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,752,336	\$750,000	\$5,002,336	\$0	\$0	1.0
Annualize prior year budget actions	5,006,771	5,006,771	0	0	0	0.0
Technical adjustment	(5,002,336)	0	(5,002,336)	0	0	0.0
TOTAL	\$5,756,771	\$5,756,771	\$0	\$0	\$0	1.0
INCREASE/(DECREASE)	\$4,435	\$5,006,771	(\$5,002,336)	\$0	\$0	0.0
Percentage Change	0.1%	667.6%	(100.0%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$5,756,771	\$5,756,771	\$0	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(B) FIELD SERVICES

AFFORDABLE HOUSING PROGRAM COSTS

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

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

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

REQUEST: The Department requests \$2.6 million total funds, including \$235,596 General Fund.

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

DIVISION OF HOUSING, FIELD SERVICES, AFFORDABLE HOUSING PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,452,770	\$224,065	\$85,285	\$1,499,118	\$644,302	31.5
TOTAL	\$2,452,770	\$224,065	\$85,285	\$1,499,118	\$644,302	31.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,452,770	\$224,065	\$85,285	\$1,499,118	\$644,302	31.5
Annualize prior year budget actions	123,829	11,531	4,366	63,701	44,231	0.0
Annualize prior year legislation	0	0	0	0	0	(0.7)
TOTAL	\$2,576,599	\$235,596	\$89,651	\$1,562,819	\$688,533	30.8
INCREASE/(DECREASE)	\$123,829	\$11,531	\$4,366	\$63,701	\$44,231	(0.7)
Percentage Change	5.0%	5.1%	5.1%	4.2%	6.9%	(2.2%)
FY 2024-25 EXECUTIVE REQUEST	\$2,576,599	\$235,596	\$89,651	\$1,562,819	\$688,533	30.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS

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

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

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

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

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

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

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

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

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

REQUEST: The Department requests \$41.2 million total funds, including \$9.2 million General Fund, \$15.3 million from the Marijuana Tax Cash Fund, and \$16.7 million federal funds, with no change from the FY 2023-24 appropriation.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF HOUSING, FIELD SERVICES, AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS PURSUANT TO SECTION 24-32-721, C.R.S.						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$41,199,716	\$9,200,000	\$15,300,000	\$0	\$16,699,716	0.0
TOTAL	\$41,199,716	\$9,200,000	\$15,300,000	\$0	\$16,699,716	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$41,199,716	\$9,200,000	\$15,300,000	\$0	\$16,699,716	0.0
TOTAL	\$41,199,716	\$9,200,000	\$15,300,000	\$0	\$16,699,716	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$41,199,716	\$9,200,000	\$15,300,000	\$0	\$16,699,716	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

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

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

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

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

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

CHFA MIDDLE INCOME ACCESS PROGRAM

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

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

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

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

MANUFACTURED BUILDINGS PROGRAM

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

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

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

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

REQUEST: The Department requests \$1.6 million cash funds from the Building Regulation Fund.

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

DIVISION OF HOUSING, FIELD SERVICES, MANUFACTURED BUILDINGS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,549,628	\$0	\$1,549,628	\$0	\$0	16.7
TOTAL	\$1,549,628	\$0	\$1,549,628	\$0	\$0	16.7
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,549,628	\$0	\$1,549,628	\$0	\$0	16.7
Annualize prior year budget actions	55,447	0	55,447	0	0	0.0
Annualizing prior year legislation	(26,680)	0	(26,680)	0	0	0.0
TOTAL	\$1,578,395	\$0	\$1,578,395	\$0	\$0	16.7
INCREASE/(DECREASE)	\$28,767	\$0	\$28,767	\$0	\$0	0.0
Percentage Change	1.9%	0.0%	1.9%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$1,578,395	\$0	\$1,578,395	\$0	\$0	16.7
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

MOBILE HOME PARK ACT OVERSIGHT

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

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

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

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

REQUEST: The Department requests \$1.3 million total funds, including \$4,435 General Fund and \$1.3 million cash funds from the Mobile Home Park Act Dispute Resolution and Enforcement Program Fund.

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

DIVISION OF HOUSING, FIELD SERVICES, MOBILE HOME PARK ACT OVERSIGHT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$724,721	\$0	\$724,721	\$0	\$0	6.8
TOTAL	\$724,721	\$0	\$724,721	\$0	\$0	6.8
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$724,721	\$0	\$724,721	\$0	\$0	6.8
Technical adjustment	567,180	0	567,180	0	0	2.2
Annualize prior year budget actions	34,123	4,435	29,688	0	0	0.0
Annualizing prior year legislation	0	0	0	0	0	1.5
TOTAL	\$1,326,024	\$4,435	\$1,321,589	\$0	\$0	10.5
INCREASE/(DECREASE)	\$601,303	\$4,435	\$596,868	\$0	\$0	3.7
Percentage Change	83.0%	4,435.0%	82.4%	0.0%	0.0%	54.4%
FY 2024-25 EXECUTIVE REQUEST	\$1,326,024	\$4,435	\$1,321,589	\$0	\$0	10.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

APPROPRIATION TO THE MOBILE HOME PARK DISPUTE RESOLUTION AND ENFORCEMENT PROGRAM FUND

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

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

REQUEST: The Department requests an appropriation of \$109,697

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

DIVISION OF HOUSING, FIELD SERVICES, APPROPRIATION TO THE MOBILE HOME PARK ACT DISPUTE RESOLUTION & ENFORCEMENT PROGRAM FUND						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$136,885	\$136,885	\$0	\$0	\$0	0.0
SB 23-214 (Long Bill)	\$109,697	\$109,697	\$0	\$0	\$0	1.0
TOTAL	\$246,582	\$246,582	\$0	\$0	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$246,582	\$246,582	\$0	\$0	\$0	1.0
Annualize prior year legislation	(136,885)	(136,885)	0	0	0	(1.5)
TOTAL	\$109,697	\$109,697	\$0	\$0	\$0	(0.5)
INCREASE/(DECREASE)	(\$136,885)	(\$136,885)	\$0	\$0	\$0	(1.5)
Percentage Change	(55.5%)	(55.5%)	0.0%	0.0%	0.0%	(150.0%)
FY 2024-25 EXECUTIVE REQUEST	\$109,697	\$109,697	\$0	\$0	\$0	(0.5)
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

(C) INDIRECT COST ASSESSMENTS

INDIRECT COST ASSESSMENTS

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

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

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

REQUEST: The Department requests \$84,144 total funds to allocate towards the R2 request.

RECOMMENDATION: **Staff recommends approving the request.** [More information about the Department's indirect cost assessment is provided at the end of this packet.]

(4) DIVISION OF LOCAL GOVERNMENT

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

DIVISION OF LOCAL GOVERNMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation						
SB 23-214 (Long Bill)	\$193,208,432	\$13,771,988	\$155,778,706	\$7,365,419	\$16,292,319	64.2
Other legislation	4,701,311	1,701,311	0	3,000,000	0	0.9
TOTAL	\$197,909,743	\$15,473,299	\$155,778,706	\$10,365,419	\$16,292,319	65.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$197,909,743	\$15,473,299	\$155,778,706	\$10,365,419	\$16,292,319	65.1
R4 DCFA grant program reduction	(500,000)	(500,000)	0	0	0	0.0
Technical adjustment	0	0	0	0	0	(1.0)
Annualize prior year budget actions	265,634	74,137	28,379	116,991	46,127	0.2
Indirect cost assessment	(117,296)	0	19,125	(79,646)	(56,775)	0.0
Annualizing prior year legislation	(57,087)	(57,087)	0	0	0	(0.8)
TOTAL	\$197,500,994	\$14,990,349	\$155,826,210	\$10,402,764	\$16,281,671	63.5
INCREASE/(DECREASE)	(\$408,749)	(\$482,950)	\$47,504	\$37,345	(\$10,648)	(1.6)
Percentage Change	(0.2%)	(3.1%)	0.0%	0.4%	(0.1%)	(2.5%)
FY 2024-25 EXECUTIVE REQUEST	\$198,030,759	\$14,990,349	\$156,241,750	\$10,463,035	\$16,335,625	63.5
Request Above/(Below) Recommendation	\$529,765	\$0	\$415,540	\$60,271	\$53,954	0.0

DECISION ITEMS – DIVISION OF LOCAL GOVERNMENT

→ R4 DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM REDUCTION

REQUEST: The Department requests reducing the Defense Counsel of First Appearance Grant Program's (DCFA) annual appropriation by \$500,000 General Fund. The Department states that the demand for the program has been less than the funding appropriated, and the program has been reverting funds for each of the past four years.

RECOMMENDATION: **Staff recommends approving the request.** Given the annual reversions for the program, it is clear that the full appropriation is not necessary at this time. Should demand for the program increase in the future, staff would recommend considering restoring the appropriation.

EVIDENCE LEVEL: The Department indicated that this request item is theory-informed; staff disagrees with this designation. Theory-informed is defined as a program or practice that reflects a moderate to low or promising level of confidence or effectiveness, ineffectiveness, or harmfulness as determined by tracking and evaluating performance measures including pre-and post-intervention evaluation of program outcomes, evaluation of program outputs, identification and implementation of a theory of change, or equivalent measures.

Staff believes that there is not enough information stemming from the program to reflect a confidence of any evidence level.

ANALYSIS:

The DCFA was created by H.B. 18-1353 and was extended by H.B. 23-072 following Sunset Review.

The DCFA gives grants to Colorado municipal courts with the purpose of reimbursing in whole, or in part, costs associated with the provision of defense counsel to defendants at their first appearance in municipal courts. The Department has provided three main reasons to support the reduction, including:

- 1 A limited number of courts meet both the eligibility guidelines and experience enough cases to make the program cost-effective
- 2 There are delays in returning to normal court procedures post COVID-19 and;
- 3 There are challenges in courts tracking eligible cases.

The Department is tracking eligible hours and the number of associated cases being reported with each reimbursement by municipality. The Department also states that the DCFA serves municipalities making up over 50 percent of the state's total population and has increased overall participation by 45 percent in 2022 alone.

The Department also received feedback from municipalities who are not utilizing the grant program. In total, out of 77 municipalities, 49 indicated that they do not meet the eligibility requirements for the program. Another 28 municipalities indicated interest in the program. After reaching out to the municipalities and asking for feedback, the Department was able to increase program participation by an additional 9 Colorado municipal courts.

In the sunset review, the Department stated that one of the reasons that municipalities do not frequently utilize the DCFA Grant Program is confusion or frustration around the process of receiving reimbursement through the program.¹² JBC staff spent time seeking out what information is available online pertaining to the DCFA Grant Program including eligibility requirements and information about the application process. The Department's website has an application webpage for the program, however the grant portal requires a user account to view the application and information about the process to receive grant funding.

Given the program's repeated reversion of funds (and apparent lack of demand for the program), staff recommends approving the requested reduction.

LINE ITEM DETAIL—DIVISION OF LOCAL GOVERNMENT

(A) LOCAL GOVERNMENT AND COMMUNITY SERVICES

(I) ADMINISTRATION

¹² Department of Local Affairs, *Defense Counsel on First Appearance Colorado Revised Statute 24-32-123(4) SMART ACT REPORT*

PERSONAL SERVICES

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

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

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

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

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

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

REQUEST: The Department requests \$1,674,893 total funds, including \$743,172 General Fund, and 17.8 FTE.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,589,442	\$702,856	\$0	\$712,875	\$173,711	17.6
Other legislation	\$27,349	\$27,349	\$0	\$0	\$0	0.5
TOTAL	\$1,616,791	\$730,205	\$0	\$712,875	\$173,711	18.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,616,791	\$730,205	\$0	\$712,875	\$173,711	18.1
Annualize prior year budget actions	85,451	40,316	0	29,338	15,797	0.2
Annualizing prior year legislation	(27,349)	(27,349)	0	0	0	(0.5)
TOTAL	\$1,674,893	\$743,172	\$0	\$742,213	\$189,508	17.8
INCREASE/(DECREASE)	\$58,102	\$12,967	\$0	\$29,338	\$15,797	(0.3)
Percentage Change	3.6%	1.8%	0.0%	4.1%	9.1%	(1.7%)
FY 2024-25 EXECUTIVE REQUEST	\$1,674,893	\$743,172	\$0	\$742,213	\$189,508	17.8
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

OPERATING EXPENSES

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

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

REQUEST: The Department requests \$137,201 total funds, including \$48,028 General Fund.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$143,736	\$54,563	\$0	\$25,146	\$64,027	0.0
Other legislation	\$7,310	\$7,310	\$0	\$0	\$0	0.0
TOTAL	\$151,046	\$61,873	\$0	\$25,146	\$64,027	0.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$151,046	\$61,873	\$0	\$25,146	\$64,027	0.0
Annualizing prior year legislation	(7,310)	(7,310)	0	0	0	0.0
Annualize prior year budget actions	(6,535)	(6,535)	0	0	0	0.0
TOTAL	\$137,201	\$48,028	\$0	\$25,146	\$64,027	0.0
INCREASE/(DECREASE)	(\$13,845)	(\$13,845)	\$0	\$0	\$0	0.0
Percentage Change	(9.2%)	(22.4%)	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$137,201	\$48,028	\$0	\$25,146	\$64,027	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER

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

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

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

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

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

(II) LOCAL GOVERNMENT SERVICES

CONSERVATION TRUST FUND DISBURSEMENTS

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

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

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

RECENT LOTTERY DISTRIBUTIONS (MILLIONS)					
	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Conservation Trust Fund	\$66.6	\$57.0	\$67.7	\$72.1	\$78.1
Great Outdoors Colorado	68.5	70.4	71.7	73.1	75.7
Colorado Parks and Wildlife	16.6	14.2	16.9	18.0	19.5
Building Excellent Schools Today	14.7	0.8	7.6	9.3	11.3
Outdoor Equity Fund	n/a	n/a	0.8	1.5	2.3
Outdoor Recreation Cash Fund	n/a	n/a	2.3	3.1	4.2
Wildlife Cash Fund	n/a	n/a	2.3	3.1	4.2
Total	\$166.5	\$142.4	\$169.4	\$180.3	\$195.3

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

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

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

REQUEST: The Department requests an informational appropriation of \$58.0 million cash funds and 1.0 FTE.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, CONSERVATION TRUST FUND DISBURSEMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$58,004,495	\$0	\$58,004,495	\$0	\$0	1.0
TOTAL	\$58,004,495	\$0	\$58,004,495	\$0	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$58,004,495	\$0	\$58,004,495	\$0	\$0	1.0
Annualize prior year budget actions	4,366	0	4,366	0	0	0.0
TOTAL	\$58,008,861	\$0	\$58,008,861	\$0	\$0	1.0
INCREASE/(DECREASE)	\$4,366	\$0	\$4,366	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$58,008,861	\$0	\$58,008,861	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

VOLUNTEER FIREFIGHTER RETIREMENT PLANS

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

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

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

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

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

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

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

REQUEST: The Department requests \$4,770,000 from the General Fund Exempt Account that is reflected in the Long Bill for informational purposes.

RECOMMENDATION: This figure is **pending**. Staff requests permission to use the amount included in whichever March 2024 General Fund revenue forecast the Committee chooses to adopt.

VOLUNTEER FIREFIGHTER DEATH AND DISABILITY INSURANCE

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

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

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

RECOMMENDATION: This figure is **pending**. Staff requests permission to use the amount included in whichever March 2024 General Fund revenue forecast the Committee chooses to adopt.

FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS

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

In order to receive benefits a firefighter must:

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

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

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

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

REQUEST: The Department requests an appropriation of \$1.7 total funds, including \$872,927 General Fund and 0.5 FTE, and continuation of the \$839,053 appropriation of reappropriated funds from the Firefighters Benefits Cash Fund.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,709,763	\$870,710	\$0	\$839,053	\$0	0.5
TOTAL	\$1,709,763	\$870,710	\$0	\$839,053	\$0	0.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,709,763	\$870,710	\$0	\$839,053	\$0	0.5
Annualize prior year budget actions	2,217	2,217	0	0	0	0.0
TOTAL	\$1,711,980	\$872,927	\$0	\$839,053	\$0	0.5
INCREASE/(DECREASE)	\$2,217	\$2,217	\$0	\$0	\$0	0.0
Percentage Change	0.1%	0.3%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$1,711,980	\$872,927	\$0	\$839,053	\$0	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LOCAL UTILITY MANAGEMENT ASSISTANCE

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

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

REQUEST: The Department requests \$202,403 cash funds and 2.0 FTE, which includes salary increases that were awarded in FY 2023-24.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, LOCAL UTILITY MANAGEMENT ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$193,671	\$0	\$193,671	\$0	\$0	2.0
TOTAL	\$193,671	\$0	\$193,671	\$0	\$0	2.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$193,671	\$0	\$193,671	\$0	\$0	2.0
Annualize prior year budget actions	8,732	0	8,732	0	0	0.0
TOTAL	\$202,403	\$0	\$202,403	\$0	\$0	2.0
INCREASE/(DECREASE)	\$8,732	\$0	\$8,732	\$0	\$0	0.0
Percentage Change	4.5%	0.0%	4.5%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$202,403	\$0	\$202,403	\$0	\$0	2.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT

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

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

REQUEST: The Department requests \$263,828 federal funds and 0.5 FTE.

RECOMMENDATION: Staff recommends approving the request.

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, ENVIRONMENTAL PROTECTION AGENCY WATER/SEWER FILE PROJECT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$260,669	\$0	\$0	\$0	\$260,669	0.5
TOTAL	\$260,669	\$0	\$0	\$0	\$260,669	0.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$260,669	\$0	\$0	\$0	\$260,669	0.5
Annualize prior year budget actions	3,159	0	0	0	3,159	0.0
TOTAL	\$263,828	\$0	\$0	\$0	\$263,828	0.5
INCREASE/(DECREASE)	\$3,159	\$0	\$0	\$0	\$3,159	0.0
Percentage Change	1.2%	0.0%	0.0%	0.0%	1.2%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$263,828	\$0	\$0	\$0	\$263,828	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

(III) COMMUNITY SERVICES

COMMUNITY SERVICES BLOCK GRANT

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

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

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

REQUEST: The Department requests an informational appropriation of \$6,475,029 federal funds.

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

MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM

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

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

REQUEST: The Department requests \$1,330 and 0.3 FTE. This program will be repealed on January 1, 2025, and this allocation is to spend the remaining amount of funding allocated in the original bill.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, MOBILE VETERANS SUPPORT UNIT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$22,428	\$22,428	\$0	\$0	\$0	0.3
TOTAL	\$22,428	\$22,428	\$0	\$0	\$0	0.3
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$22,428	\$22,428	\$0	\$0	\$0	0.3
Annualize prior year budget actions	1,330	1,330	0	0	0	0.0
Annualizing prior year legislation	(22,428)	(22,428)	0	0	0	(0.3)
TOTAL	\$1,330	\$1,330	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$21,098)	(\$21,098)	\$0	\$0	\$0	(0.3)
Percentage Change	(94.1%)	(94.1%)	0.0%	0.0%	0.0%	(100.0%)
FY 2024-25 EXECUTIVE REQUEST	\$1,330	\$1,330	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

DISASTER RESILIENCE AND REBUILDING PROGRAM

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

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

REQUEST: The Department requests \$232,042 General Fund and 3.1 FTE.

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

DIVISION OF LOCAL GOVERNMENT, LOCAL GOVERNMENT AND COMMUNITY SERVICES, DISASTER RESILIENCE REBUILDING PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$218,294	\$218,294	\$0	\$0	\$0	3.1
TOTAL	\$218,294	\$218,294	\$0	\$0	\$0	3.1
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$218,294	\$218,294	\$0	\$0	\$0	3.1
Annualize prior year budget actions	13,748	13,748	0	0	0	0.0
TOTAL	\$232,042	\$232,042	\$0	\$0	\$0	3.1
INCREASE/(DECREASE)	\$13,748	\$13,748	\$0	\$0	\$0	0.0
Percentage Change	6.3%	6.3%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$232,042	\$232,042	\$0	\$0	\$0	3.1
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

(B) FIELD SERVICES

PROGRAM COSTS

This line funds salaries and associated Medicare and PERA contributions, as well as contractual services, for approximately half of the technical assistance and grants management FTE in the Division (the remaining half are in the Administration, Personal Services line item). It also includes associated operating expenses. The line currently supports 32.6 FTE, including:

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

Responsibilities are described below.

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

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

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

REQUEST: The Department requests \$3.7 million total funds, including \$371,847 General Fund and 32.6 FTE.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,591,070	\$358,099	\$120,623	\$2,730,848	\$381,500	32.6
TOTAL	\$3,591,070	\$358,099	\$120,623	\$2,730,848	\$381,500	32.6
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,591,070	\$358,099	\$120,623	\$2,730,848	\$381,500	32.6
Annualize prior year budget actions	129,316	13,748	4,366	84,031	27,171	0.0
TOTAL	\$3,720,386	\$371,847	\$124,989	\$2,814,879	\$408,671	32.6
INCREASE/(DECREASE)	\$129,316	\$13,748	\$4,366	\$84,031	\$27,171	0.0
Percentage Change	3.6%	3.8%	3.6%	3.1%	7.1%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$3,720,386	\$371,847	\$124,989	\$2,814,879	\$408,671	32.6
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COMMUNITY DEVELOPMENT BLOCK GRANT

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

a statutory formula that takes into account total population, poverty, incidence of overcrowded housing, and age of housing.

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

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

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

REQUEST: The Department request an informational appropriation of \$8,820,748 federal funds.

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

LOCAL GOVERNMENT MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS

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

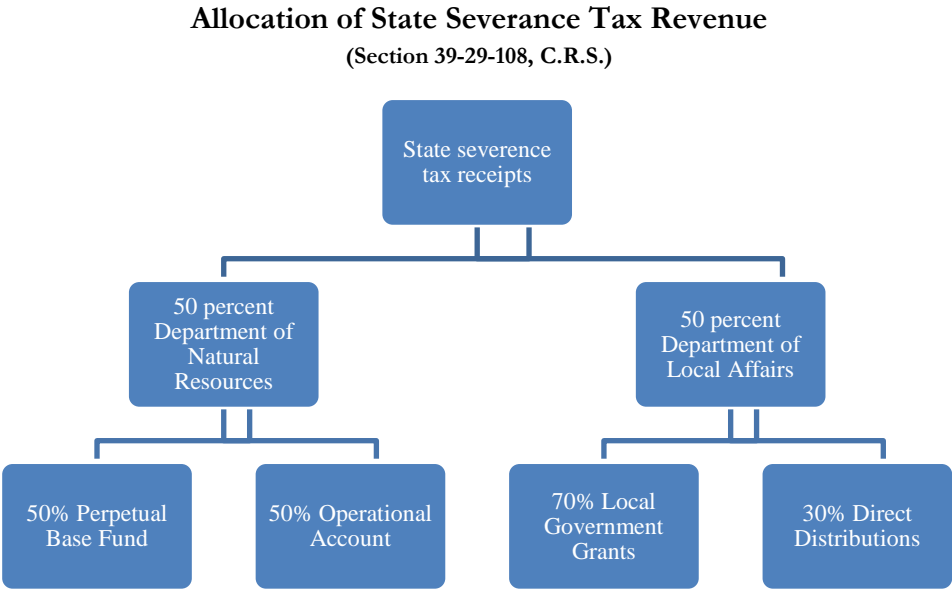
- Fifty percent of total gross receipts realized from the *state severance taxes* imposed on five types of extracted minerals and mineral fuels, including oil and natural gas, coal, metallic minerals, molybdenum ore, and oil shale, are deposited in the Local Government Severance Tax Fund on a monthly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

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

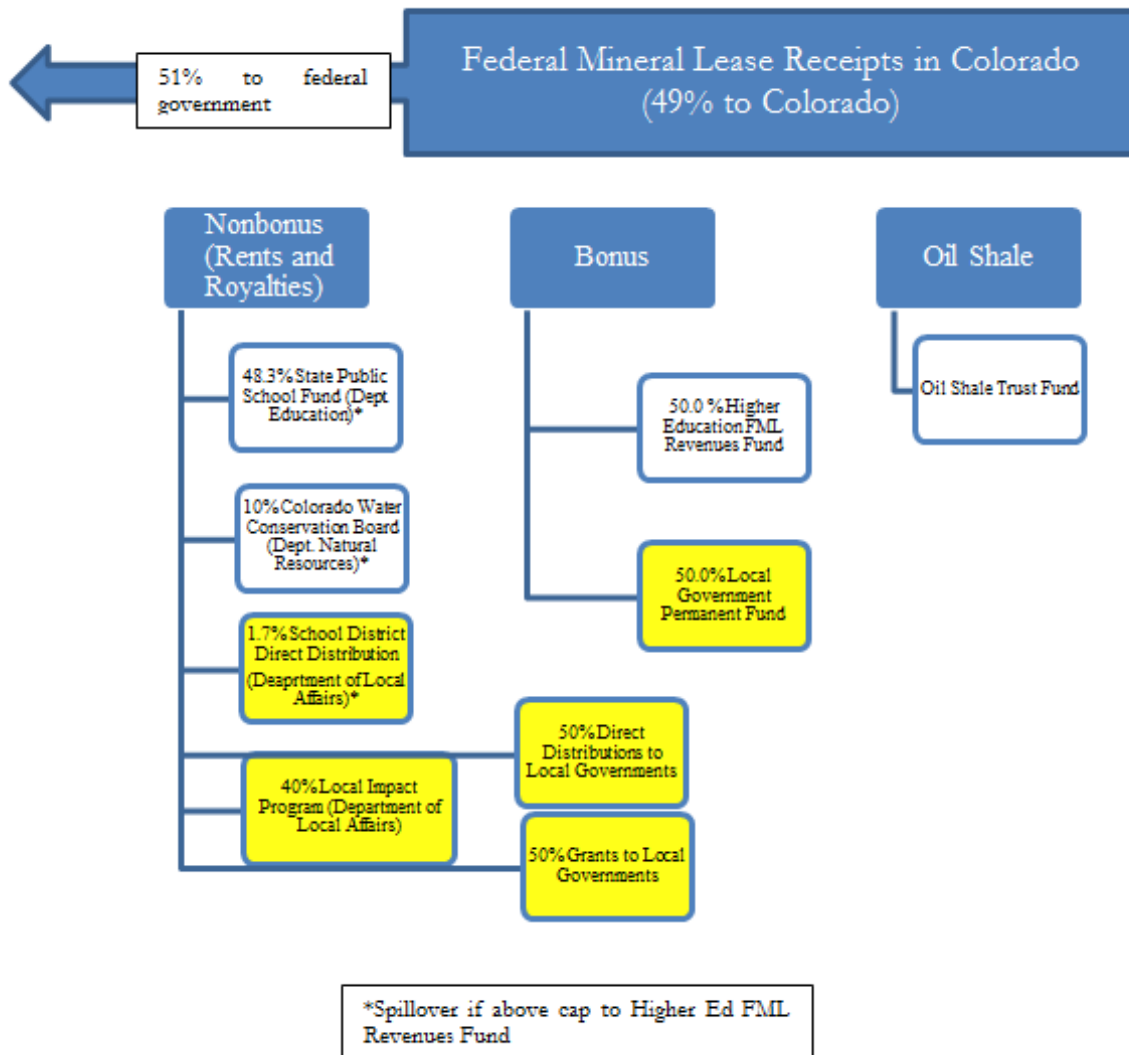
- 30 percent of severance tax revenues; and

- 50 percent of federal mineral lease revenues.

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



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



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

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

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

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

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

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

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

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

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

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

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

RECOMMENDATION: Staff recommends approving the request.

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

LOCAL GOVERNMENT SEVERANCE TAX FUND					
	ACTUAL FY 2021-22	ACTUAL FY 2022-23	APPROPRIATED FY 2023-24	REQUESTED FY 2024-25	PROJECTED FY 2025-26
Beginning Fund Balance (cash)	\$113,718,218	\$230,584,879	\$332,503,617	\$279,864,410	\$215,348,154
Revenue	\$160,100,644	\$180,020,982	\$116,522,376	\$114,086,309	\$109,320,256
Expenditures	\$43,233,982	\$78,102,244	\$169,161,583	\$178,602,565	\$120,509,231
Administration	3,742,842	4,057,816	3,747,480	4,278,551	4,406,908
Indirect Costs	501,085	462,209	593,724	261,449	269,292
Transfers to Other Agency (CDPHE)	307,267	312,622	317,063	326,575	336,372
Transfers to General Fund	0	0	0	25,000,000	0
Direct Distribution (in August, prior year payable)	1,242,882	46,530,193	54,006,294	34,956,713	34,225,893
Payments on Prior Year Encumbrances	37,457,907	26,739,403	38,915,490	91,039,277	58,530,766
Payments on New Grant Encumbrances Est.			71,581,532	22,740,000	22,740,000
Net Income	\$116,866,661	\$101,918,738	(\$52,639,207)	(\$64,516,256)	(\$11,188,975)
Ending Fund Balance (cash)	\$230,584,879	\$332,503,617	\$279,864,410	\$215,348,154	\$204,159,179
Encumbrances					
New Grant Contracts Encumbered	37,406,357	15,644,918	178,953,830	56,850,000	56,850,000
Less Payments on New Grant Encumbrances Est.			(71,581,532)	(22,740,000)	(22,740,000)
Roll Forward Prior Years Grants Encumbered	72,877,847	52,221,150	17,407,050	13,264,658	23,860,000
Direct Distribution Payable	1,242,882	46,530,193	48,660,901	37,153,484	30,902,649
Emergency Grant Reserve	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Legislative Reserve/Transfer Obligation	0	0	0	0	0
Fund Balance Available for Future Grants & Operation	(\$808,867)	\$113,533,282	\$171,748,539	\$134,283,517	\$139,587,518

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

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

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

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

LOCAL GOVERNMENT PERMANENT FUND

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

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

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

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

RECOMMENDATION: **Consistent with the Department request, staff does not recommend an appropriation from this fund for FY 2024-25.** Based on the December 2022 revenue forecast from Legislative Council Staff, an appropriation would not be statutorily authorized.

LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS

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

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

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

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

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

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

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

LOCAL GOVERNMENT GEOTHERMAL ENERGY IMPACT GRANTS

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

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

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

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

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

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

RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS

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

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

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

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

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

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

SEARCH AND RESCUE PROGRAM

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

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

REQUEST: The Department requests no funding for this program, consistent with S.B. 22-168 (Backcountry Search and Rescue).

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

GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM

The Gray and Black Market Marijuana Enforcement Grant Program provides funding to local law enforcement agencies and district attorneys to cover costs associated with the investigation and prosecution of unlicensed and illegal marijuana cultivation or distribution operations pursuant to H.B. 17-1221 (Grey and Black Market Marijuana Enforcement Efforts). The Division of Local Government is required to prioritize grants to provide necessary financial assistance to local law enforcement agencies and district attorneys in rural areas¹³ and to support the investigation and prosecution of unlicensed and illegal operations that are large-scale, involve organized crime, or divert marijuana outside of Colorado.

The Program is supported by annual appropriations from the Marijuana Tax Cash Fund (MTCF). Any unexpended and unencumbered money from an appropriation remains available for expenditure by the Division over the next fiscal year without further appropriation. The program received an annual

¹³ A rural area is defined as a county with a population of less than 200,000 people or a municipality with a population of less than 30,000 people that is located 10 miles or more from a municipality with a population of more than 50,000 people.

appropriation of approximately \$6.0 million from FY 2017-18 to FY 2019-20, before being reduced to just under \$1.0 million in FY 2020-21 and later years.

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

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

REQUEST: The Department requests \$970,217 cash funds from the Marijuana Tax Cash Fund and 1.5 FTE.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$963,668	\$0	\$963,668	\$0	\$0	2.5
TOTAL	\$963,668	\$0	\$963,668	\$0	\$0	2.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$963,668	\$0	\$963,668	\$0	\$0	2.5
Annualize prior year budget actions	6,549	0	6,549	0	0	0.0
Technical adjustment	0	0	0	0	0	(1.0)
TOTAL	\$970,217	\$0	\$970,217	\$0	\$0	1.5
INCREASE/(DECREASE)	\$6,549	\$0	\$6,549	\$0	\$0	(1.0)
Percentage Change	0.7%	0.0%	0.7%	0.0%	0.0%	(40.0%)
FY 2024-25 EXECUTIVE REQUEST	\$970,217	\$0	\$970,217	\$0	\$0	1.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

HB 17-1326 CRIME PREVENTION INITIATIVE GRANTS

Background Information – H.B. 17-1326

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

General Fund appropriations to the Division's Field Services, Program Costs line item and to centrally appropriated line items support 1.0 FTE to oversee both the grant and loan programs. The loan

program is no longer receiving new appropriations due to underutilization, but continues to operate with the goal of expending funds that have already been appropriated to meet anticipated loan demand until the program is repealed.

Grant Program

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

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

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

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

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

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

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

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

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

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

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

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

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

REQUEST: The Department requests a \$2,000,000 General Fund appropriation into the Peace Officers Mental Health Support Fund, and a \$2,005,836 and 1.0 FTE appropriation out of this cash fund. The request for reappropriated funds includes salary increases awarded in FY 2023-24.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, PEACE OFFICERS MENTAL HEALTH SUPPORT GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,002,214	\$0	\$0	\$2,002,214	\$0	1.0
TOTAL	\$2,002,214	\$0	\$0	\$2,002,214	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,002,214	\$0	\$0	\$2,002,214	\$0	1.0
Annualize prior year budget actions	3,622	0	0	3,622	0	0.0
TOTAL	\$2,005,836	\$0	\$0	\$2,005,836	\$0	1.0
INCREASE/(DECREASE)	\$3,622	\$0	\$0	\$3,622	\$0	0.0
Percentage Change	0.2%	0.0%	0.0%	0.2%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$2,005,836	\$0	\$0	\$2,005,836	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM

House Bill 18-1353 established the Defense Counsel on First Appearance Grant Program to provide grants to reimburse local governments, in part or in full, for costs associated with the provision of defense counsel to defendants at their first appearances in municipal courts. This line item provides funding for the Program, including related administrative expenses. The program was extended after Sunset Review in in S.B. 23-072, with a repeal date of September 1, 2028.

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

REQUEST: The Department requests \$1.5 million General Fund and 0.5 FTE. The request includes a reduction of \$500,000 General Fund associated with request R4 (Defense Counsel on First Appearance Grant Program Reduction, discussed above).

RECOMMENDATION: Staff recommends approving this request, as noted and discussed in R4 earlier in this document.

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
Other legislation	\$1,666,652	\$1,666,652	\$0	\$0	\$0	0.4
SB 23-214 (Long Bill)	\$333,330	\$333,330	\$0	\$0	\$0	0.1
TOTAL	\$1,999,982	\$1,999,982	\$0	\$0	\$0	0.5
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,999,982	\$1,999,982	\$0	\$0	\$0	0.5
Annualize prior year budget actions	443	443	0	0	0	0.0
R4 Defense counsel on first appearance grant program reduction	(500,000)	(500,000)	0	0	0	0.0
TOTAL	\$1,500,425	\$1,500,425	\$0	\$0	\$0	0.5
INCREASE/(DECREASE)	(\$499,557)	(\$499,557)	\$0	\$0	\$0	0.0
Percentage Change	(25.0%)	(25.0%)	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$1,500,425	\$1,500,425	\$0	\$0	\$0	0.5
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM

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

- The *Law Enforcement Assistance Grant Program*, administered by the Department of Public Safety, reimburses local governments for revenue lost from the changes established under HB17-1313. Seizing agencies can apply for grants for up to the amount of revenue they would have received prior to the passage of HB 17-1313 (Civil forfeiture reform). These agencies may only use awarded grant funds for purposes permissible under federal equitable sharing guidelines, such as operations and investigations, training and education, equipment and supplies, joint law enforcement and

public safety operations, and community-based programs. Beginning August 1, 2019, agencies must annually report how grant funds were used, and the Department of Public Safety must report annually to the General Assembly on this program beginning October 1, 2019.

- The *Law Enforcement Community Services Grant Program*, administered by the Department of Local Affairs (DOLA) was created to provide funding to law enforcement entities, local governments, and community organizations to improve services to communities through community policing and outreach; drug intervention, prevention, treatment, and recovery; technology; training; and other community services. The act created a 17-member Law Enforcement Community Services Grant Program Committee (which includes two legislators) to make recommendations to DOLA's Executive Director concerning which grants should be approved.

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

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

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

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

REQUEST: The Department requests \$281,791 cash funds and 1.0 FTE.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$277,425	\$0	\$277,425	\$0	\$0	1.0
TOTAL	\$277,425	\$0	\$277,425	\$0	\$0	1.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$277,425	\$0	\$277,425	\$0	\$0	1.0
Annualize prior year budget actions	4,366	0	4,366	0	0	0.0
TOTAL	\$281,791	\$0	\$281,791	\$0	\$0	1.0
INCREASE/(DECREASE)	\$4,366	\$0	\$4,366	\$0	\$0	0.0
Percentage Change	1.6%	0.0%	1.6%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$281,791	\$0	\$281,791	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

AFFORDABLE HOUSING DEVELOPMENT INCENTIVES GRANT PROGRAM

House Bill 21-1271 (Department of Local Affairs Innovative Affordable Housing Strategies) created the Affordable Housing Development Incentives Grant Program to offer grants to local governments that adopt at least three policy and regulatory tools from a menu of options enumerated in the bill that incentivize the development of affordable housing. The bill transferred \$9.3 million from the General Fund and \$30.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities Fund and made a corresponding FY 2021-22 appropriation to support the program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2024-25.

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

REQUEST: The Department requests no new appropriation for this line item for FY 2024-25. However, the funds made available by H.B. 21-1271 remain available through the end of FY 2024-25.

RECOMMENDATION: **Staff recommends approving the request (for no additional funding).**

LOCAL GOVERNMENT PLANNING GRANT PROGRAM

House Bill 21-1271 (Department of Local Affairs Innovative Affordable Housing Strategies) created the Local Government Planning Grant Program to provide grants to local governments to assess housing needs or to make changes to local policies to become eligible for a Housing Development Incentives Grant. The Division of Local Government is required to update model land use codes for local governments. The bill transferred \$2.1 million from the General Fund and \$5.0 million from the Affordable Housing and Home Ownership Cash Fund to the Colorado Heritage Communities Fund and made a corresponding FY 2021-22 appropriation to support the program. The Division of Local Government is authorized to use up to four percent of the transfer to administer the program. The money in the Fund remains available without further appropriation through the close of FY 2024-25.

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

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

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

MICROGRIDS FOR COMMUNITY RESILIENCE GRANT PROGRAM (NEW LINE ITEM)

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

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

REQUEST: The Department requests \$140,578 General Fund and 2.0 FTE for FY 2024-25.

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

DIVISION OF LOCAL GOVERNMENT, FIELD SERVICES, MICROGRIDS FOR COMMUNITY RESILIENCE GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$131,708	\$131,708	\$0	\$0	\$0	2.0
TOTAL	\$131,708	\$131,708	\$0	\$0	\$0	2.0
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$131,708	\$131,708	\$0	\$0	\$0	2.0
Annualize prior year budget actions	8,870	8,870	0	0	0	0.0
TOTAL	\$140,578	\$140,578	\$0	\$0	\$0	2.0
INCREASE/(DECREASE)	\$8,870	\$8,870	\$0	\$0	\$0	0.0
Percentage Change	6.7%	6.7%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST	\$140,578	\$140,578	\$0	\$0	\$0	2.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

SMALL COMMUNITY-BASED NONPROFIT GRANT PROGRAM

This line item was created by H.B. 22-1356 (Small Community-based Nonprofit Grant Program) to provide grants to eligible recipients for infrastructure and capacity building. Eligible recipients are small community-based nonprofit organizations that have been impacted by the COVID-19 public

health emergency. The program received one-time funding of \$35.0 million from the Economic Recovery and Relief Cash Fund, originating from federal American Rescue Plan Act funds. The Department has through December 30, 2024 to expend the funds.

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

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

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

APPROPRIATION TO THE PUBLIC DEFENDER AND PROSECUTOR BEHAVIORAL HEALTH
SUPPORT FUND
and
PUBLIC DEFENDER AND PROSECUTOR BEHAVIORAL HEALTH SUPPORT PROGRAM

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

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

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

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

(C) INDIRECT COST ASSESSMENTS

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

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

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

REQUEST: The Department requests a reduction of \$80,926 total funds below the FY 2023-24 appropriation.

RECOMMENDATION: **Staff recommends approving the request.** [More information about the Department's indirect cost assessments is provided at the end of this packet.]

LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

LONG BILL FOOTNOTES

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

- 77 Department of Local Affairs, Division of Housing, Community and Non-Profit Services, Community Services, Low Income Rental Subsidies; Field Services, Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S.; and Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems – It is the General Assembly’s intent that the Department record expenditures for rental vouchers issued by the Division of Housing within the Low Income Rental Subsidies line item. FOR THIS PURPOSE, THE DEPARTMENT MAY TRANSFER FUNDS BETWEEN THE SPECIFIED LINE ITEMS IN THE DIVISION OF HOUSING.

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

Background Information – Appropriations from the Marijuana Tax Cash Fund

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

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

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

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

The Housing Development Grant Fund consists of money appropriated to the “Colorado Affordable Housing Construction Grants and Loan Fund” and other grants and donations received by the Division of Housing for purposes consistent with Section 24-32-721, C.R.S. Money in the Housing Development Grant Fund is continuously appropriated to the Division for the purpose of making a *grant or loan* to “improve, preserve, or expand the supply of

affordable housing in Colorado as well as to fund the acquisition of housing and economic data necessary to advise the [State Housing Board] on local housing conditions”. The Division is also authorized to:

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

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

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

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

The change in language will allow for the Department to transfer funds as needed between line items in the Division of Housing to ensure all appropriated funding is utilized.

- 78 Department of Local Affairs, Division of Housing, Field Services, Affordable Housing Program Costs; and Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S. – It is the General Assembly’s intent that appropriations for State administration of affordable housing construction grants and loans, including administration funding authorized pursuant to Section 24-32-721(3)(b), C.R.S., be expended in the Affordable Housing Program Costs line item. FOR THIS PURPOSE, THE DEPARTMENT MAY TRANSFER FUNDS BETWEEN THE SPECIFIED LINE ITEMS IN THE DIVISION OF HOUSING.

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

The change in language will allow for the Department to transfer funds as needed between line items in the Division of Housing to ensure all funding is utilized.

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

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

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

The Union Pacific lease expires in 2025 and the Department plans to significantly spend down the balance of the Moffat Tunnel Cash Fund to renegotiate the lease. This footnote was first included in the FY 2018-19 Long Bill.

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

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

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

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

REQUESTS FOR INFORMATION

There were no information requests for the Department of Local Affairs include with the 2023 Long Bill. Staff does not recommend adding any information requests.

INDIRECT COST ASSESSMENTS

DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

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

INDIRECT COST POOL

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

INDIRECT COST BASE

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

INDIRECT COST RATE

The Department calculates an Indirect Cost Rate for each division by dividing the Indirect Cost Pool by the Indirect Cost Base. The Indirect Cost Rate is multiplied by the projected salary and fringe benefits by funding source to determine the estimated indirect cost assessment for each division. Table 1 shows the estimated indirect cost assessment for FY 2024-25 for each division by fund source. The figures in this table are based on the Department’s updated indirect cost rates for FY 2024-25 and its requested appropriations for FY 2024-25.

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2024-25 (DOLA FEBRUARY 2024 UPDATE)

DESCRIPTION	TOTAL FUNDS	CASH FUND SOURCES	REAPPROPRIATED FUND SOURCES	FEDERAL FUND SOURCES
State Demography Office				
Conservation Trust Fund	\$13,433	\$13,433	\$0	\$0
Federal Funds	2,523	0	0	2,523
Subtotal - State Demography Office	\$15,956	\$13,433	\$0	\$2,523
Division of Property Taxation				
Local Government Severance Tax Fund	\$8,774	\$0	\$8,774	\$0

TABLE 1: INDIRECT COST ASSESSMENTS FOR FY 2024-25 (DOLA FEBRUARY 2024 UPDATE)

DESCRIPTION	TOTAL FUNDS	CASH FUND SOURCES	REAPPROPRIATED FUND SOURCES	FEDERAL FUND SOURCES
Local Government Mineral Impact Fund	7,143	0	7,143	0
Property Tax Exemption Fund	72,643	72,643	0	0
Board of Assessment Appeals Cash Fund	15,359	15,359	0	0
Subtotal - Property Taxation	\$103,919	\$88,002	\$15,917	\$0
Division of Housing				
Local Government Mineral Impact Fund	27,334	0	27,334	0
Marijuana Tax Cash Fund (transferred from Affordable Housing Construction Grants and Loans line item)	14,451	0	14,451	0
Medicaid funds transferred from HCPF (transferred from Affordable Housing Construction Grants and Loans line item)	61,831	0	61,831	0
Host Home Reallocation	41,928	0	41,928	0
Home Modification Reallocation	46,202	0	46,202	0
HDG Reallocation	77,310	0	77,310	0
Marijuana Tax Cash Fund	9,609	9,609	0	0
Building Regulation Fund	193,887	193,887	0	0
Private Activity Bond Allocations Fund	14,675	14,675	0	0
Homeless Prevention Activities Program Fund	0	0	0	0
Mobile Home Park Act Program Fund	162,252	162,252	0	0
Housing Development Grant Fund (vendor fee transfer)	144,633	144,633	0	0
Transformational Housing Revolving Loan Fund	40,143	40,143	0	0
Mobile Home Park Resident Empowerment Program Fund	11,602	11,602	0	0
Affordable Housing Support Fund (Proposition 123)	302,230	302,230	0	0
Federal grants	489,685	0	0	489,685
Subtotal - Housing	\$1,549,628	\$880,052	\$179,891	\$489,685
Division of Local Government				
Local Government Severance Tax Fund	252,675	0	252,675	0
Local Government Mineral Impact Fund	206,332	0	206,332	0
Peace Officers Behavioral and Mental Health Support Grant Fund	16,629	0	16,269	0
Colorado Water Resource & Power Development Authority, Water Pollution Control Revolving Fund	30,178	30,178	0	0
Conservation Trust Fund	25,082	25,082	0	0
Local Government Limited Gaming Impact Fund	17,760	17,760	0	0
Affordable Housing Support Fund (Proposition 123)	25,055	25,055	0	0
Marijuana Tax Cash Fund	27,926	27,926	0	0
Law Enforcement Community Services Grant Program Fund	12,195	12,195	0	0
Other Federal Funds	118,911	0	0	118,911
Subtotal - Local Government	\$732,383	\$138,196	\$475,277	\$118,911
TOTAL INDIRECT COST ASSESSMENTS	\$2,401,887	\$1,119,684	\$671,084	\$611,119

USE OF INDIRECT COST COLLECTIONS TO REDUCE GENERAL FUND APPROPRIATIONS

Indirect cost assessments are applied in certain line items to offset General Fund that would otherwise be required. For FY 2024-25, Staff recommends applying the indirect cost assessments, with a decrease reflecting the salary change for R2.

USE OF INDIRECT COST COLLECTIONS TO REDUCE GENERAL FUND APPROPRIATIONS

Indirect cost assessments are applied in certain line items to offset General Fund that would otherwise be required. For FY 2024-25, the use of total indirect costs will be slightly more than the FY 2023-24 assessments reflected in Table 1 by \$165,918. Staff recommends applying all of the indirect cost assessments within line items in the Executive Director's Office. Staff recommendation for application of indirect costs in Table 2 is lower than the Department's request due to differences in the request versus recommendation for R2 EDO IT Business Project Manager, which affects the Personal Services and Operating Expenses lines. The Department can pause collection of indirect cost collections at any point in the year to rebalance collections with expenditures.

TABLE 2: APPLICATION OF INDIRECT COST RECOVERIES AND INDIRECT COSTS EXCESS RECOVERY FUND			
	FY 2023-24	FY 2024-25	CHANGE
Personal Services	\$2,003,568	\$2,198,071	\$194,503
Operating Expenses	175,167	146,582	(28,585)
Payments to OIT	54,790	54,790	0
TOTAL	\$2,233,525	\$2,399,443	\$165,918

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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DEPARTMENT OF LOCAL AFFAIRS
Richard Garcia, Executive Director

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) Administration

Personal Services	1,512,706	1,724,991	2,003,568	2,200,109	2,186,478 *
FTE	13.4	14.4	18.8	20.1	20.1
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	1,512,706	1,724,991	2,003,568	2,200,109	2,186,478
Federal Funds	0	0	0	0	0
Health, Life, and Dental	1,582,436	1,633,030	2,888,228	3,174,283	3,174,283 *
General Fund	581,158	612,988	949,848	1,073,465	1,073,465
Cash Funds	318,303	425,066	607,025	730,309	730,309
Reappropriated Funds	682,975	594,976	676,707	820,705	820,705
Federal Funds	0	0	654,648	549,804	549,804
Short-term Disability	16,577	17,346	25,872	28,497	28,497
General Fund	5,688	6,056	7,815	8,856	8,856
Cash Funds	2,899	3,887	4,644	6,389	6,389
Reappropriated Funds	7,990	7,403	7,255	8,325	8,325
Federal Funds	0	0	6,158	4,927	4,927

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
AED/SAED	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,675,654</u>
General Fund	0	0	0	0	1,126,828
Cash Funds	0	0	0	0	744,714
Reappropriated Funds	0	0	0	0	1,052,996
Federal Funds	0	0	0	0	751,116
Paid Family Medical Leave Insurance					
General Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>85,488</u>	<u>85,488</u>
Cash Funds	0	0	0	26,567	26,567
Reappropriated Funds	0	0	0	19,166	19,166
Federal Funds	0	0	0	24,974	24,974
				14,781	14,781
S.B. 04-257 Amortization Equalization Disbursement					
General Fund	<u>540,433</u>	<u>564,971</u>	<u>887,961</u>	<u>949,866</u>	<u>0</u>
Cash Funds	178,120	193,715	268,221	295,193	0
Reappropriated Funds	92,135	123,297	159,397	212,960	0
Federal Funds	270,178	247,959	249,010	277,488	0
	0	0	211,333	164,225	0
S.B. 06-235 Supplemental Amortization Equalization Disbursement					
General Fund	<u>540,433</u>	<u>564,971</u>	<u>887,961</u>	<u>949,866</u>	<u>0</u>
Cash Funds	178,120	193,715	268,221	295,193	0
Reappropriated Funds	92,135	123,297	159,397	212,960	0
Federal Funds	270,178	247,959	249,010	277,488	0
	0	0	211,333	164,225	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Salary Survey	291,079	336,922	956,230	1,325,475	687,434
General Fund	99,573	103,964	288,707	402,375	214,008
Cash Funds	44,454	71,094	172,018	332,105	152,764
Reappropriated Funds	147,052	161,864	268,031	344,816	202,472
Federal Funds	0	0	227,474	246,179	118,190
Step Increase	0	0	0	0	638,041
General Fund	0	0	0	0	188,367
Cash Funds	0	0	0	0	179,341
Reappropriated Funds	0	0	0	0	142,344
Federal Funds	0	0	0	0	127,989
PERA Direct Distribution	272,503	180,208	61,117	457,988	454,530
General Fund	101,015	0	18,462	142,330	138,872
Cash Funds	44,325	78,991	10,970	102,681	102,681
Reappropriated Funds	127,163	101,217	17,139	133,794	133,794
Federal Funds	0	0	14,546	79,183	79,183
Workers' Compensation	108,971	103,789	103,305	156,269	249,429
General Fund	38,550	36,717	36,546	51,807	68,878
Cash Funds	22,234	21,956	21,854	66,349	76,557
Reappropriated Funds	48,187	45,116	44,905	38,113	103,994
Federal Funds	0	0	0	0	0
Operating Expenses	131,937	149,230	153,784	148,255	147,082 *
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	131,937	149,230	153,784	148,255	147,082
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Legal Services					
General Fund	391,103	306,812	<u>1,028,413</u>	<u>925,905</u>	<u>925,905</u>
Cash Funds	125,082	241,510	623,142	552,061	552,061
Reappropriated Funds	246,021	51,583	392,926	363,168	363,168
Federal Funds	20,000	13,719	12,345	10,676	10,676
	0	0	0	0	0
Administrative Law Judge Services					
General Fund	<u>810</u>	<u>0</u>	<u>410</u>	<u>410</u>	<u>9,580</u>
Cash Funds	0	0	0	0	0
Reappropriated Funds	810	0	410	410	9,580
Federal Funds	0	0	0	0	0
	0	0	0	0	0
Payment to Risk Management and Property Funds					
General Fund	<u>81,766</u>	<u>122,487</u>	<u>247,883</u>	<u>111,752</u>	<u>157,641</u>
Cash Funds	28,925	43,304	87,636	37,048	51,118
Reappropriated Funds	16,945	25,707	52,025	47,448	61,889
Federal Funds	35,896	53,476	108,222	27,256	44,634
	0	0	0	0	0
Vehicle Lease Payments					
General Fund	<u>110,582</u>	<u>107,117</u>	<u>134,148</u>	<u>121,638</u>	<u>121,638</u>
Cash Funds	101,761	103,874	94,852	66,032	66,032
Reappropriated Funds	0	0	28,551	41,704	41,704
Federal Funds	8,821	3,243	10,745	13,902	13,902
	0	0	0	0	0
Information Technology Asset Maintenance					
General Fund	<u>38,927</u>	<u>57,413</u>	<u>102,656</u>	<u>102,656</u>	<u>102,656</u>
Cash Funds	9,816	24,929	36,158	36,158	36,158
Reappropriated Funds	9,455	11,530	13,909	13,909	13,909
Federal Funds	19,656	20,954	52,589	52,589	52,589
	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Leased Space					
General Fund	<u>40,535</u>	21,508	47,000	47,000	<u>47,000</u>
Cash Funds	16,960	18,500	18,500	18,500	18,500
Reappropriated Funds	0	0	0	0	0
Federal Funds	23,575	3,008	28,500	28,500	28,500
	0	0	0	0	0
Capitol Complex Leased Space					
General Fund	<u>592,505</u>	568,210	<u>709,967</u>	<u>1,159,050</u>	<u>891,319</u>
Cash Funds	247,412	237,267	225,055	352,791	282,542
Reappropriated Funds	120,286	119,581	113,426	451,819	142,401
Federal Funds	224,807	211,362	200,484	205,897	251,694
	0	0	171,002	148,543	214,682
Payments to OIT					
General Fund	<u>1,562,346</u>	<u>2,483,529</u>	<u>3,779,870</u>	<u>4,014,772</u>	<u>4,014,772</u>
Cash Funds	772,276	886,434	1,057,448	1,259,222	1,259,222
Reappropriated Funds	219,929	519,037	678,134	1,435,573	1,435,573
Federal Funds	570,141	1,078,058	1,378,482	789,368	789,368
	0	0	665,806	530,609	530,609
CORE Operations					
General Fund	<u>340,164</u>	<u>482,005</u>	<u>423,327</u>	<u>180,994</u>	<u>118,422</u>
Cash Funds	120,337	170,515	116,832	52,654	32,683
Reappropriated Funds	69,140	100,670	68,976	67,434	19,293
Federal Funds	150,687	210,820	144,448	38,736	40,410
	0	0	93,071	22,170	26,036
IT Accessibility					
General Fund	<u>0</u>	<u>0</u>	<u>579,813</u>	<u>0</u>	<u>0</u>
Cash Funds	0	0	229,433	0	0
Reappropriated Funds	0	0	219,401	0	0
Federal Funds	0	0	20,641	0	0
	0	0	110,338	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Moffat Tunnel Improvement District					
General Fund	109	104	295,000	5,000	5,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	109	104	295,000	5,000	5,000
Federal Funds	0	0	0	0	0
	0	0	0	0	0
Office of the State Architect					
General Fund	0	0	0	22,064	22,064 *
Cash Funds	0	0	0	6,715	6,715
Reappropriated Funds	0	0	0	8,601	8,601
Federal Funds	0	0	0	3,920	3,920
	0	0	0	2,828	2,828
DHR Training Services					
General Fund	0	0	0	9,264	9,264 *
Cash Funds	0	0	0	2,694	2,694
Reappropriated Funds	0	0	0	3,452	3,452
Federal Funds	0	0	0	1,983	1,983
	0	0	0	1,135	1,135
DHR Labor Relations Services					
General Fund	0	0	0	67,234	67,234 *
Cash Funds	0	0	0	19,559	19,559
Reappropriated Funds	0	0	0	25,050	25,050
Federal Funds	0	0	0	14,389	14,389
	0	0	0	8,236	8,236
Financial Ops and Reporting Services					
General Fund	0	0	0	318,998	318,998 *
Cash Funds	0	0	0	92,802	92,802
Reappropriated Funds	0	0	0	118,851	118,851
Federal Funds	0	0	0	68,271	68,271
	0	0	0	39,074	39,074

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>197,560</u>	<u>197,560</u> *
General Fund	0	0	0	57,474	57,474
Cash Funds	0	0	0	73,606	73,606
Reappropriated Funds	0	0	0	42,281	42,281
Federal Funds	0	0	0	24,199	24,199
DHR State Agency Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,960</u>	<u>45,960</u> *
General Fund	0	0	0	13,370	13,370
Cash Funds	0	0	0	17,124	17,124
Reappropriated Funds	0	0	0	9,836	9,836
Federal Funds	0	0	0	5,630	5,630
DPA Administration Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>24,925</u>	<u>24,925</u> *
General Fund	0	0	0	7,252	7,252
Cash Funds	0	0	0	9,286	9,286
Reappropriated Funds	0	0	0	5,334	5,334
Federal Funds	0	0	0	3,053	3,053
SUBTOTAL - (A) Administration	8,155,922	9,424,643	15,316,513	16,831,278	18,406,854
<i>FTE</i>	<u>13.4</u>	<u>14.4</u>	<u>18.8</u>	<u>20.1</u>	<u>20.1</u>
General Fund	2,604,793	2,873,488	4,326,876	4,870,118	5,344,023
Cash Funds	1,299,180	1,675,800	2,998,063	4,365,354	4,360,408
Reappropriated Funds	4,251,949	4,875,355	5,625,865	5,587,005	6,200,951
Federal Funds	0	0	2,365,709	2,008,801	2,501,472

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(B) State Demography Office					
n the Executive Director's Office in FY 2020-21.					
Program Costs	582,529	604,341	744,550	762,851	648,916 *
FTE	6.0	5.9	6.4	6.9	6.0
General Fund	468,243	481,548	619,214	631,886	517,951
Cash Funds	95,871	101,224	105,717	110,083	110,083
Reappropriated Funds	0	0	0	0	0
Federal Funds	18,415	21,569	19,619	20,882	20,882
Indirect Cost Assessment	8,201	8,481	15,020	15,719	15,957 *
General Fund	0	0	0	0	0
Cash Funds	8,201	8,481	12,703	13,234	13,434
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	2,317	2,485	2,523
SUBTOTAL - (B) State Demography Office	590,730	612,822	759,570	778,570	664,873
FTE	6.0	5.9	6.4	6.9	6.0
General Fund	468,243	481,548	619,214	631,886	517,951
Cash Funds	104,072	109,705	118,420	123,317	123,517
Reappropriated Funds	0	0	0	0	0
Federal Funds	18,415	21,569	21,936	23,367	23,405
TOTAL - (1) Executive Director's Office	8,746,652	10,037,465	16,076,083	17,609,848	19,071,727
FTE	19.4	20.3	25.2	27.0	26.1
General Fund	3,073,036	3,355,036	4,946,090	5,502,004	5,861,974
Cash Funds	1,403,252	1,785,505	3,116,483	4,488,671	4,483,925
Reappropriated Funds	4,251,949	4,875,355	5,625,865	5,587,005	6,200,951
Federal Funds	18,415	21,569	2,387,645	2,032,168	2,524,877

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(2) PROPERTY TAXATION					
ted fund sources include transfers from the Local Government Mineral and Energy Impact Grants and Disbursements line item in the Division of Local Government and indirect cost recoveries.					
Division of Property Taxation	2,409,813	2,621,413	3,390,353	3,562,893	3,562,893 *
FTE	31.5	33.4	37.8	38.2	38.2
General Fund	1,598,039	1,713,425	2,100,358	2,223,019	2,223,019
Cash Funds	648,924	714,619	1,050,056	1,098,518	1,098,518
Reappropriated Funds	162,850	193,369	239,939	241,356	241,356
Federal Funds	0	0	0	0	0
State Board of Equalization	305	4,831	12,856	12,856	12,856
General Fund	305	4,831	12,856	12,856	12,856
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Board of Assessment Appeals	490,201	545,273	692,208	718,817	718,817
FTE	6.9	10.3	13.2	13.2	13.2
General Fund	409,762	449,451	565,719	592,328	592,328
Cash Funds	80,439	95,822	126,489	126,489	126,489
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	136,013	161,261	118,894	152,222	103,919 *
General Fund	0	0	0	0	0
Cash Funds	97,762	123,010	97,067	125,880	88,003
Reappropriated Funds	38,251	38,251	21,827	26,342	15,916
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
TOTAL - (2) Property Taxation	3,036,332	3,332,778	4,214,311	4,446,788	4,398,485
<i>FTE</i>	<u>38.4</u>	<u>43.7</u>	<u>51.0</u>	<u>51.4</u>	<u>51.4</u>
General Fund	2,008,106	2,167,707	2,678,933	2,828,203	2,828,203
Cash Funds	827,125	933,451	1,273,612	1,350,887	1,313,010
Reappropriated Funds	201,101	231,620	261,766	267,698	257,272
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(3) DIVISION OF HOUSING					
on of Local Government.					
(A) Community and Non-Profit Services					
(1) Administration					
Personal Services	645,417	746,474	3,301,166	3,739,293	3,739,293 *
FTE	28.9	32.2	35.2	36.9	36.9
General Fund	504,316	609,428	1,040,180	1,156,187	1,156,187
Cash Funds	74,576	75,117	76,136	77,446	77,446
Reappropriated Funds	66,525	61,929	71,178	256,135	256,135
Federal Funds	0	0	2,113,672	2,249,525	2,249,525
Operating Expenses	68,015	118,369	474,501	469,181	469,181 *
General Fund	41,065	79,600	64,550	59,230	59,230
Cash Funds	4,938	4,938	4,938	4,938	4,938
Reappropriated Funds	22,012	33,831	64,918	64,918	64,918
Federal Funds	0	0	340,095	340,095	340,095
SUBTOTAL - (1) Administration	713,432	864,843	3,775,667	4,208,474	4,208,474
FTE	28.9	32.2	35.2	36.9	36.9
General Fund	545,381	689,028	1,104,730	1,215,417	1,215,417
Cash Funds	79,514	80,055	81,074	82,384	82,384
Reappropriated Funds	88,537	95,760	136,096	321,053	321,053
Federal Funds	0	0	2,453,767	2,589,620	2,589,620

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(2) Community Services					
Low Income Rental Subsidies	88,240,325	108,761,818	104,314,174	105,997,404	105,997,404 *
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	7,347,669	10,513,122	19,484,245	21,167,475	21,167,475
Cash Funds	5,597,045	5,825,008	939,649	939,649	939,649
Reappropriated Funds	0	0	0	0	0
Federal Funds	75,295,611	92,423,688	83,890,280	83,890,280	83,890,280
Homeless Prevention Programs	2,390,563	2,136,452	2,306,506	2,306,506	2,306,506
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	127,979	257,032	170,000	170,000	170,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	2,262,584	1,879,420	2,136,506	2,136,506	2,136,506
Appropriation to the FLEX Fund	0	103,355	300,581	305,016	305,016
FTE	0.0	0.2	1.0	1.0	1.0
General Fund	0	103,355	300,581	305,016	305,016
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (2) Community Services	90,630,888	111,001,625	106,921,261	108,608,926	108,608,926
FTE	0.0	0.2	1.0	1.0	1.0
General Fund	7,347,669	10,616,477	19,784,826	21,472,491	21,472,491
Cash Funds	5,725,024	6,082,040	1,109,649	1,109,649	1,109,649
Reappropriated Funds	0	0	0	0	0
Federal Funds	77,558,195	94,303,108	86,026,786	86,026,786	86,026,786

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(3) Fort Lyon Supportive Housing Program

Fort Lyon Supportive Housing	4,946,317	4,912,498	5,752,336	5,756,771	5,756,771
FTE	1.0	0.8	1.0	1.0	1.0
General Fund	4,946,317	4,912,498	750,000	5,756,771	5,756,771
Cash Funds	0	0	5,002,336	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

SUBTOTAL - (3) Fort Lyon Supportive Housing

Program	4,946,317	4,912,498	5,752,336	5,756,771	5,756,771
FTE	1.0	0.8	1.0	1.0	1.0
General Fund	4,946,317	4,912,498	750,000	5,756,771	5,756,771
Cash Funds	0	0	5,002,336	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(4) Ridge View Campus

Ridge View Campus	0	0	0		
FTE	0.0	0.0	0.0		
General Fund	0	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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SUBTOTAL - (4) Ridge View Campus	0	0	0		
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>		
General Fund	0	0	0		
Cash Funds	0	0	0		
Reappropriated Funds	0	0	0		
Federal Funds	0	0	0		

SUBTOTAL - (A) Community and Non-Profit Services	96,290,637	116,778,966	116,449,264	118,574,171	118,574,171
<i>FTE</i>	<u>29.9</u>	<u>33.2</u>	<u>37.2</u>	<u>38.9</u>	<u>38.9</u>
General Fund	12,839,367	16,218,003	21,639,556	28,444,679	28,444,679
Cash Funds	5,804,538	6,162,095	6,193,059	1,192,033	1,192,033
Reappropriated Funds	88,537	95,760	136,096	321,053	321,053
Federal Funds	77,558,195	94,303,108	88,480,553	88,616,406	88,616,406

(B) Field Services

Affordable Housing Program Costs	<u>1,552,000</u>	<u>1,696,449</u>	<u>2,452,770</u>	<u>2,576,599</u>	<u>2,576,599</u>
<i>FTE</i>	<u>23.8</u>	<u>27.8</u>	<u>31.5</u>	<u>30.8</u>	<u>30.8</u>
General Fund	138,776	193,534	224,065	235,596	235,596
Cash Funds	82,535	81,889	85,285	89,651	89,651
Reappropriated Funds	1,315,164	1,409,371	1,499,118	1,562,819	1,562,819
Federal Funds	15,525	11,655	644,302	688,533	688,533

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Affordable Housing Construction Grants and Loans pursuant to Section 24-32-721, C.R.S.					
FTE	33,583,199	28,221,231	41,199,716	41,199,716	41,199,716
	0.0	0.0	0.0	0.0	0.0
General Fund	9,198,313	9,177,876	9,200,000	9,200,000	9,200,000
Cash Funds	9,764,600	10,414,205	15,300,000	15,300,000	15,300,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	14,620,286	8,629,150	16,699,716	16,699,716	16,699,716
Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice Systems					
General Fund	500,000	500,000	500,000	500,000	500,000
	500,000	500,000	500,000	500,000	500,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Manufactured Buildings Program					
FTE	1,358,050	882,202	1,549,628	1,578,395	1,578,395
	7.3	7.5	16.7	16.7	16.7
General Fund	0	67,329	0	0	0
Cash Funds	1,358,050	814,873	1,549,628	1,578,395	1,578,395
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Mobile Home Park Act Oversight					
FTE	0	910,722	724,721	1,326,024	1,326,024
	4.8	7.9	6.8	10.5	10.5
General Fund	0	0	0	4,435	4,435
Cash Funds	0	910,722	724,721	1,321,589	1,321,589
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Appropriation to the Mobile Home Park Act Dispute Resolution & Enforcement Program Fund					
General Fund	0	32,778 0.6	246,582 1.0	109,697 (0.5)	109,697 (0.5)
Cash Funds	0	32,778	246,582	109,697	109,697
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CHFA Middle Income Access Program					
General Fund	0	25,000,000	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	25,000,000	0	0	0
Federal Funds	0	0	0	0	0
H.B. 21-1329 Affordable Housing Funds					
General Fund	128,529,422 2.6	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	128,529,422	0	0	0	0
SUBTOTAL - (B) Field Services	165,522,671	57,243,382	46,673,417	47,290,431	47,290,431
<i>FTE</i>	38.5	43.8	56.0	57.5	57.5
General Fund	9,837,089	9,971,517	10,170,647	10,049,728	10,049,728
Cash Funds	11,205,185	37,221,689	17,659,634	18,289,635	18,289,635
Reappropriated Funds	1,315,164	1,409,371	1,499,118	1,562,819	1,562,819
Federal Funds	143,165,233	8,640,805	17,344,018	17,388,249	17,388,249

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(C) Indirect Cost Assessments					
Indirect Cost Assessments					
General Fund	560,905	528,914	1,560,173	1,191,247	1,549,631 *
Cash Funds	0	0	0	0	0
Reappropriated Funds	106,498	124,491	792,626	490,240	880,046
Federal Funds	454,407	404,423	264,034	221,989	179,901
	0	0	503,513	479,018	489,684
SUBTOTAL - (C) Indirect Cost Assessments	560,905	528,914	1,560,173	1,191,247	1,549,631
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	106,498	124,491	792,626	490,240	880,046
Reappropriated Funds	454,407	404,423	264,034	221,989	179,901
Federal Funds	0	0	503,513	479,018	489,684
TOTAL - (3) Division of Housing					
	262,374,213	174,551,262	164,682,854	167,055,849	167,414,233
<i>FTE</i>	68.4	77.0	93.2	96.4	96.4
General Fund	22,676,456	26,189,520	31,810,203	38,494,407	38,494,407
Cash Funds	17,116,221	43,508,275	24,645,319	19,971,908	20,361,714
Reappropriated Funds	1,858,108	1,909,554	1,899,248	2,105,861	2,063,773
Federal Funds	220,723,428	102,943,913	106,328,084	106,483,673	106,494,339

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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(4) DIVISION OF LOCAL GOVERNMENT

Disbursements line item in this division, spending authority out of the Firefighter Benefits Cash Fund, and indirect cost recoveries.

(A) Local Government and Community Services

(1) Administration

Personal Services	1,270,806	1,308,146	1,616,791	1,674,893	1,674,893
FTE	14.3	16.5	18.1	17.8	17.8
General Fund	595,002	620,309	730,205	743,172	743,172
Cash Funds	0	0	0	0	0
Reappropriated Funds	675,804	687,837	712,875	742,213	742,213
Federal Funds	0	0	173,711	189,508	189,508
Operating Expenses	72,267	71,753	151,046	137,201	137,201
General Fund	48,632	46,678	61,873	48,028	48,028
Cash Funds	0	0	0	0	0
Reappropriated Funds	23,635	25,075	25,146	25,146	25,146
Federal Funds	0	0	64,027	64,027	64,027

Strategic Planning Group on Coloradans Age 50 and

Over	241,844	57,367	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	110,000	0	0	0	0
Cash Funds	131,844	57,367	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
Staff Working Document - Does Not Represent Committee Decision

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (I) Administration	1,584,917	1,437,266	1,767,837	1,812,094	1,812,094
FTE	14.3	16.5	18.1	17.8	17.8
General Fund	753,634	666,987	792,078	791,200	791,200
Cash Funds	131,844	57,367	0	0	0
Reappropriated Funds	699,439	712,912	738,021	767,359	767,359
Federal Funds	0	0	237,738	253,535	253,535

(2) Local Government Services

Conservation Trust Fund Disbursements	72,032,893	78,023,295	58,004,495	58,008,861	58,008,861
FTE	1.0	2.2	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	72,032,893	78,023,295	58,004,495	58,008,861	58,008,861
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Volunteer Firefighter Retirement Plans	4,509,758	4,284,734	4,770,000	4,770,000	4,770,000
General Fund	0	4,284,734	0	4,770,000	0
General Fund Exempt	4,509,758	0	4,770,000	0	4,770,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Volunteer Firefighter Death and Disability Insurance	21,065	21,065	30,000	30,000	30,000
General Fund	21,065	21,065	30,000	30,000	30,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Firefighter Heart and Circulatory Malfunction					
Benefits	1,548,291	1,685,510	1,709,763	1,711,980	1,711,980
FTE	0.5	0.3	0.5	0.5	0.5
General Fund	709,238	847,511	870,710	872,927	872,927
Cash Funds	0	0	0	0	0
Reappropriated Funds	839,053	837,999	839,053	839,053	839,053
Federal Funds	0	0	0	0	0
Local Utility Management Assistance	137,059	282,232	193,671	202,403	202,403
FTE	2.0	3.0	2.0	2.0	2.0
General Fund	0	0	0	0	0
Cash Funds	137,059	154,179	193,671	202,403	202,403
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	128,053	0	0	0
Environmental Protection Agency Water/Sewer File					
Project	65,662	0	260,669	263,828	263,828
FTE	0.4	0.0	0.5	0.5	0.5
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	65,662	0	260,669	263,828	263,828

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
SUBTOTAL - (2) Local Government Services	78,314,728	84,296,836	64,968,598	64,987,072	64,987,072
FTE	3.9	5.5	4.0	4.0	4.0
General Fund	730,303	5,153,310	900,710	5,672,927	902,927
General Fund Exempt	4,509,758	0	4,770,000	0	4,770,000
Cash Funds	72,169,952	78,177,474	58,198,166	58,211,264	58,211,264
Reappropriated Funds	839,053	837,999	839,053	839,053	839,053
Federal Funds	65,662	128,053	260,669	263,828	263,828
(3) Community Services					
Community Services Block Grant	6,951,214	7,924,449	6,475,029	6,475,029	6,475,029
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	6,951,214	7,924,449	6,475,029	6,475,029	6,475,029
Mobile Veterans Support Unit Grant Program	0	92,411	22,428	1,330	1,330
FTE	0.0	0.1	0.3	0.0	0.0
General Fund	0	92,411	22,428	1,330	1,330
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 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Disaster Resilience Rebuilding Program					
FTE	<u>0</u>	<u>113,624</u>	<u>218,294</u>	<u>232,042</u>	<u>232,042</u>
General Fund	0.0	2.5	3.1	3.1	3.1
Cash Funds	0	113,624	218,294	232,042	232,042
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (3) Community Services	6,951,214	8,130,484	6,715,751	6,708,401	6,708,401
FTE	<u>0.0</u>	<u>2.6</u>	<u>3.4</u>	<u>3.1</u>	<u>3.1</u>
General Fund	0	206,035	240,722	233,372	233,372
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	6,951,214	7,924,449	6,475,029	6,475,029	6,475,029
SUBTOTAL - (A) Local Government and Community Services					
FTE	<u>18.2</u>	<u>24.6</u>	<u>25.5</u>	<u>24.9</u>	<u>24.9</u>
General Fund	1,483,937	6,026,332	1,933,510	6,697,499	1,927,499
General Fund Exempt	4,509,758	0	4,770,000	0	4,770,000
Cash Funds	72,301,796	78,234,841	58,198,166	58,211,264	58,211,264
Reappropriated Funds	1,538,492	1,550,911	1,577,074	1,606,412	1,606,412
Federal Funds	7,016,876	8,052,502	6,973,436	6,992,392	6,992,392

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
(B) Field Services					
Program Costs					
FTE	9,793,344	3,009,316	3,591,070	3,720,386	3,720,386
	31.4	29.3	32.6	32.6	32.6
General Fund	7,237,185	348,875	358,099	371,847	371,847
Cash Funds	0	78,141	120,623	124,989	124,989
Reappropriated Funds	2,556,159	2,582,300	2,730,848	2,814,879	2,814,879
Federal Funds	0	0	381,500	408,671	408,671
Community Development Block Grant					
General Fund	8,733,071	5,739,251	8,820,748	8,820,748	8,820,748
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	8,733,071	5,739,251	8,820,748	8,820,748	8,820,748
Local Government Mineral and Energy Impact Grants and Disbursements					
General Fund	128,906,653	136,944,553	90,000,000	90,000,000	90,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	128,906,653	136,944,553	90,000,000	90,000,000	90,000,000
Federal Funds	0	0	0	0	0
Local Government Limited Gaming Impact Grants					
General Fund	1,710,192	4,960,577	6,050,111	6,050,111	6,050,111
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	4,960,577	6,050,111	6,050,111	6,050,111
Federal Funds	1,710,192	0	0	0	0
	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Local Government Geothermal Energy Impact					
Grants	0	172	50,000	50,000	50,000
General Fund	0	0	0	0	0
Cash Funds	0	172	50,000	50,000	50,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Rural Economic Development Initiative Grants	1,279,578	3,794,398	780,000	780,000	780,000
General Fund	1,279,578	3,794,398	780,000	780,000	780,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Gray and Black Market Marijuana Enforcement					
Grant Program	996,069	806,752	963,668	970,217	970,217
FTE	2.5	1.5	2.5	1.5	1.5
General Fund	0	0	0	0	0
Cash Funds	996,069	806,752	963,668	970,217	970,217
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Appropriation to the Targeted Crime Reduction					
Grant Program Cash Fund	3,000,000	3,000,000	6,000,000	6,000,000	6,000,000
General Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	3,000,000	3,000,000	3,000,000
Federal Funds	0	0	0	0	0

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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Appropriation to the Peace Officers Mental Health Support Fund					
General Fund	<u>3,000,000</u>	<u>5,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Peace Officers Mental Health Support Grant Program					
FTE	<u>788,693</u>	<u>1,239,844</u>	<u>2,002,214</u>	<u>2,005,836</u>	<u>2,005,836</u>
General Fund	0	2.2	1.0	1.0	1.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	788,693	1,239,844	2,002,214	2,005,836	2,005,836
Federal Funds	0	0	0	0	0
Defense Counsel on First Appearance Grant Program					
FTE	<u>668,987</u>	<u>682,518</u>	<u>1,999,982</u>	<u>1,500,425</u>	<u>1,500,425</u> *
General Fund	0.5	0.5	0.5	0.5	0.5
Cash Funds	668,987	682,518	1,999,982	1,500,425	1,500,425
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Law Enforcement Community Services Grant Program					
FTE	71,337	66,142	277,425	281,791	281,791
General Fund	1.0	0.9	1.0	1.0	1.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	71,337	66,142	277,425	281,791	281,791
Federal Funds	0	0	0	0	0
	0	0	0	0	0
Affordable Housing Development Incentives Grant Program					
FTE	46,527	1,102,516	0	0	0
General Fund	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	46,527	1,102,516	0	0	0
Federal Funds	0	0	0	0	0
	0	0	0	0	0
Local Government Planning Grant Program					
FTE	152,360	1,056,177	0	0	0
General Fund	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	152,360	1,056,177	0	0	0
Federal Funds	0	0	0	0	0
	0	0	0	0	0
Microgrids for Community Resilience Grant Program					
FTE	0	100,130	131,708	140,578	140,578
General Fund	0.0	1.2	2.0	2.0	2.0
Cash Funds	0	100,130	131,708	140,578	140,578
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Appropriation to the Public Defender and Prosecutor					
Behavioral Health Support Fund	0	0	500,000	500,000	500,000
General Fund	0	0	500,000	500,000	500,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Public Defender and Prosecutor Behavioral Health					
Support Grant Program	0	500,000	500,000	500,000	500,000
General Fund	0	500,000	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	500,000	500,000	500,000
Federal Funds	0	0	0	0	0
Search and Rescue Program					
FTE	625,903	314,123	0	0	0
General Fund	1.3	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	625,903	314,123	0	0	0
Federal Funds	0	0	0	0	0
Small Community-based Nonprofit Infrastructure					
Grants	0	10,150,116	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	10,150,116	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 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
Appropriation to the Local Government Limited					
Gaming Impact Fund	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
HB 17-1326 Crime Prevention Initiative Small					
Business Lending	1,314,927	2,106,939	0	0	0
General Fund	0	0	0	0	0
Cash Funds	1,314,927	2,106,939	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
2020 Census Outreach Grant Program					
FTE	0	0	0	0	0
General Fund	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Small Business Relief Program					
FTE	0	0	0	0	0
General Fund	0.0	0.0	0.0	0.0	0.0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
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Mobile Veterans Support Unit Grant Program
General Fund

229,070 0.6
229,070 0 0 0 0

SUBTOTAL - (B) Field Services	161,316,711	180,573,524	123,666,926	123,320,092	123,320,092
<i>FTE</i>	38.2	35.6	39.6	38.6	38.6
General Fund	15,414,820	23,576,037	8,769,789	8,292,850	8,292,850
Cash Funds	132,113,776	147,436,092	97,461,827	97,477,108	97,477,108
Reappropriated Funds	5,055,044	3,822,144	8,233,062	8,320,715	8,320,715
Federal Funds	8,733,071	5,739,251	9,202,248	9,229,419	9,229,419

(C) Indirect Cost Assessments

Indirect Cost Assessment	699,590	675,342	790,631	1,203,100	673,335 *
General Fund	0	0	0	0	0
Cash Funds	114,533	141,462	118,713	553,378	137,838
Reappropriated Funds	585,057	533,880	555,283	535,908	475,637
Federal Funds	0	0	116,635	113,814	59,860

SUBTOTAL - (C) Indirect Cost Assessments	699,590	675,342	790,631	1,203,100	673,335
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	114,533	141,462	118,713	553,378	137,838
Reappropriated Funds	585,057	533,880	555,283	535,908	475,637
Federal Funds	0	0	116,635	113,814	59,860

JBC Staff Figure Setting - FY 2024-25
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	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2024-25 Recommendation
TOTAL - (4) Division of Local Government					
<i>FTE</i>	248,867,160	275,113,452	197,909,743	198,030,759	197,500,994
	<u>56.4</u>	<u>60.2</u>	<u>65.1</u>	<u>63.5</u>	<u>63.5</u>
General Fund	16,898,757	29,602,369	10,703,299	14,990,349	10,220,349
General Fund Exempt	4,509,758	0	4,770,000	0	4,770,000
Cash Funds	204,530,105	225,812,395	155,778,706	156,241,750	155,826,210
Reappropriated Funds	7,178,593	5,906,935	10,365,419	10,463,035	10,402,764
Federal Funds	15,749,947	13,791,753	16,292,319	16,335,625	16,281,671
TOTAL - Department of Local Affairs					
<i>FTE</i>	523,024,357	463,034,957	382,882,991	387,143,244	388,385,439
	<u>182.6</u>	<u>201.2</u>	<u>234.5</u>	<u>238.3</u>	<u>237.4</u>
General Fund	44,656,355	61,314,632	50,138,525	61,814,963	57,404,933
General Fund Exempt	4,509,758	0	4,770,000	0	4,770,000
Cash Funds	223,876,703	272,039,626	184,814,120	182,053,216	181,984,859
Reappropriated Funds	13,489,751	12,923,464	18,152,298	18,423,599	18,924,760
Federal Funds	236,491,790	116,757,235	125,008,048	124,851,466	125,300,887