

# JOINT BUDGET COMMITTEE



## STAFF FIGURE SETTING FY 2024-25

## DEPARTMENT OF REVENUE

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.

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

## DEPARTMENT OVERVIEW

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

### THE EXECUTIVE DIRECTOR'S OFFICE

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

### THE TAXATION BUSINESS GROUP

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

### THE DIVISION OF MOTOR VEHICLES (DMV)

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

### THE SPECIALIZED BUSINESS GROUP

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

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

### THE STATE LOTTERY DIVISION

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

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

## SUMMARY OF STAFF RECOMMENDATIONS

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$494,194,408	\$148,514,239	\$336,350,158	\$7,882,293	\$1,447,718	1,701.7
HB24-1199 (Supplemental Bill)	(2,403,569)	(2,403,569)	0	0	0	0.0
Other legislation	8,468,990	7,324,599	749,367	395,024	0	13.9
<b>TOTAL</b>	<b>\$500,259,829</b>	<b>\$153,435,269</b>	<b>\$337,099,525</b>	<b>\$8,277,317</b>	<b>\$1,447,718</b>	<b>1,715.6</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$500,259,829	\$153,435,269	\$337,099,525	\$8,277,317	\$1,447,718	1,715.6
R1 GenTax & DRIVES support funding	714,515	442,906	271,609	0	0	8.3
R2 EDO space planning	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	278,639	0	278,639	0	0	3.7
R4 AID criminal investigation resources	200,742	0	200,742	0	0	0.0
R5 MED support funding	0	0	0	0	0	0.0
R6 Lottery modernization	0	0	0	0	0	0.0
R7 Alignment of existing appropriations	0	0	0	0	0	0.0
BA1 HB 23-1017 SUTS roll-forward	0	0	0	0	0	0.0
DRIVES Cash fund waiver	0	0	0	0	0	0
Centrally appropriated line items	14,958,641	8,446,758	6,922,646	89,032	(499,795)	0.0
Technical adjustments	5,011,708	(2,382,127)	7,489,626	0	(95,791)	0.0
Non-prioritized requests	1,960,917	804,274	1,156,643	0	0	0.0
Indirect cost assessment	1,592,390	(1,537,624)	1,592,389	1,537,625	0	0.0
Annualize prior year legislation	(4,744,449)	(5,817,983)	1,368,558	(295,024)	0	11.8
Annualize prior year budget actions	(5,005,178)	(1,565,958)	(3,439,220)	0	0	0.0
<b>TOTAL</b>	<b>\$515,227,754</b>	<b>\$151,825,515</b>	<b>\$352,941,157</b>	<b>\$9,608,950</b>	<b>\$852,132</b>	<b>1,739.4</b>
<b>INCREASE/(DECREASE)</b>	<b>\$14,967,925</b>	<b>(\$1,609,754)</b>	<b>\$15,841,632</b>	<b>\$1,331,633</b>	<b>(\$595,586)</b>	<b>23.8</b>
Percentage Change	3.0%	(1.0%)	4.7%	16.1%	(41.1%)	1.4%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$11,964,322	\$6,105,226	\$5,859,606	(\$510)	\$0	(0.0)

## DESCRIPTION OF INCREMENTAL CHANGES

**R1 GEN TAX & DRIVES SUPPORT FUNDING:** The recommendation includes \$714,515 total funds comprised of \$442,906 General Fund, \$271,609 cash funds from the Colorado DRIVES Vehicle Services Account and 8.3 FTE in FY 2024-25. The out-year impact of this request is \$872,806 total funds, including \$541,025 General Fund, \$331,780 DRIVES cash funds, and 9.0 FTE in FY 2025-26. The request aims to address the backlog of upgrades and system enhancements to the DRIVES and GenTax systems stemming from legislative, user experience, and system operational demands.

**R2 DEPARTMENT OF REVENUE SPACE PLANNING:** The recommendation includes the denial of \$365,000 General Fund in FY 2024-25 for a Departmental office relocation and reconfiguration to reduce office space and enhance the work environment for in-office employees. This operational request was submitted in tandem with a contingent capital request that was reviewed by the Capital Development Committee (CDC) on February 20, 2024. The CDC did not recommend funding for the capital-related component of this request; and staff consider the operating request to be contingent upon approval of capital funding from the CDC.

**R3 DMV FRAUD INVESTIGATION:** The recommendation includes an increase of \$278,639 cash funds from the Colorado DRIVES Vehicle Services Account and 3.7 FTE in FY 2024-25. The FY 2025-26 impact of this request is \$343,393 cash funds and 4.0 FTE. The State of Colorado has seen a significant increase in vehicle theft in recent years, and currently has the country's highest rate of auto thefts per capita. This request aims to reduce fraudulent activity related to identity fraud, identification documents, vehicle titles, and license plates.

**R4 AID CRIMINAL INVESTIGATION RESOURCES:** The recommendation includes an increase of \$200,742 cash fund spending authority from the Auto Dealers License Cash Fund in FY 2024-25 and ongoing to reclassify its investigators from Criminal Investigator I to Criminal Investigator II, which would more accurately align compensation with the duties and expertise needed to perform their investigatory duties.

**R5 MED SUPPORT FUNDING:** The recommendation includes denying a net-zero funding adjustment to the Marijuana Enforcement Division (MED). The MED budget-neutral funding request consists of a decrease of \$3.0 million in spending authority from the Marijuana Cash Fund (MCF), offset by an increase of \$3.0 million in spending authority from the Marijuana Tax Cash Fund (MTCF). Under the most recent marijuana revenue forecast from both LCS and OSPB, the MTCF will not be able to meet its current year obligations, and staff feel it imprudent to add an additional obligation to the fund at this time.

**R6 LOTTERY MODERNIZATION:** The recommendation includes denial of the Department's request for an increase of \$5.0 million in Lottery Cash Fund Spending authority in FY 2024-25 and FY 2025-26 to purchase Lottery vending and merchandising equipment. This is a continuation of a request approved in FY 2023-24. The original FY 2024-25 request included three years of spending authority. However, the JBC tabled funding in future years to allow additional time for consideration.

**R7 ALIGNMENT OF EXISTING APPROPRIATIONS:** The recommendation includes a net zero funding realignment that shifts \$1.2 million General Fund from the Payments to OIT Long Bill line item to the Tax Administration IT System (GenTax) Support Long Bill line item.

**BA1 H.B. 23-1017 SUTS ROLL-FORWARD:** The recommendation includes roll-forward authority for all unspent operating funding, currently estimated at \$1.6 million, of the FY 2023-24 appropriation related to H.B. 23-1017 (Electronic Sales and Use Tax Simplification System) be rolled forward to FY 2024-25 to complete the modifications, implementation, and promotional campaign of the Sales and Use Tax Simplification System.

**DRIVES CASH FUND WAIVER:** The recommendation includes approval of the Department's cash fund waiver request due to the one-time nature of the cash fund consolidation of the Licensing Services Cash Fund (LSCF) and the DRIVES Cash Fund (DRIVES), which created the excess reserve. The rapid spend down of the cash fund will bring the fund into compliance with the excess uncommitted reserve balance in FY 2026-27.

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

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$7,884,490	\$3,805,397	\$4,037,996	\$41,097	\$0	0.0
Health, life, and dental	2,657,504	1,906,598	1,028,952	36,643	(314,689)	0.0
Payments to OIT	2,221,989	1,215,312	1,006,677	0	0	0.0
PERA Direct Distribution	2,056,426	982,075	1,068,865	10,801	(5,315)	0.0
AED	583,256	495,874	171,240	1,031	(84,889)	0.0
SAED	583,256	495,874	171,240	1,031	(84,889)	0.0
Capitol Complex leased space	354,791	146,891	207,900	0	0	0.0
Paid Family & Medical Leave Insurance	64,587	48,942	22,984	155	(7,494)	0.0
Workers' compensation	42,969	16,388	26,581	0	0	0.0
Shift differential	24,083	0	24,083	0	0	0.0
Leased space	23,766	23,766	0	0	0	0.0
Short-term disability	19,950	15,717	6,708	44	(2,519)	0.0
ALJ services	369	0	369	0	0	0.0
Prior year salary survey	0	0	0	0	0	0.0
Step Plan	0	0	0	0	0	0.0
CORE adjustment	(538,340)	(205,376)	(332,964)	0	0	0.0
Legal services	(519,640)	(274,122)	(245,518)	0	0	0.0
Health, life, dental true-up	(331,929)	(162,364)	(167,795)	(1,770)	0	0.0
Risk management & property adjustment	(168,886)	(64,214)	(104,672)	0	0	0.0
<b>TOTAL</b>	<b>\$14,958,641</b>	<b>\$8,446,758</b>	<b>\$6,922,646</b>	<b>\$89,032</b>	<b>(\$499,795)</b>	<b>0.0</b>

**TECHNICAL ADJUSTMENTS:** The recommendation includes a net increase of \$5.0 million total funds including a net decrease of \$2.4 million General Fund for the following technical adjustments. Details are presented in the table below.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
License plate ordering	\$5,004,286	\$11,800	\$4,992,486	\$0	\$0	0.0
Contract escalator fast enterprises	1,308,969	182,631	1,126,338	0	0	0.0
Responsible gaming grant escalator	700,000	0	700,000	0	0	0.0

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Document solutions	695,578	695,578	0	0	0	0.0
Driver's license docs	387,631	0	387,631	0	0	0.0
HISA contract escalator	259,622	0	259,622	0	0	0.0
Technical adjustment for postage	83,228	59,679	23,549	0	0	0.0
AED and SAED adjustment	0	0	0	0	0	0.0
IDS print production	(3,331,815)	(3,331,815)	0	0	0	0.0
Federal Funds EDO	(95,791)	0	0	0	(95,791)	0.0
<b>TOTAL</b>	<b>\$5,011,708</b>	<b>(\$2,382,127)</b>	<b>\$7,489,626</b>	<b>\$0</b>	<b>(\$95,791)</b>	<b>0.0</b>

**NON-PRIORITIZED DECISION ITEMS:** The recommendation includes a net increase of \$1.9 million total funds, including an increase of \$0.8 million General Fund and an increase of \$1.2 million cash funds to reflect the FY 2023-24 impact of non-prioritized decision items, shown in the table below.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP Central Services Omnibus Request	\$2,016,771	\$855,402	\$1,161,369	\$0	\$0	0.0
Non-prioritized decision items	44,540	44,540	0	0	0	0.0
DPS Digital trunk radio	(95,668)	(95,668)	0	0	0	0.0
NP1 Annual fleet vehicle request	(4,726)	0	(4,726)	0	0	0.0
<b>TOTAL</b>	<b>\$1,960,917</b>	<b>\$804,274</b>	<b>\$1,156,643</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**ANNUALIZE PRIOR-YEAR LEGISLATION:** The recommendation includes a net decrease of \$4.7 million total funds, including a reduction of \$5.8 General Fund and an increase of \$1.4 cash funds to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 23-1272 Tax policy that advances decarbon	\$1,620,431	\$0	\$1,620,431	\$0	\$0	11.0
SB 23-290 Natural medicine regulation and leg	924,598	924,598	0	0	0	10.8
HB 23-1008 Food accessibility	276,052	276,052	0	0	0	1.4
HB 23-1189 Employer assist for home purchase	154,680	154,680	0	0	0	0.9
SB 23-016 Greenhouse gas reduction measures	147,818	147,818	0	0	0	0.7
HB 23-1309 Film industry tax credit	115,399	115,399	0	0	0	0.6
SB 23-251 Revoke driver's lic appeal ag	111,027	111,027	0	0	0	0.0
HB 23-1112 Earned income & child tax credit	76,168	76,168	0	0	0	0.0
HB 23-1277 Reporting adjust to taxable income	76,080	76,080	0	0	0	0.6
HB 23-1281 Advance use of clean hydrogen	61,754	61,754	0	0	0	0.0
SB 23-172 Protecting opps & workers' rights	22,669	22,669	0	0	0	0.0
HB 23-1061 Alcohol beverage retail establishment	12,835	0	12,835	0	0	0.3
SB 23-156 Sunset private letter ruling	10,729	0	10,729	0	0	0.2
HB 23-1017 SUTS simplification	(4,158,468)	(4,158,468)	0	0	0	0.0
HB 24-1199 Dept of Revenue Supplemental bill	(1,633,132)	(1,633,132)	0	0	0	0.0
SB 22-124 SALT parity act	(537,647)	(537,647)	0	0	0	(4.4)
SB 23-271 Intoxicating cannabinoid hemp & marij	(493,924)	(295,024)	96,124	(295,024)	0	(0.5)
HB 22-1007 Assist landowner wildfire mitigation	(381,945)	(381,945)	0	0	0	(6.7)
HB 23-1260 Advanced industry & semi	(285,452)	(285,452)	0	0	0	(1.4)
HB 23-1414 Healthy meals for all public school	(99,971)	(99,971)	0	0	0	(0.8)
SB 22-051 Policies to reduce emissions	(76,817)	(76,817)	0	0	0	0.0
HB 23-1265 Born to be wild lic plate	(72,763)	0	(72,763)	0	0	0.0
HB 23-1091 Cont of child care contribution	(70,926)	(70,926)	0	0	0	(0.5)



ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 23-012 Com motor carrier enforce safety	(61,110)	0	(61,110)	0	0	0.0
HB 23-1267 Double fines speeding trucks	(54,073)	0	(54,073)	0	0	0.0
HB23B-1002 Increase EITC	(51,483)	(51,483)	0	0	0	0.0
SB 23-049 Special mobile machinery	(50,059)	0	(50,059)	0	0	0.1
SB 22-006 Sales tax assistance for small bus	(44,380)	(44,380)	0	0	0	0.0
HB 23-1083 Colorado homeless contribution	(33,218)	(33,218)	0	0	0	0.0
HB 23-1391 Modifications to severance tax	(31,172)	(31,172)	0	0	0	(0.5)
SB 23-280 Hazardous material mitigation	(28,944)	(28,944)	0	0	0	0.0
SB 23-145 Stegosaurus lic plate	(28,909)	0	(28,909)	0	0	0.0
SB 23-097 Motor vehicle theft	(24,409)	0	(24,409)	0	0	0.0
SB 23-025 In God we trust lic plate	(23,080)	(4,293)	(18,787)	0	0	0.0
HB 23-1007 Assist landowner wildfire mitigation	(18,822)	(18,822)	0	0	0	0.0
SB 22-217 Programs that benefit persons	(17,216)	0	(17,216)	0	0	0.0
SB 23-143 Retail delivery fees	(17,086)	0	(17,086)	0	0	0.0
HB 23-1361 Oil & gas reporting	(12,300)	(12,300)	0	0	0	0.0
SB 23-212 US Navy Seabees lic plate	(8,144)	0	(8,144)	0	0	0.0
HB 23-1240 Sales tax use tax exempt wildfire	(6,734)	(6,734)	0	0	0	0.0
SB 22-107 Pikes peak international lic plate	(6,722)	0	(6,722)	0	0	0.0
HB 23-1025 Repeal of infrequent tax expenditures	(6,400)	(6,400)	0	0	0	0.0
HB 22-1406 Qualified retailer retain sales tax	(6,400)	(6,400)	0	0	0	0.0
HB 22-1241 Court appointed special advocate	(3,530)	0	(3,530)	0	0	0.0
HB 22-1103 Delta sigma theta lic plate	(2,869)	0	(2,869)	0	0	0.0
HB 23-1022 Regulation of fleet motor vehicles	(2,700)	0	(2,700)	0	0	0.0
HB 22-1014 Epilepsy awareness lic plate	(1,435)	0	(1,435)	0	0	0.0
SB 22-190 US Space Force lic plate	(1,201)	0	(1,201)	0	0	0.0
HB 22-1010 Early childhood educator tax credit	(700)	(700)	0	0	0	0.0
HB 22-1154 CO rotary lic plate	(548)	0	(548)	0	0	0.0
<b>TOTAL</b>	<b>(\$4,744,449)</b>	<b>(\$5,817,983)</b>	<b>\$1,368,558</b>	<b>(\$295,024)</b>	<b>\$0</b>	<b>11.8</b>

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

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY22 R1 Lottery reimagined for beneficiaries	\$2,294,726	\$0	\$2,294,726	\$0	\$0	0.0
FY24 R1 taxation call center	30,082	30,082	0	0	0	0.0
FY24 R2 Lottery modernization	(5,000,000)	0	(5,000,000)	0	0	0.0
FY24 IT accessibility	(2,329,986)	(1,596,040)	(733,946)	0	0	0.0
<b>TOTAL</b>	<b>(\$5,005,178)</b>	<b>(\$1,565,958)</b>	<b>(\$3,439,220)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

## MAJOR DIFFERENCES FROM THE REQUEST

The FY 2024-25 Department of Revenue decision item recommendations, in total, represent a \$1.2 million (0.2 percent) increase in the FY 2023-24 appropriation. This includes a \$442,900 (0.3 percent) recommended increase in General Fund, and a \$750,990 (0.2 percent) recommended increase in cash fund appropriations. Differences between the request and recommendation include:

- Committee common policy adjustments for centrally-appropriated line items.
- All FTE requests reflect Committee policy related to centrally appropriated line items in the first year.
- Denial of the R2, R5, and R6 requests.

## DECISION ITEMS AFFECTING MULTIPLE DIVISIONS

### → R1 GENTAX & DRIVES SUPPORT FUNDING

**REQUEST:** The Department of Revenue requests funding for ongoing support of the DRIVES and GenTax system, including \$866,221 total funds comprised of \$547,734 General Fund, \$318,487 cash funds from the Colorado DRIVES Vehicle Services Account (DRIVES), and 8.3 FTE in FY 2024-25. The FY 2025-26 impact of this request is \$866,979 total funds, including \$548,187 General Fund, \$318,792 DRIVES cash funds, and 9.0 FTE.

**RECOMMENDATION:** **Staff recommends approval of the request**, with adjustments for JBC common policies. The recommendation includes \$714,515 total funds comprised of \$442,906 General Fund, \$217,609 cash funds from the CO DRIVES Vehicle Services Account and 8.3 FTE in FY 2024-25. The out-year impact of this request is \$872,806 total funds, including \$541,025 General Fund, \$331,780 DRIVES cash funds, and 9.0 FTE in FY 2025-26.

**BACKGROUND & ANALYSIS:** The Department of Revenue is requesting ongoing funding in support of the DRIVES and GenTax system including \$866,221 total funds comprised of \$547,734 General Fund and \$318,487 cash funds from the DRIVES Cash Fund and 8.3 FTE in FY 2024-25. This request is a continuation of a two-year phased build-out of an internal IT team in the Executive Director's office that consolidated two Fast Enterprises IT systems, DRIVES and GenTax, that were formerly located in the Division of Motor Vehicles and the Taxation Business Group, respectively.

DRIVES is Colorado's Driver and Motor Vehicle services software platform, owned and developed by FAST Enterprises. This platform supports the needs of a diverse stakeholder population, including the Division of Motor Vehicles (DMV), 64 counties title and registration delegates, DOR's Hearings Division, the Department of Public Safety, local Law Enforcement, and others. The Colorado DRIVES system provides state and county employees with a standardized system, which the Department reports has minimal outages and downtime in driver's license offices across the State. Additionally, the system offers opportunities to standardize and centralize DMV printing and mailing operations.

GenTax is the State of Colorado's tax administration software platform. It is a customizable off-the-shelf application critical to the State's tax administration responsibilities, which performs vital and diverse functions, including the following:

- Return and payment processing;
- Revenue distribution;
- Return adjusting;
- Billing and collections;
- Auditing;
- Customer correspondence; and
- E-services for electronic filing and customer self-service account management.

The Department's contract with FAST Enterprises was negotiated initially to be conservative with the objective of using early learnings to better understand the legislative and strategic demands from the multitude of stakeholder groups that currently benefit from the DRIVES system. Therefore, the contract was focused on keeping the existing DRIVES system operational in the form of service packs,

version upgrades, and correcting inevitable programming flaws. It only includes 2,000 hours/year for other requests, such as enhancements necessary to support both user requests and new legislation, data requests, etc. which would roughly translate to resolving 60 small requests per year

In FY 2022-23 the JBC approved the Department's R1 (DMV DRIVES System Support) which provided \$3.1 million in DRIVES Cash Fund support and 11.0 FTE to staff and build out teams using a cross-functional, sub-team approach. Additionally, in FY 2022-23 the JBC approved the Department's R4 (Operational Funding Realignment) request. According to the Department, this net-zero funding realignment improved operational management, and matched the budget structure closer to the Department's operating realities. The two components of this request were:

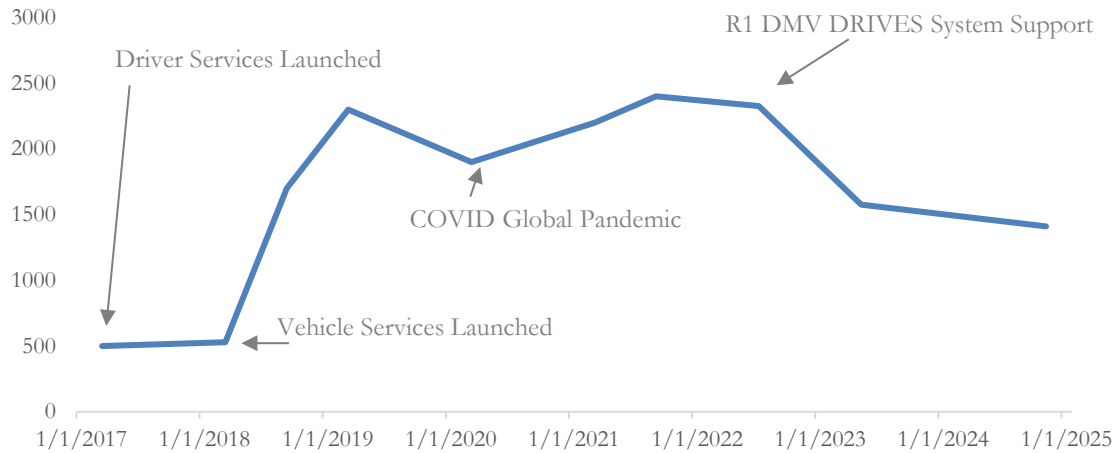
- 1 A permanent Long Bill relocation of the GenTax System Support Office (SSO) team from the Taxation Business Group (Tax) to the Executive Director's Office (EDO).
- 2 A permanent realignment of the Colorado DRIVES Development Support (DDS) team from the Division of Motor Vehicles (DMV) to EDO in the Long Bill.

The following year, FY 2023-24, the JBC approved the Departments R4 (DRIVES and GenTax Operational Realignment). This request finalized the consolidation of resources for the SSO and the DDS teams into the EDO begun in FY 2022-23.

The DRIVES and GenTax system support teams have made improvements over the past year, strategically addressing how to prioritize the backlog of requests through the Agile development process. However, the level of demand significantly outweighs the current capacity, resulting in the reality that at times the highest priority requests can only sometimes be completed. The increased demand hinders the department's ability to meet customer needs and ensure compliance with all federal and state laws and regulations.

The graph below shows the trend in programming change requests (SQRs) since the roll-out of the DRIVES system. Various internal and external factors have significantly impacted the backlog of requests. Note that the Department's FY 2022-23 R1 (DMV DRIVE System Support) funding did yield a significant reduction in the SQR backlog.

Open SQRs for the DRIVES system have trended down since the FY 2022-23  
R1 DRIVES Support funding, though significant work remains to be done.



The DRIVES system is slated for a major upgrade beginning in July 1, 2024 and running through March 31, 2026. The Department states that this upgrade is necessary to stay compliant with FAST Enterprises minimum version requirements and also to take advantage of new features and functionality. This functionality includes enhancing the online DMV customer experience. According to the Department, this work effort will approach 70,000 hours of programming and testing, spanning 18-24 months. High-level planning is currently underway at the Department to coordinate with the 1,500 county users of the system as well as finalize the approach and confirm if any additional incremental funding will benefit the success of the upgrade.

Additionally, the Tax and ISD Divisions continue to feel the workload impacts from the 2022 and 2023 legislative sessions which, combined, equate to over 45,000 hours of required programming. While funding did accompany the legislation that passed, it is the volume of work that has created a situation in which the Taxation and ISD Divisions do not have the capacity to address the backlog of technical changes that need to be made to optimize the system. These additional resources are needed so that both legislative implementation and normal system issues that have been identified can be corrected to reduce time-consuming manual workarounds.

According to the Department, the ISD Division continues to navigate hiring challenges in Colorado's competitive tech job market, which has slowed the intended progress to date. With many vacancies throughout FY 2022-23, teams did not achieve all goals outlined in the fiscal year, but ISD is seeing a positive trend in support for the many demands for both GenTax and DRIVES systems. On February 21, 2024, the Department reported 64 FTE in the ISD, with 6 vacancies currently cited, equating to a vacancy rate of 9.4 percent.

## REQUEST

### DRIVES & GEN TAX

The Department is requesting six Business Analyst III, two Business Analyst IV, and one Business Analyst V in the Innovation, Strategy, and Delivery (ISD) team. This request would create two additional teams to support the DRIVES and GenTax systems if approved. One team would be composed of three Business Analysts III, one Business Analyst IV, and one Business Analyst V. These members would support the Tax Division and the GenTax application and be funded via \$477,734

General Fund and 4.6 FTE in FY 2024-25 and ongoing. These additional resources will stand up another team to address the backlog associated with continued system correction in the GenTax system.

Three Business Analysts III and one Business Analyst IV are requested to support the DMV and the DRIVES application via \$318,487 DRIVES Cash Fund spending authority and 3.7 FTE in FY 2024-25 and ongoing. The Department states that an additional Business Analyst IV will increase project leadership capacity for the substantial backlog demand associated with state and county vehicle services. The Business Analyst III resources will support the ongoing development efforts; their team assignments depend upon backlog distribution and emergent stakeholder needs.

### TRANSLATION SERVICES

The Department of Revenue proposes contracting with a third party to perform live translation services for the taxation call center. The Department is requesting \$70,000 General Fund in FY 2024-25 and ongoing to offer language translation services to taxpayers who call the taxation services call center and do not speak English. According to the Department, other states provide live call translation services. Extrapolating from their experience, the Department estimates that just over 2,000 Colorado taxpayers would use translation services. Any caller electing live translation services will require more time to complete the call, and to ensure that other taxpayers are not negatively affected, additional agents are needed. According to the Department, without translation services funding, taxpayers will continue to be turned away until the taxpayer can find someone to translate for them.

The Department has consulted with the IRS and confirmed that using live translation services does not violate federal confidentiality requirements as long as the taxpayer verbally acknowledges the use of the services at the outset. The Department will implement that protocol when translation services are requested. Moreover, this funding will allow the Department to offer American Sign Language (ASL) translation services as well.

The request, recommendation, and annualization for R1 (GenTax & DRIVES Support Funding), are outlined in the table below. Differences between the request and recommendation are primarily driven by JBC standard policy adjustments pertaining to new FTE.

R1 GENTAX & DRIVES SUPPORT FUNDING						
	FY 2024-25 REQUEST		FY 2024-25 RECOMMENDATION		FY 2025-26 REC. ANNUALIZATION	
	FTE	Cost	FTE	Cost	FTE	Cost
Analyst III	5.5	\$353,969	5.5	\$348,399	6.0	\$380,072
Analyst IV	1.8	139,931	1.8	138,588	2.0	153,988
Analyst V	0.9	87,288	0.9	88,441	1.0	98,267
<b>Subtotal - Personal Services</b>	<b>8.3</b>	<b>\$581,188</b>	<b>8.3</b>	<b>\$575,428</b>	<b>9.0</b>	<b>\$632,327</b>
Employee Benefits		145,947		-		163,864
Standard Operating Expense		6,086		6,086		6,615
Capital Outlay		63,000		63,000		0
Consulting (Language Service)		70,000		70,000		70,000
<b>TOTALS</b>	<b>8.3</b>	<b>\$866,221</b>	<b>8.3</b>	<b>\$714,515</b>	<b>9.0</b>	<b>\$872,806</b>
<i>General Fund</i>		<i>\$547,734</i>		<i>\$442,906</i>		<i>\$541,026</i>
<i>DRIVES Cash Fund</i>		<i>318,487</i>		<i>271,609</i>		<i>331,780</i>

## → R2 DEPARTMENT OF REVENUE SPACE PLANNING

**REQUEST:** The Department requests \$365,000 General Fund to be utilized to co-locate with the Colorado Department of Transportation (CDOT) and acquire a new lease on a centrally located Denver Regional Service Center on the Auraria Higher Education Campus. Approval of this request would result in vacating the Department's current Pierce St. location in Lakewood.

This operational request is submitted in tandem with a Department of Revenue capital request (Collocation and Consolidation to Auraria) being reviewed by the Capital Development Committee CDC, and R2 is contingent on CDC approval.

**RECOMMENDATION:** **The recommendation includes the denial of the \$365,000 General Fund request** in FY 2024-25 for a Departmental office relocation and reconfiguration. This operational request was submitted in tandem with a contingent capital request (Collocation and Consolidation to Auraria) that was reviewed by the Capital Development Committee (CDC) on February 20, 2024.

The CDC did not recommend funding for the capital-related component of this request; therefore, given that staff interprets the R2 request being linked to the capital request, staff views this request as null. In the Capital Development Committee FY 2024-25 prioritized funding recommendation, the Department of Revenue's capital request (Collocation and Consolidation to Auraria) ranked 37<sup>th</sup> on their priority list. Nineteen capital projects totaling approximately \$270.0 million did not receive a funding recommendation from the CDC and ranked higher on their priority list.

**BACKGROUND & ANALYSIS:** The Department embraced hybrid work opportunities and has reduced more than 152,000 square feet of office space since 2020. With more than 75 percent of the workforce working in a hybrid environment, the Department's largest building, 1881 Pierce St, with 89,000 square feet, is significantly underutilized. A review of occupancy, using badge access data records, shows that only 21.0 percent of the Pierce building is occupied on a daily basis, meaning 16,000 square feet of Pierce's leased 89,000 square foot space is currently utilized.

The Department's request includes an ongoing General Fund increase of \$365,000 in FY 2024-25 in Leased Space to be utilized for co-locating with Colorado Department of Transportation(CDOT) office space. In addition to the ongoing \$365,000 in General Fund Leased Space, DOR is requesting to shift \$370,496 of existing General Fund Capitol Complex Leased Space funding to General Fund Lease Space.

Out year impacts of this request would include:

- \$370,496 General Fund realigned from Capitol Complex Leased Space to Lease Space in FY 2025-26 and ongoing.
- A cash fund reduction of \$421,484 in Capitol Complex Leased Space and an increase of \$210,742 cash fund increase in Leased Space resulting in a net reduction of \$210,742 cash funds in FY 2025-26 and ongoing.

The Department proposes the following solution to address the space needs for in-office workers, hoteling space for the hybrid workforce while also offering a centralized service center for the Denver metro customers:

- 1 Co-locate with CDOT at their Denver facility (2829 W. Howard Pl.) in early 2025. Have an entire floor (35,000 square feet) dedicated to DOR in-office and hoteling work. Divisions would include DMV, Taxation, and EDO.
- 2 Vacate 1881 Pierce St. entirely by June 2025.
- 3 Co-locate on the AHEC campus, moving into a parking garage/retail store front (11,800 square feet) that has been vacant for more than six years. This space would offer a central location in Denver to serve as the RSC for the Driver License Office, Tax Services, Cashiers Office and Mail Services by June 2025. This location is in the heart of Denver, close to multiple public transportation options, which will provide easier access to more citizens needing in-person DMV services.
- 4 The DMV's Vehicle Services and Driver Services sections, which are currently located at Pierce, would move to the largest driver license office location at 3265 S. Wadsworth, Lakewood. There is sufficient underutilized space in this office to accommodate the additional services without disruption of service levels.
- 5 Relocate the Colorado Lottery, their claims office, Automatic Drawings Machine and back-office to DOR's Cole Blvd. office location to capitalize on underutilized office space at that location.

These plans would equate to a net reduction of 42,000 square feet from the Pierce building, and also includes a reduction by CDOT of 35,000 square feet, for a total reduction of 77,000 square feet of space. According to the Department there is no large-scale disruption anticipated for Department employees or customers as a result of the moves proposed by the Department.

### ➔ R3 DMV FRAUD INVESTIGATION RESOURCES

*REQUEST:* The Department requests \$343,923 cash funds from the Colorado DRIVES Vehicle Services Account and 3.7 FTE in FY 2024-25 for additional investigators in the Motor Vehicle Investigation Unit to address the increase in caseload due to fraudulent activity related to identification theft, motor vehicle systems and records. This request's FY 2025-26 impact is \$343,393 cash funds from the Colorado DRIVES Vehicle Services Account and 4.0 FTE.

*RECOMMENDATION:* **Staff recommends approving the Department's request**, with standard adjustments related to JBC common policy.

*BACKGROUND & ANALYSIS:* The Department established the Motor Vehicle Investigation Unit (MVIU) in 1978. The purpose of this unit is to investigate and prevent fraud concerning the use of driver's licenses, identification cards, motor vehicle titles and registrations, and other motor vehicle



documents issued by the Department. This unit also assists victims of identity theft by means of these documents.

The current structure of the MVIU has remained constant for the last decade despite a substantial increase in the crimes they are tasked with mitigating and investigating. The unit last received an increase in resources during the 2014 legislative session when the Department of Corrections requested and received funding to enhance overall parole operations through a budget amendment BA1 (Pre-Release Services). As part of that amendment, the MVIU received reappropriated funding for a compliance Investigator.

The Motor Vehicle Investigation Unit currently is composed of 10.0 FTE including:

- 1.0 Chief Investigator
- 1.0 Supervisory Criminal Investigator
- 5.0 Criminal Investigators
- 1.0 Compliance Investigator
- 1.0 Investigative Analyst
- 1.0 Administrative Assistant

This request adds four additional FTE to the existing MVIU structure including:

- 2.0 Criminal Investigator I
- 1.0 Criminal Investigator II (Supervisory Investigator)
- 1.0 Administrative Assistant

The MVIU investigates cases of alleged fraudulent activity related to motor vehicle systems and records (e.g., vehicle titles, license plates, and identification documents). The MVIU also assists federal, state, and local law enforcement agencies related to biometric identification for investigations, fraudulent activity related to motor vehicle title and registration, and driver license and identification fraud, including online and now mobile identification fraud.

The Department defines calls for Assistance as those calls received by either the Law Enforcement Communication Center or MVIU from law enforcement include: adding or removing stolen vehicle holds, vehicle insurance inquiries, registration and driver vehicle status, conducting special searches of vehicle databases. Special searches are complex and require an analysis of various motor vehicle databases to assist with large or high-profile investigations. The Department provided data related to the calls for assistance which is illustrated in the graph below.



Law Enforcement Referrals are defined as those requests for investigative assistance from law enforcement agencies. Investigative assistance can be anything from providing information for photo lineups, or identifying possible bad actors through facial recognition or biometric identification and creating driver dossiers to analysis of title histories, registration or emissions documents to assist other law enforcement agencies with fraud and theft cases. It can also mean assigning a MVIU investigator to another law enforcement agency's criminal case for MVIU expertise in credential and motor vehicle fraud or cases that become MVIU cases from the law enforcement agency.

MVIU routinely receives referrals from law enforcement agencies that are turned into MVIU cases. Often this is a stolen identity or a stolen vehicle that is based on title fraud or vehicle VIN clone (a stolen vehicle with a stolen VIN placed on the stolen car to make it not appear stolen) or someone bought a vehicle with a counterfeit title. MVIU will either take over the criminal case, or work in partnership with the law enforcement agency to file the case. The Department provided data related to law enforcement referrals which is illustrated in the graph below.



Every time the MVIU receives a law enforcement referral or call for assistance, the case has the potential to be an identity theft or some other serious crime that extends well beyond the initial crime with multiple victims and large-scale victimization. The cases take months and sometimes years and involve complex analysis and investigative techniques to identify the criminal scheme and get to an

arrest. For instance, with the amount of online services now prolific, cybercrime has increased exponentially. DMV online services that did not exist a few years ago, are now an everyday part of life. With the DMV offering online services that didn't exist in 2019 and earlier, cyber crooks had opportunities that didn't exist previously and they preyed upon Coloradans, stealing identities through cybercrime methods.

There are numerous examples in Colorado of online fraud that have occurred over the past few years. In one large case that affected Colorado, there were over one thousand fraud victims that had their identity stolen. This one case involved hundreds of hours of investigation, involved multiple investigators and support staff, hours of research, mitigation and prevention activities. This case did not only affect Colorado, but the organized crime group victimized many thousands of victims throughout the country in approximately fifteen states.

According to the Federal Trade Commission, identity theft in Colorado has increased nearly 70 percent from 2019 to 2022. In 2023 alone, there were over 74,000 fraud and identity theft reports in Colorado, resulting in a loss of \$164.2 million to Colorado citizens.<sup>1</sup> With the public's increased reliance on the internet for services like banking, shopping, and accessing government records, more criminals are stealing personal information and using it to commit identity theft.

Criminals often obtain a government-issued identification credential to successfully commit identity theft. The MVIU's ability to catch these criminals before acquiring this identification is critical to protecting citizens and helping lower instances of identity theft.

The Department noted that government agencies issuing benefits rely on government-issued credentials to ensure those benefits go to the right person. With the uptick in identity theft, state and federal agencies are spending more time and resources investigating government benefits fraud. Hence, crimes committed through identity theft are adversely affecting numerous departmental agencies across the State, as well as adversely affecting Colorado citizens impacted by crimes associated with identity theft.

Finally, according to the Department, this request would positively impact disadvantaged populations. When a lower-income citizen has their car stolen, they often lose their most valuable possession and frequently their only means of transportation. Because it is more expensive to insure a vehicle fully, it is less likely that lower-income populations will be fully insured, thus exponentially compounding the adverse impact of vehicular theft on low-income groups.

Also, repairing damaged credit resulting from identity theft is very challenging. Obtaining police reports and getting banks and other financial institutions to recognize that poor credit is the result of identity theft prove more difficult for victims who aren't fluent in English, have limited education, are unhoused, or suffer from addiction or other health issues. The cost of hiring an attorney to assist after vehicle or identity theft is cost-prohibitive for many lower-income populations, including elderly Coloradans, who are often living on a fixed income.

The request, recommendation, and annualization for R3 (DMV Fraud Investigation Resources), are outlined in the table below. Differences between the request and recommendation are primarily driven by JBC standard policy adjustments pertaining to new FTE.

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<sup>1</sup> <https://www.ftc.gov/reports/consumer-sentinel-network-data-book-2023>

R3 DMV FRAUD INVESTIGATION RESOURCES						
	FY 2024-25 REQUEST		FY 2024-25 RECOMMENDATION		FY 2025-26 REC. ANNUALIZATION	
	FTE	Cost	FTE	Cost	FTE	Cost
Criminal Investigator I	1.8	\$130,846	1.8	\$128,918	2.0	\$143,242
Criminal Investigator II	0.9	77,987	0.9	82,262	1.0	91,402
Administrative Assistant I	0.9	40,373	0.9	36,754	1.0	40,837
<b>Subtotal - Personal Services</b>	<b>3.7</b>	<b>\$249,206</b>	<b>3.7</b>	<b>\$247,934</b>	<b>4.0</b>	<b>\$275,481</b>
Employee Benefits		64,012		0		72,308
Standard Operating Expense		2,705		2,705		2,940
Capital Outlay		28,000		28,000		0
<b>TOTALS</b>	<b>3.7</b>	<b>\$343,923</b>	<b>3.7</b>	<b>\$278,639</b>	<b>4.0</b>	<b>\$350,729</b>

### → R7 ALIGNMENT OF EXISTING APPROPRIATIONS - GenTax

**REQUEST:** The Department requests a budget neutral permanent General Fund appropriation shift from the Payments to OIT appropriation to the Tax Administration IT System (GenTax) Support appropriation in the amount of \$1,248,000 in FY 2024-25 and ongoing.

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

**ANALYSIS:** The GenTax servers hosted in the OIT Data Center came to the end of their useful service life in June 2023. With the approval of OIT, the Taxation Division entered into a contract with FAST Hosting Services, LLC to provide hosting on a go-forward basis. Approval of this request will shift the funds used to pay for the hosting from the Payments to OIT appropriation to the Tax Administration IT System (GenTax) Support appropriation so that the Taxation Division can pay the vendor directly for these services.

The Department has contracted with FAST Hosting Services, LLC through FY 2026-27 to provide hosted services for the GenTax system, using a managed service delivery model. According to the Department, the hosted services combine infrastructure and software that are designed and configured to be an optimal platform for hosting the GenTax application.

### → BA1 H.B. 23-1017 SALES & USE TAX ROLL-FORWARD

**REQUEST:** The Department of Revenue requests one year of roll-forward authority of all unspent operating funding for the Taxation Services and the Executive Director's office related to H.B. 23-1017 (Sales and Use Tax System Simplification). The roll-forward will allow the completion of all modifications to the electronic Sales and Use Tax System (SUTS) and initiate a promotional campaign for the system as outlined in the legislation.

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

*ANALYSIS:* H.B. 23-1017 (Sales and Use Tax System Simplification) specifies required functionality that the Department must add to the SUTS system. This functionality includes one-time SUTS programming costs of approximately \$5.1 million in FY 2023-24, with ongoing maintenance and support costs of roughly \$1.3 million. Required modifications include a bulk testing option for addresses wherein taxpayers can more efficiently find tax information for many sales locations.

This legislation also requires the Department to initiate a promotional campaign to promote the SUTS system to raise awareness, participation, and compliance. Previously, the Department spent about \$90,000 to promote the SUTS system through a mailing. This legislation includes a broader campaign, with the fiscal note estimating a cost of \$200,000.

The final programming milestones for the vendor, GovOS Inc., are due in October 2024. However, the one-time programming funding, totaling \$5.1 million, received by Taxation Services in FY 2023-24 will expire on June 30, 2024. The Department states that they can only initiate a promotional campaign once all programming modifications have been completed. The \$200,000 in funding received by the Executive Director's Office will also expire at the end of June 2024, before the projected completion of the programming and modifications.

This request is for all unspent operating funding, estimated to be \$1.6 million, of the FY 2023-24 funding related to H.B. 23-1017 (Sales and Use Tax System Simplification) to be rolled forward to FY 2024-25. The one-year roll forward authority would allow the Department to complete and implement SUTS modifications and initiate a promotional campaign to raise awareness, participation, and compliance as prescribed in the legislation.

#### → CASH FUND WAIVER REQUEST: DRIVES CASH FUND

*REQUEST:* The Department requests a three-year waiver (FY 2023-24 through FY 2025-26) from the excess uncommitted reserves limit for the Colorado DRIVES Vehicle Services Account Section 42-1-211, C.R.S.

*RECOMMENDATION:* Staff recommends approval of this cash fund waiver request, due to the one-time nature of the cash fund consolidation of the Licensing Services Cash Fund (LSCF) and the DRIVES Cash Fund (DRIVES), which created the excess reserve. The rapid spend down of the cash fund, will bring the fund into compliance with the excess uncommitted reserve balance in FY 2026-27.

*ANALYSIS:* During the FY 2021-22 Budget cycle the Department requested, and the JBC approved, legislation to consolidate the LSCF and the DRIVES Cash Fund, H.B. 22-1339 (Merge Department of Revenue Division of Motor Vehicles Cash Funds). The LSCF was previously exempted from the 16.5 percent fund balance limit because the fees generating the revenue in LSCF were set in statute.

The Department requested the merger of these two cash funds to align current DMV operations with the cash fund structure. The implementation of the DRIVES system in 2017 replaced two separate systems, which previously operated from two separate cash funds, into a single DMV system, which needed to operate from a single DMV cash fund. This resulted in a one-time fund balance transfer from the LSCF to the DRIVES Cash Fund of \$13.3 million during FY 2022-23. This transfer of fund balance added to the existing DRIVES fund balance and created the excess uncommitted reserves.

During FY 2023-24 the DRIVES Cash Fund will realize more than an \$8.0 million increase in expenditures for which there is no corresponding increase in revenue causing an annual operating deficit. The cost increases are primarily from the 5.0 percent statewide salary survey, which is unfunded for cash funds, and the return of OIT costs, which had previously been covered by the remaining credits that OIT provided during the transition from arrears billing to real-time billing. Cash funds had been charging services against that OIT credit balance for two years without incurring expenditure costs in the cash funds. With the credit balance now exhausted, the actual costs will resume being realized in cash funds.

Over the course of the three-year waiver, the fund balance will continue to be depleted through the current level of operational costs plus the mandatory increase in costs described above. It will come into compliance with the excess uncommitted reserve balance during FY 2026-27.

## (1) THE EXECUTIVE DIRECTOR'S OFFICE

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

EXECUTIVE DIRECTOR'S OFFICE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$103,976,445	\$45,083,841	\$51,254,988	\$7,042,030	\$595,586	221.9
HB24-1199 (Supplemental Bill)	1,633,132	1,633,132	0	0	0	0.0
Other legislation	943,164	863,401	22,663	57,100	0	2.3
<b>TOTAL</b>	<b>\$106,552,741</b>	<b>\$47,580,374</b>	<b>\$51,277,651</b>	<b>\$7,099,130</b>	<b>\$595,586</b>	<b>224.2</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$106,552,741	\$47,580,374	\$51,277,651	\$7,099,130	\$595,586	224.2
R1 GenTax & DRIVES support funding	644,515	372,906	271,609	0	0	8.3
BA1 HB 23-1017 SUTS roll-forward	0	0	0	0	0	0.0
R2 EDO space planning	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	0	0	0	0	0	0.0
R7 Alignment of existing appropriations	(1,248,000)	(1,248,000)	0	0	0	0.0
Centrally appropriated line items	9,552,405	6,407,215	3,555,953	89,032	(499,795)	0.0
Technical adjustments	(51,122)	59,679	(15,010)	0	(95,791)	0.0
Non-prioritized requests	1,960,917	804,274	1,156,643	0	0	0.0
Indirect cost assessment	47,964	(1,537,624)	47,963	1,537,625	0	0.0
Annualize prior year legislation	(1,243,941)	(1,652,949)	466,108	(57,100)	0	12.0
Annualize prior year budget actions	(2,329,986)	(1,596,040)	(733,946)	0	0	0.0
<b>TOTAL</b>	<b>\$113,885,493</b>	<b>\$49,189,835</b>	<b>\$56,026,971</b>	<b>\$8,668,687</b>	<b>\$0</b>	<b>244.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$7,332,752</b>	<b>\$1,609,461</b>	<b>\$4,749,320</b>	<b>\$1,569,557</b>	<b>(\$595,586)</b>	<b>20.3</b>
Percentage Change	6.9%	3.4%	9.3%	22.1%	(100.0%)	9.1%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$116,811,841</b>	<b>\$51,258,360</b>	<b>\$56,885,304</b>	<b>\$8,668,177</b>	<b>\$0</b>	<b>244.5</b>
Request Above/(Below) Recommendation	\$2,926,348	\$2,068,525	\$858,333	(\$510)	\$0	0.0

### DECISION ITEMS – THE EXECUTIVE DIRECTOR'S OFFICE (NONE)

The Department did not submit any decision items solely affecting this division. Changes requested in R1, R2, R3, R7, and BA1 are discussed under decision items impacting multiple divisions.

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

#### (A) ADMINISTRATION AND SUPPORT

## PERSONAL SERVICES

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

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

*REQUEST:* The Department's request is summarized in the table below. The request includes indirect cost recoveries refinancing, non-prioritized request, and the Department's R1 (GenTax and DRIVES Support Funding) request item, and the following annualization adjustments:

- S.B. 22-006 Sales Tax Assistance for Small Business
- S.B. 23-016 Greenhouse Gas Emission Reduction Measures
- S.B. 22-051 Policies to Reduce Emissions from Built Environment
- S.B. 23-172 Protecting Opportunities & Workers' Rights Act
- H.B. 23-1008 Food Accessibility
- H.B. 23-1017 Electronic Sales and Use Tax Simplification System
- H.B. 23-1091 Continuation of Child Care Contribution Tax Credit
- H.B. 23-1112 Earned Income and Child Tax Credits
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 23-1260 Advanced Industry and Semiconductor Manufacturing Incentives
- H. B.23-1272 Tax Policy That Advances Decarbonization
- H.B. 23-1277 Reporting Adjustments to Taxable Income
- H.B. 23-1309 Film Incentive Tax Credit
- H.B. 23B-1002 Increased Earned Income Tax Credit 2023
- H.B. 22-1414 Healthy School Meals for All

*RECOMMENDATION:* Staff recommends approval of the request, as outlined in the table below. The recommendation includes approval of the R1 (GenTax and DRIVES Support Funding).

## HEALTH, LIFE, AND DENTAL

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

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

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



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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, HEALTH, LIFE, AND DENTAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$20,790,040	\$9,035,999	\$11,333,648	\$105,704	\$314,689	0.0
HB24-1199 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$20,790,040</b>	<b>\$9,035,999</b>	<b>\$11,333,648</b>	<b>\$105,704</b>	<b>\$314,689</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$20,790,040	\$9,035,999	\$11,333,648	\$105,704	\$314,689	0.0
Centrally appropriated line items	2,325,575	1,744,234	861,157	34,873	(314,689)	0.0
Annualize prior year legislation	11,861	11,861	0	0	0	0.0
R1 GenTax & DRIVES support funding	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$23,127,476</b>	<b>\$10,792,094</b>	<b>\$12,194,805</b>	<b>\$140,577</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,337,436</b>	<b>\$1,756,095</b>	<b>\$861,157</b>	<b>\$34,873</b>	<b>(\$314,689)</b>	<b>0.0</b>
Percentage Change	11.2%	19.4%	7.6%	33.0%	(100.0%)	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$23,259,430</b>	<b>\$10,846,906</b>	<b>\$12,271,947</b>	<b>\$140,577</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$131,954	\$54,812	\$77,142	\$0	\$0	0.0

#### SHORT-TERM DISABILITY

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$164,274	\$71,051	\$89,768	\$936	\$2,519	0.0
<b>TOTAL</b>	<b>\$164,274</b>	<b>\$71,051</b>	<b>\$89,768</b>	<b>\$936</b>	<b>\$2,519</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$164,274	\$71,051	\$89,768	\$936	\$2,519	0.0
Centrally appropriated line items	19,950	15,717	6,708	44	(2,519)	0.0
R1 GenTax & DRIVES support funding	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$184,224</b>	<b>\$86,768</b>	<b>\$96,476</b>	<b>\$980</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$19,950</b>	<b>\$15,717</b>	<b>\$6,708</b>	<b>\$44</b>	<b>(\$2,519)</b>	<b>0.0</b>
Percentage Change	12.1%	22.1%	7.5%	4.7%	(100.0%)	0.0%

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHORT-TERM DISABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$185,400</b>	<b>\$87,262</b>	<b>\$97,158</b>	<b>\$980</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$1,176	\$494	\$682	\$0	\$0	0.0

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

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$5,557,539	\$2,396,407	\$3,044,623	\$31,620	\$84,889	0.0
HB24-1199 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,557,539</b>	<b>\$2,396,407</b>	<b>\$3,044,623</b>	<b>\$31,620</b>	<b>\$84,889</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$5,557,539	\$2,396,407	\$3,044,623	\$31,620	\$84,889	0.0
Centrally appropriated line items	583,256	495,874	171,240	1,031	(84,889)	0.0
R1 GenTax & DRIVES support funding	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	0	0	0	0	0	0.0
Technical adjustments	(6,140,795)	(2,892,281)	(3,215,863)	(32,651)	0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$5,557,539)</b>	<b>(\$2,396,407)</b>	<b>(\$3,044,623)</b>	<b>(\$31,620)</b>	<b>(\$84,889)</b>	<b>0.0</b>
Percentage Change	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$6,177,555</b>	<b>\$2,907,718</b>	<b>\$3,237,186</b>	<b>\$32,651</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$6,177,555	\$2,907,718	\$3,237,186	\$32,651	\$0	0.0

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

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,557,539	\$2,396,407	\$3,044,623	\$31,620	\$84,889	0.0
HB24-1199 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$5,557,539</b>	<b>\$2,396,407</b>	<b>\$3,044,623</b>	<b>\$31,620</b>	<b>\$84,889</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,557,539	\$2,396,407	\$3,044,623	\$31,620	\$84,889	0.0
Centrally appropriated line items	583,256	495,874	171,240	1,031	(84,889)	0.0
R1 GenTax & DRIVES support funding	0	0	0	0	0	0.0
R3 DMV fraud investigation resources	0	0	0	0	0	0.0
Technical adjustments	(6,140,795)	(2,892,281)	(3,215,863)	(32,651)	0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$5,557,539)</b>	<b>(\$2,396,407)</b>	<b>(\$3,044,623)</b>	<b>(\$31,620)</b>	<b>(\$84,889)</b>	<b>0.0</b>
Percentage Change	(100.0%)	(100.0%)	(100.0%)	(100.0%)	(100.0%)	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$6,177,555</b>	<b>\$2,907,718</b>	<b>\$3,237,186</b>	<b>\$32,651</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$6,177,555	\$2,907,718	\$3,237,186	\$32,651	\$0	0.0

### UNFUNDED LIABILITY AMORTIZATION EQUALIZATION DISBURSEMENT PAYMENTS [NEW LINE ITEM]

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.

*REQUEST:* The Department did not request a consolidation of AED and SAED, and the table below reflects Committee action to combine these two lines across all Departments.

**RECOMMENDATION:** The staff recommendation is shown in the table below and reflects Committee common policy. Staff requests permission to make adjustments if necessary based on the Committee's final action on total compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, AED/SAED UNFUNDED PERA LIABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Technical adjustments	\$12,281,590	\$5,784,562	\$6,431,726	\$65,302	\$0	0.0
<b>TOTAL</b>	<b>\$12,281,590</b>	<b>\$5,784,562</b>	<b>\$6,431,726</b>	<b>\$65,302</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$12,281,590</b>	<b>\$5,784,562</b>	<b>\$6,431,726</b>	<b>\$65,302</b>	<b>\$0</b>	<b>0.0</b>

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, AED/SAED UNFUNDED PERA LIABILITY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
Request Above/(Below) Recommendation	(\$12,281,590)	(\$5,784,562)	(\$6,431,726)	(\$65,302)	\$0	0.0

### PERA DIRECT DISTRIBUTION

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PERA DIRECT DISTRIBUTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$347,261	\$150,048	\$189,918	\$1,980	\$5,315	0.0
<b>TOTAL</b>	<b>\$347,261</b>	<b>\$150,048</b>	<b>\$189,918</b>	<b>\$1,980</b>	<b>\$5,315</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$347,261	\$150,048	\$189,918	\$1,980	\$5,315	0.0
Centrally appropriated line items	2,056,426	982,075	1,068,865	10,801	(5,315)	0.0
<b>TOTAL</b>	<b>\$2,403,687</b>	<b>\$1,132,123</b>	<b>\$1,258,783</b>	<b>\$12,781</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,056,426</b>	<b>\$982,075</b>	<b>\$1,068,865</b>	<b>\$10,801</b>	<b>(\$5,315)</b>	<b>0.0</b>
Percentage Change	592.2%	654.5%	562.8%	545.5%	(100.0%)	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,403,687</b>	<b>\$1,132,123</b>	<b>\$1,258,783</b>	<b>\$12,781</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### SALARY SURVEY

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

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

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

**RECOMMENDATION:** The staff recommendation is shown in the table below. Staff requests permission to make adjustments if necessary based on the Committee’s final action on total compensation policy.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SALARY SURVEY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$6,352,638	\$2,629,467	\$3,595,929	\$35,848	\$91,394	0.0
<b>TOTAL</b>	<b>\$6,352,638</b>	<b>\$2,629,467</b>	<b>\$3,595,929</b>	<b>\$35,848</b>	<b>\$91,394</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$6,352,638	\$2,629,467	\$3,595,929	\$35,848	\$91,394	0.0
Centrally appropriated line items	(1,794,220)	(526,845)	(1,255,336)	(12,039)	0	0.0
Technical adjustments	(91,394)	0	0	0	(91,394)	0.0
<b>TOTAL</b>	<b>\$4,467,024</b>	<b>\$2,102,622</b>	<b>\$2,340,593</b>	<b>\$23,809</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$1,885,614)</b>	<b>(\$526,845)</b>	<b>(\$1,255,336)</b>	<b>(\$12,039)</b>	<b>(\$91,394)</b>	<b>0.0</b>
Percentage Change	(29.7%)	(20.0%)	(34.9%)	(33.6%)	(100.0%)	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$7,788,765</b>	<b>\$3,760,339</b>	<b>\$3,987,839</b>	<b>\$40,587</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$3,321,741	\$1,657,717	\$1,647,246	\$16,778	\$0	0.0

### STEP PAY

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., et seq.

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, STEP PLAN						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Centrally appropriated line items	\$3,417,466	\$1,702,775	\$1,697,403	\$17,288	\$0	0.0
<b>TOTAL</b>	<b>\$3,417,466</b>	<b>\$1,702,775</b>	<b>\$1,697,403</b>	<b>\$17,288</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,417,466</b>	<b>\$1,702,775</b>	<b>\$1,697,403</b>	<b>\$17,288</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	n/a	n/a	n/a	n/a	n/a	n/a
Request Above/(Below) Recommendation	(\$3,417,466)	(\$1,702,775)	(\$1,697,403)	(\$17,288)	\$0	0.0

**SHIFT DIFFERENTIAL**

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

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

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

*RECOMMENDATION:* Staff recommends appropriating \$139,234 cash funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, SHIFT DIFFERENTIAL						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$115,151	\$0	\$115,151	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$115,151</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$115,151	\$0	\$115,151	\$0	\$0	0.0
Centrally appropriated line items	24,083	0	24,083	0	0	0.0
<b>TOTAL</b>	<b>\$139,234</b>	<b>\$0</b>	<b>\$139,234</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$24,083</b>	<b>\$0</b>	<b>\$24,083</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.9%	0.0%	20.9%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$139,234</b>	<b>\$0</b>	<b>\$139,234</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**WORKERS' COMPENSATION**

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, WORKERS' COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$487,491	\$185,922	\$301,569	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$487,491</b>	<b>\$185,922</b>	<b>\$301,569</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$487,491	\$185,922	\$301,569	\$0	\$0	0.0
Centrally appropriated line items	42,969	16,388	26,581	0	0	0.0

<b>TOTAL</b>	<b>\$530,460</b>	<b>\$202,310</b>	<b>\$328,150</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$42,969</b>	<b>\$16,388</b>	<b>\$26,581</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	8.8%	8.8%	8.8%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$546,940</b>	<b>\$213,863</b>	<b>\$333,077</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$16,480	\$11,553	\$4,927	\$0	\$0	0.0

### OPERATING EXPENSES

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

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

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

The request includes annualization adjustments for the following:

- S.B. 23-016 Greenhouse Gas Emission Reduction Measures
- S.B. 23-172 Protecting Opportunities and Workers' Rights Act
- H.B. 23-1008 Food Accessibility
- H.B. 23-1017 Electronic Sales and Use Tax Simplification System
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 23-1260 Advanced Industry and Semiconductor Manufacturing Incentives
- H.B. 23-1272 Tax Policy That Advances Decarbonization
- H.B. 23-1277 Reporting Adjustments To Taxable Income
- H.B. 22-1391 Modifications to Severance Tax

The request includes the fiscal impact of two of the Department's FY 2024-25 change requests:

- R1 GenTax & DRIVES Support Funding
- BA1 HB23-1017 SUTS Roll-forward

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$3,440,044	\$2,234,697	\$1,177,447	\$27,900	\$0	0.0
Other legislation	\$214,967	\$214,967	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$3,655,011</b>	<b>\$2,449,664</b>	<b>\$1,177,447</b>	<b>\$27,900</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$3,655,011	\$2,449,664	\$1,177,447	\$27,900	\$0	0.0
R1 GenTax & DRIVES support funding	69,087	41,453	27,634	0	0	0.0
BA1 HB 23-1017 SUTS roll-forward	0	0	0	0	0	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	(128,946)	(193,716)	64,770	0	0	0.0
<b>TOTAL</b>	<b>\$3,595,152</b>	<b>\$2,297,401</b>	<b>\$1,269,851</b>	<b>\$27,900</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$59,859)</b>	<b>(\$152,263)</b>	<b>\$92,404</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(1.6%)	(6.2%)	7.8%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,595,152</b>	<b>\$2,297,401</b>	<b>\$1,269,851</b>	<b>\$27,900</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### POSTAGE

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, POSTAGE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$221,480	\$99,175	\$122,305	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$221,480</b>	<b>\$99,175</b>	<b>\$122,305</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$221,480	\$99,175	\$122,305	\$0	\$0	0.0
Technical adjustments	83,228	59,679	23,549	0	0	0.0
<b>TOTAL</b>	<b>\$304,708</b>	<b>\$158,854</b>	<b>\$145,854</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$83,228</b>	<b>\$59,679</b>	<b>\$23,549</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	37.6%	60.2%	19.3%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$304,708</b>	<b>\$158,854</b>	<b>\$145,854</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### LEGAL SERVICES

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

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



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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEGAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$5,441,268	\$2,697,034	\$2,744,234	\$0	\$0	0.0
Other legislation	\$297,659	\$240,559	\$0	\$57,100	\$0	0.0
<b>TOTAL</b>	<b>\$5,738,927</b>	<b>\$2,937,593</b>	<b>\$2,744,234</b>	<b>\$57,100</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,738,927	\$2,937,593	\$2,744,234	\$57,100	\$0	0.0
Annualize prior year legislation	69,259	126,359	0	(57,100)	0	0.0
Centrally appropriated line items	(519,640)	(274,122)	(245,518)	0	0	0.0
<b>TOTAL</b>	<b>\$5,288,546</b>	<b>\$2,789,830</b>	<b>\$2,498,716</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$450,381)</b>	<b>(\$147,763)</b>	<b>(\$245,518)</b>	<b>(\$57,100)</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(7.8%)	(5.0%)	(8.9%)	(100.0%)	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$5,288,546</b>	<b>\$2,789,830</b>	<b>\$2,498,716</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### ADMINISTRATIVE LAW JUDGE SERVICES

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,196	\$0	\$1,196	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,196</b>	<b>\$0</b>	<b>\$1,196</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,196	\$0	\$1,196	\$0	\$0	0.0
Centrally appropriated line items	369	0	369	0	0	0.0
<b>TOTAL</b>	<b>\$1,565</b>	<b>\$0</b>	<b>\$1,565</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$369</b>	<b>\$0</b>	<b>\$369</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	30.9%	0.0%	30.9%	0.0%	0.0%	0.0%

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, ADMINISTRATIVE LAW JUDGE SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,667</b>	<b>\$0</b>	<b>\$1,667</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$102	\$0	\$102	\$0	\$0	0.0

### PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENT TO RISK MANAGEMENT AND PROPERTY FUNDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
HB24-1199 (Supplemental Bill)	\$847,842	\$847,842	\$0	\$0	\$0	0.0
SB 23-214 (Long Bill)	\$729,517	\$277,376	\$452,141	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,577,359</b>	<b>\$1,125,218</b>	<b>\$452,141</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$1,577,359	\$1,125,218	\$452,141	\$0	\$0	0.0
Centrally appropriated line items	(168,886)	(64,214)	(104,672)	0	0	0.0
<b>TOTAL</b>	<b>\$1,408,473</b>	<b>\$1,061,004</b>	<b>\$347,469</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$168,886)</b>	<b>(\$64,214)</b>	<b>(\$104,672)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(10.7%)	(5.7%)	(23.2%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$560,631</b>	<b>\$213,162</b>	<b>\$347,469</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	(\$847,842)	(\$847,842)	\$0	\$0	\$0	0.0

### VEHICLE LEASE PAYMENTS

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$943,837	\$131,717	\$812,120	\$0	\$0	0.0
HB24-1199 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$943,837</b>	<b>\$131,717</b>	<b>\$812,120</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$943,837	\$131,717	\$812,120	\$0	\$0	0.0
Non-prioritized requests	(4,726)	0	(4,726)	0	0	0.0
<b>TOTAL</b>	<b>\$939,111</b>	<b>\$131,717</b>	<b>\$807,394</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$4,726)</b>	<b>\$0</b>	<b>(\$4,726)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(0.5%)	0.0%	(0.6%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$939,111</b>	<b>\$131,717</b>	<b>\$807,394</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### LEASED SPACE

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

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

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

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

### CAPITOL COMPLEX LEASED SPACE

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$6,690,079	\$520,972	\$6,169,107	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,690,079</b>	<b>\$520,972</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$6,690,079	\$520,972	\$6,169,107	\$0	\$0	0.0
Centrally appropriated line items	23,766	23,766	0	0	0	0.0

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R2 EDO space planning	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$6,713,845</b>	<b>\$544,738</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$23,766</b>	<b>\$23,766</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.4%	4.6%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$7,078,845</b>	<b>\$909,738</b>	<b>\$6,169,107</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$365,000	\$365,000	\$0	\$0	\$0	0.0

### PAYMENTS TO OIT

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, PAYMENTS TO OIT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$21,042,912	\$11,509,374	\$9,533,538	\$0	\$0	0.0
HB24-1199 (Supplemental Bill)	\$878,576	\$878,576	\$0	\$0	\$0	0.0
Other legislation	\$16,335	\$0	\$16,335	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$21,937,823</b>	<b>\$12,387,950</b>	<b>\$9,549,873</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$21,937,823	\$12,387,950	\$9,549,873	\$0	\$0	0.0
Centrally appropriated line items	2,221,989	1,215,312	1,006,677	0	0	0.0
R7 Alignment of existing appropriations	(1,248,000)	(1,248,000)	0	0	0	0.0
Annualize prior year legislation	(894,911)	(878,576)	(16,335)	0	0	0.0
<b>TOTAL</b>	<b>\$22,016,901</b>	<b>\$11,476,686</b>	<b>\$10,540,215</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$79,078</b>	<b>(\$911,264)</b>	<b>\$990,342</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.4%	(7.4%)	10.4%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$22,016,901</b>	<b>\$11,476,686</b>	<b>\$10,540,215</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### DIGITAL TRUNK RADIO PAYMENTS

This line item provides funding for payments to the Office of Public Safety Communications in the Department of Public Safety related to digital trunk radio user charges. This is a new line item that reflects the transfer of digital trunk radio administration from the Office of Information Technology

to the Office of Public Safety Communications as created by H.B. 22-1353 (Public Safety Communications Transfer).

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, DIGITAL TRUNK RADIO PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$234,160	\$234,160	\$0	\$0	\$0	0.0
HB24-1199 (Supplemental Bill)	(93,286)	(93,286)	0	0	0	0.0
<b>TOTAL</b>	<b>\$140,874</b>	<b>\$140,874</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$140,874	\$140,874	\$0	\$0	\$0	0.0
Annualize prior year legislation	93,286	93,286	0	0	0	0.0
Non-prioritized requests	(95,668)	(95,668)	0	0	0	0.0
<b>TOTAL</b>	<b>\$138,492</b>	<b>\$138,492</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,382)</b>	<b>(\$2,382)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(1.7%)	(1.7%)	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$138,492</b>	<b>\$138,492</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## CORE OPERATIONS

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$804,958	\$307,090	\$497,868	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$804,958</b>	<b>\$307,090</b>	<b>\$497,868</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, CORE OPERATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation	\$804,958	\$307,090	\$497,868	\$0	\$0	0.0
Non-prioritized requests	44,540	44,540	0	0	0	0.0
Centrally appropriated line items	(538,340)	(205,376)	(332,964)	0	0	0.0
<b>TOTAL</b>	<b>\$311,158</b>	<b>\$146,254</b>	<b>\$164,904</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$493,800)</b>	<b>(\$160,836)</b>	<b>(\$332,964)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(61.3%)	(52.4%)	(66.9%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$405,946</b>	<b>\$182,416</b>	<b>\$223,530</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$94,788	\$36,162	\$58,626	\$0	\$0	0.0

### UTILITIES

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

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

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

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, ADMINISTRATION AND SUPPORT, UTILITIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$83,703	\$0	\$83,703	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$83,703</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### OFFICE OF THE STATE ARCHITECT SERVICES [NEW LINE ITEM]

This line item provides funding for payments statewide services provide by the Department of Personnel's Office of the State Architect.

*STATUTORY AUTHORITY:* Part 13 of Article 30 of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$5,358 total funds including \$2,273 General Fund and \$3,085 cash funds for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

STATE AGENCY SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide human resource services provide by the Department of Personnel's Division of Human Resources.

*STATUTORY AUTHORITY:* Part 13 of Article 30 of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$270,837 total funds, including 114,874 General Fund, and \$115,963 cash funds for the creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

STATEWIDE TRAINING SERVICES [NEW LINE ITEM]

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

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

*REQUEST:* The Department requests an appropriation of \$54,593 total funds, including 13,156 General Fund and \$31,437 cash funds for the creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

LABOR RELATIONS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide labor relation services provide by the Department of Personnel's Division of Human Resources, Labor Relations Unit.

*STATUTORY AUTHORITY:* Part 11, Article 50, of Title 24, C.R.S.

*REQUEST:* The Department requests an appropriation of \$385,744 total funds, including \$163,611 General Fund and \$222,133 cash funds, for creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### FINANCIAL OPERATIONS AND REPORTING SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide financial operations and reporting services provide by the Department of Personnel's Division of Accounts and Control.

*STATUTORY AUTHORITY:* Sections 24-30-201 through 24-30-207, C.R.S.

*REQUEST:* The Department requests an appropriation of \$685,826 total funds including \$290,889 General Fund, and \$394,937 cash funds for the creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

#### PROCUREMENT AND CONTRACTS SERVICES [NEW LINE ITEM]

This line item provides funding for payments for statewide procurement and contracts services provide by the Department of Personnel's Division of Accounts and Control.

*STATUTORY AUTHORITY:* Sections 24-102-201 through 207 and 24-102-301, C.R.S.

*REQUEST:* The Department requests an appropriation of \$424,741 total funds, including \$180,151 General Fund and \$244,590 cash funds for the creation of a new line item to accommodate a new common policy to provide annual funding for administrative services provide by the Department of Personnel.

*RECOMMENDATION:* The staff **recommendation is pending** the Committee common policy decision for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established.

### (B) HEARINGS DIVISION

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

#### PERSONAL SERVICES

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



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

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

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,384,028	\$0	\$3,384,028	\$0	\$0	33.3
<b>TOTAL</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$3,384,028</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,384,028	\$0	\$3,384,028	\$0	\$0	33.3
Centrally appropriated line items	117,179	0	117,179	0	0	0.0
<b>TOTAL</b>	<b>\$3,501,207</b>	<b>\$0</b>	<b>\$3,501,207</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$117,179</b>	<b>\$0</b>	<b>\$117,179</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.5%	0.0%	3.5%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,501,207</b>	<b>\$0</b>	<b>\$3,501,207</b>	<b>\$0</b>	<b>\$0</b>	<b>33.3</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

## OPERATING EXPENSES

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

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

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

*RECOMMENDATION:* Staff recommends approving the request.

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$110,412	\$0	\$110,412	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$110,412	\$0	\$110,412	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$110,412</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**INDIRECT COST ASSESSMENT**

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

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

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

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

EXECUTIVE DIRECTOR'S OFFICE, HEARINGS DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$240,603	\$0	\$240,603	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$240,603</b>	<b>\$0</b>	<b>\$240,603</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$240,603	\$0	\$240,603	\$0	\$0	0.0
Indirect cost assessment	47,963	0	47,963	0	0	0.0
Technical adjustments	(38,559)	0	(38,559)	0	0	0.0
<b>TOTAL</b>	<b>\$250,007</b>	<b>\$0</b>	<b>\$250,007</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$9,404</b>	<b>\$0</b>	<b>\$9,404</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.9%	0.0%	3.9%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$250,007</b>	<b>\$0</b>	<b>\$250,007</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (2) THE TAXATION BUSINESS GROUP

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

TAXATION BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$102,053,214	\$98,149,269	\$2,734,445	\$317,368	\$852,132	455.4
HB24-1199 (Supplemental Bill)	(4,036,701)	(4,036,701)	0	0	0	0.0
Other legislation	5,902,070	5,625,055	177,015	100,000	0	3.2
<b>TOTAL</b>	<b>\$103,918,583</b>	<b>\$99,737,623</b>	<b>\$2,911,460</b>	<b>\$417,368</b>	<b>\$852,132</b>	<b>458.6</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$103,918,583	\$99,737,623	\$2,911,460	\$417,368	\$852,132	458.6
R1 GenTax & DRIVES support funding	70,000	70,000	0	0	0	0.0
BA1 HB 23-1017 SUTS roll-forward	0	0	0	0	0	0.0
R7 Alignment of existing appropriations	1,248,000	1,248,000	0	0	0	0.0
Centrally appropriated line items	1,803,107	1,753,724	49,383	0	0	0.0
Technical adjustments	(2,453,606)	(2,453,606)	0	0	0	0.0
Annualize prior year legislation	(3,569,099)	(4,737,846)	1,168,747	0	0	(10.9)
Annualize prior year budget actions	30,082	30,082	0	0	0	0.0
<b>TOTAL</b>	<b>\$101,047,067</b>	<b>\$95,647,977</b>	<b>\$4,129,590</b>	<b>\$417,368</b>	<b>\$852,132</b>	<b>447.7</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,871,516)</b>	<b>(\$4,089,646)</b>	<b>\$1,218,130</b>	<b>\$0</b>	<b>\$0</b>	<b>(10.9)</b>
Percentage Change	(2.8%)	(4.1%)	41.8%	0.0%	0.0%	(2.4%)
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$4,036,701	\$4,036,701	\$0	\$0	\$0	0.0

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

### LINE ITEM DETAIL - TAXATION BUSINESS GROUP

#### (A) ADMINISTRATION

##### PERSONAL SERVICES

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

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

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

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

TAXATION BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$600,427	\$580,634	\$19,793	\$0	\$0	5.0
<b>TOTAL</b>	<b>\$600,427</b>	<b>\$580,634</b>	<b>\$19,793</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$600,427	\$580,634	\$19,793	\$0	\$0	5.0
Centrally appropriated line items	13,503	12,945	558	0	0	0.0
<b>TOTAL</b>	<b>\$613,930</b>	<b>\$593,579</b>	<b>\$20,351</b>	<b>\$0</b>	<b>\$0</b>	<b>5.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$13,503</b>	<b>\$12,945</b>	<b>\$558</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.2%	2.2%	2.8%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$13,792	\$13,792	\$0	\$0	\$0	0.0

#### OPERATING EXPENSES

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

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

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

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

TAXATION BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$12,543	\$12,543	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$12,543</b>	<b>\$12,543</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$12,543	\$12,543	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$12,543</b>	<b>\$12,543</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

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

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

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

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

- S.B. 22-006 Sales Tax Assistance for Small Business
- S.B. 22-124 SALT Parity Act Retroactive
- S.B. 23-016 Greenhouse Gas Emission Reduction Measures
- S.B. 22-051 Policies to Reduce Emissions from Built Environment
- S.B. 23-280 Hazardous Material Mitigation
- S.B. 23-290 Natural Medicine Regulation and Legalization
- H.B. 23-1007 Higher Education Crisis and Suicide Prevention
- H.B. 23-1008 Food Accessibility
- H.B. 23-1017 Electronic Sales and Use Tax Simplification System
- H.B. 23-1083 Qualified Higher Education Expenses Aviation Training
- H.B. 23-1091 Continuation of Child Care Contribution Tax Credit
- H.B. 23-1112 Earned Income and Child Tax Credits
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 23-1260 Advanced Industry and Semiconductor Manufacturing Incentives
- H. B.23-1272 Tax Policy That Advances Decarbonization
- H.B. 23-1277 Reporting Adjustments to Taxable Income
- H.B. 23-1281 Advance the use of Clean Hydrogen
- H.B. 23-1309 Film Incentive Tax Credit
- H.B. 23B-1002 Increased Earned Income Tax Credit 2023
- H.B. 22-1414 Healthy School Meals for All

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

TAXATION BUSINESS GROUP, ADMINISTRATION, TAX ADMINISTRATION IT SYSTEM (GENTAX) SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$6,621,390	\$6,538,484	\$82,906	\$0	\$0	0.0
Other legislation	\$349,950	\$293,700	\$56,250	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$6,971,340</b>	<b>\$6,832,184</b>	<b>\$139,156</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$6,971,340	\$6,832,184	\$139,156	\$0	\$0	0.0
R7 Alignment of existing appropriations	1,248,000	1,248,000	0	0	0	0.0

TAXATION BUSINESS GROUP, ADMINISTRATION, TAX ADMINISTRATION IT SYSTEM (GENTAX) SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year legislation	575,526	(134,158)	709,684	0	0	0.0
Technical adjustments	182,631	182,631	0	0	0	0.0
<b>TOTAL</b>	<b>\$8,977,497</b>	<b>\$8,128,657</b>	<b>\$848,840</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$2,006,157</b>	<b>\$1,296,473</b>	<b>\$709,684</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	28.8%	19.0%	510.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$8,977,497</b>	<b>\$8,128,657</b>	<b>\$848,840</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### IDS PRINT PRODUCTION

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

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

*REQUEST:* The Department request is summarized in the table below, and includes a decrease of \$3.3 million General Fund to correct a technical error in the Integrated Document Solutions (IDS) Print Production line item. The appropriation to this line item is set by the Document Solutions Group (DSG) Common Policy established by the Department of Personnel. The technical error resulted in a significant over-appropriation to the line item in FY 23-24. The over-appropriation was amended through supplemental action, H.B. 24-1199 (Department of Revenue Supplemental).

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

TAXATION BUSINESS GROUP, ADMINISTRATION, IDS PRINT PRODUCTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$9,363,133	\$9,316,354	\$46,779	\$0	\$0	0.0
HB24-1199 (Supplemental Bill)	(4,036,701)	(4,036,701)	0	0	0	0.0
<b>TOTAL</b>	<b>\$5,326,432</b>	<b>\$5,279,653</b>	<b>\$46,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$5,326,432	\$5,279,653	\$46,779	\$0	\$0	0.0
Technical adjustments	(3,331,815)	(3,331,815)	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,994,617</b>	<b>\$1,947,838</b>	<b>\$46,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$3,331,815)</b>	<b>(\$3,331,815)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(62.6%)	(63.1%)	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$6,031,318</b>	<b>\$5,984,539</b>	<b>\$46,779</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$4,036,701	\$4,036,701	\$0	\$0	\$0	0.0

### (B) TAXATION SERVICES

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

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

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

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

## PERSONAL SERVICES

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

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

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

- S.B. 22-006 Sales Tax Assistance for Small Business
- S.B. 23-016 Greenhouse Gas Emission Reduction Measures
- S.B. 22-051 Reduce Emissions from The Built Environment
- S.B. 22-124 SALT Parity Act Retroactive
- S.B. 23-156 Sunset Private Letter Ruling and Information Letter

- S.B. 23-280 Hazardous Material Mitigation
- S.B. 23-290 Natural Medicine Regulation and Legalization
- H.B. 23-1007 Higher Education Crisis and Suicide Prevention
- H.B. 23-1008 Food Accessibility
- H.B. 23-1091 Continuation of Child Care Contribution Tax Credit
- H.B. 23-1112 Earned Income and Child Tax Credits
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 22-1205 Senior Housing Income Tax Credit
- H.B. 23-1240 Sales Use Tax Exemption Wildfire Disaster Construction
- H.B. 23-1272 Tax Policy That Advances Decarbonization
- H.B. 23-1277 Reporting Adjustments to Taxable Income
- H.B. 23-1281 Advance the Use of Clean Hydrogen
- H.B. 23-1309 Film Incentive Tax Credit
- H.B. 22-1414 Healthy School Meals for All

*RECOMMENDATION:* Staff recommendation is reflected in the table below.

TAXATION BUSINESS GROUP, TAXATION SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$32,888,915	\$31,335,957	\$1,398,873	\$154,085	\$0	426.6
Other legislation	\$292,343	\$135,499	\$56,844	\$100,000	\$0	3.2
<b>TOTAL</b>	<b>\$33,181,258</b>	<b>\$31,471,456</b>	<b>\$1,455,717</b>	<b>\$254,085</b>	<b>\$0</b>	<b>429.8</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$33,181,258	\$31,471,456	\$1,455,717	\$254,085	\$0	429.8
Centrally appropriated line items	1,745,781	1,696,956	48,825	0	0	0.0
Annualize prior year budget actions	28,372	28,372	0	0	0	0.0
Annualize prior year legislation	(223,222)	(701,691)	478,469	0	0	(10.9)
<b>TOTAL</b>	<b>\$34,732,189</b>	<b>\$32,495,093</b>	<b>\$1,983,011</b>	<b>\$254,085</b>	<b>\$0</b>	<b>418.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,550,931</b>	<b>\$1,023,637</b>	<b>\$527,294</b>	<b>\$0</b>	<b>\$0</b>	<b>(10.9)</b>
Percentage Change	4.7%	3.3%	36.2%	0.0%	0.0%	(2.5%)
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	(\$13,792)	(\$13,792)	\$0	\$0	\$0	0.0

## OPERATING EXPENSES

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

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



**REQUEST:** The Department request is summarized in the table below, and includes adjustments for R1 (GenTax and DRIVES Support Funding).

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

TAXATION BUSINESS GROUP, TAXATION SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
Other legislation	\$5,138,956	\$5,138,956	\$0	\$0	\$0	0.0
SB 23-214 (Long Bill)	\$3,435,986	\$3,417,053	\$18,933	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$8,574,942</b>	<b>\$8,556,009</b>	<b>\$18,933</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$8,574,942	\$8,556,009	\$18,933	\$0	\$0	0.0
R1 GenTax & DRIVES support funding	70,000	70,000	0	0	0	0.0
Annualize prior year budget actions	1,710	1,710	0	0	0	0.0
BA1 HB 23-1017 SUTS roll-forward	0	0	0	0	0	0.0
Annualize prior year legislation	(3,869,329)	(3,906,254)	36,925	0	0	0.0
<b>TOTAL</b>	<b>\$4,777,323</b>	<b>\$4,721,465</b>	<b>\$55,858</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$3,797,619)</b>	<b>(\$3,834,544)</b>	<b>\$36,925</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(44.3%)	(44.8%)	195.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$4,777,323</b>	<b>\$4,721,465</b>	<b>\$55,858</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### JOINT AUDIT PROGRAM

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

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

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

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

### MINERAL AUDIT PROGRAM

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

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

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

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

### DOCUMENT MANAGEMENT

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

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

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

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

TAXATION BUSINESS GROUP, TAXATION SERVICES, DOCUMENT MANAGEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,262,345	\$4,262,345	\$0	\$0	\$0	0.0
Other legislation	\$120,821	\$56,900	\$63,921	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,383,166</b>	<b>\$4,319,245</b>	<b>\$63,921</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$4,383,166	\$4,319,245	\$63,921	\$0	\$0	0.0
Technical adjustments	695,578	695,578	0	0	0	0.0
Annualize prior year legislation	(52,074)	4,257	(56,331)	0	0	0.0
<b>TOTAL</b>	<b>\$5,026,670</b>	<b>\$5,019,080</b>	<b>\$7,590</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$643,504</b>	<b>\$699,835</b>	<b>(\$56,331)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	14.7%	16.2%	(88.1%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

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

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

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

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

TAXATION BUSINESS GROUP, TAXATION SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$0	\$0	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below)	\$0	\$0	\$0	\$0	\$0	0.0
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (C) TAX CONFEREE

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

### PERSONAL SERVICES

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

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

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

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

TAXATION BUSINESS GROUP, TAX CONFEREES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,636,930	\$1,539,647	\$0	\$97,283	\$0	13.6
<b>TOTAL</b>	<b>\$1,636,930</b>	<b>\$1,539,647</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,636,930	\$1,539,647	\$0	\$97,283	\$0	13.6
Centrally appropriated line items	43,823	43,823	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,680,753</b>	<b>\$1,583,470</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$43,823</b>	<b>\$43,823</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.7%	2.8%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,680,753</b>	<b>\$1,583,470</b>	<b>\$0</b>	<b>\$97,283</b>	<b>\$0</b>	<b>13.6</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### OPERATING EXPENSES

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

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

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

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

TAXATION BUSINESS GROUP, TAX CONFEREES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$60,905	\$60,905	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$60,905</b>	<b>\$60,905</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$60,905	\$60,905	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$60,905</b>	<b>\$60,905</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$60,905</b>	<b>\$60,905</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (D) SPECIAL PURPOSE

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

### CIGARETTE TAX REBATE

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

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

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

*REQUEST:* The Department requests that \$6,512,685 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2024 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation included in the Long Bill.

### AMENDMENT 35 DISTRIBUTION TO LOCAL GOVERNMENTS

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

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

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

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

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

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

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

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

*REQUEST:* The Department requests that \$8,721,000 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2024 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

TAXATION BUSINESS GROUP, SPECIAL PURPOSE, OLD AGE HEAT AND FUEL AND PROPERTY TAX ASSISTANCE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$8,721,000	\$8,721,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$8,721,000</b>	<b>\$8,721,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$8,721,000	\$8,721,000	\$0	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$8,721,000</b>	<b>\$8,721,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$8,721,000</b>	<b>\$8,721,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**COMMERCIAL VEHICLE ENTERPRISE SALES TAX REFUND**

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

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

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

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

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

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

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

*REQUEST:* The Department requests that \$25,720,418 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

*RECOMMENDATION:* Staff recommends reflecting an appropriation based on the March 2024 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

### (3) DIVISION OF MOTOR VEHICLES

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

DIVISION OF MOTOR VEHICLES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$68,601,350	\$5,074,569	\$63,338,453	\$188,328	\$0	540.0
Other legislation	455,238	4,293	450,945	0	0	0.8
<b>TOTAL</b>	<b>\$69,056,588</b>	<b>\$5,078,862</b>	<b>\$63,789,398</b>	<b>\$188,328</b>	<b>\$0</b>	<b>540.8</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$69,056,588	\$5,078,862	\$63,789,398	\$188,328	\$0	540.8
R3 DMV fraud investigation resources	278,639	0	278,639	0	0	3.7
Centrally appropriated line items	2,141,490	277,086	1,864,404	0	0	0.0
Technical adjustments	6,553,429	11,800	6,541,629	0	0	0.0
Indirect cost assessment	855,238	0	855,238	0	0	0.0
Annualize prior year legislation	(379,549)	(4,293)	(375,256)	0	0	0.1
<b>TOTAL</b>	<b>\$78,505,835</b>	<b>\$5,363,455</b>	<b>\$72,954,052</b>	<b>\$188,328</b>	<b>\$0</b>	<b>544.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$9,449,247</b>	<b>\$284,593</b>	<b>\$9,164,654</b>	<b>\$0</b>	<b>\$0</b>	<b>3.8</b>
Percentage Change	13.7%	5.6%	14.4%	0.0%	0.0%	0.7%
<b>FY 2024-25 EXECUTIVE REQUEST</b>						
Request Above/(Below) Recommendation	\$1,273	\$0	\$1,273	\$0	\$0	(0.0)

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

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

##### (A) ADMINISTRATION

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

##### PERSONAL SERVICES



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

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

*REQUEST:* The Department requests an appropriation of \$3,681,192 total funds, including \$647,247 General Fund, \$2,982,159 cash funds, \$51,786 reappropriated funds, and 40.6 FTE. The request includes a \$247,934 cash fund increase as well as an additional 3.7 FTE associated with R3 (DMV Fraud Investigation Resources). Details of the request are provided in the table below.

*RECOMMENDATION:* **Staff recommends approving the request**, with adjustments consistent with JBC common policy. Details of the recommendation are provided in the table below.

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,280,272	\$617,237	\$2,611,249	\$51,786	\$0	36.9
<b>TOTAL</b>	<b>\$3,280,272</b>	<b>\$617,237</b>	<b>\$2,611,249</b>	<b>\$51,786</b>	<b>\$0</b>	<b>36.9</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,280,272	\$617,237	\$2,611,249	\$51,786	\$0	36.9
R3 DMV fraud investigation resources	247,934	0	247,934	0	0	3.7
Centrally appropriated line items	151,714	30,010	121,704	0	0	0.0
<b>TOTAL</b>	<b>\$3,679,920</b>	<b>\$647,247</b>	<b>\$2,980,887</b>	<b>\$51,786</b>	<b>\$0</b>	<b>40.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$399,648</b>	<b>\$30,010</b>	<b>\$369,638</b>	<b>\$0</b>	<b>\$0</b>	<b>3.7</b>
Percentage Change	12.2%	4.9%	14.2%	0.0%	0.0%	10.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$1,272	\$0	\$1,272	\$0	\$0	(0.0)

## OPERATING EXPENSES

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

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

*REQUEST:* The Department requests an appropriation of \$558,434 total funds, including \$63,731 General Fund, \$491,313 cash funds, and \$3,390 reappropriated funds.

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$527,728	\$63,731	\$460,607	\$3,390	\$0	0.0

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$527,728</b>	<b>\$63,731</b>	<b>\$460,607</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$527,728	\$63,731	\$460,607	\$3,390	\$0	0.0
R3 DMV fraud investigation resources	30,705	0	30,705	0	0	0.0
<b>TOTAL</b>	<b>\$558,433</b>	<b>\$63,731</b>	<b>\$491,312</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$30,705</b>	<b>\$0</b>	<b>\$30,705</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5.8%	0.0%	6.7%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$558,434</b>	<b>\$63,731</b>	<b>\$491,313</b>	<b>\$3,390</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$1	\$0	\$1	\$0	\$0	0.0

## DRIVES MAINTENANCE AND SUPPORT

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

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

*REQUEST:* The Department requests a total appropriation of \$9,317,558 including \$18,000 General Fund, and \$9,299,558 cash funds. The request includes the following annualization adjustments:

- H.B. 23-1272 Tax Policy That Advances Decarbonization
- H.B. 23-1267 Double Fines Speeding Trucks On Steep Grades
- H.B. 23-1265 Born to Be Wild Special License Plate
- H.B. 23-1022 Registration of Vehicles in Rental Fleets
- S.B. 23-212 United States Navy Seabees License Plate
- S.B. 23-145 Stegosaurus State Fossil License Plate
- S.B. 23-143 Retail Delivery Fees
- S.B. 23-097 Motor Vehicle Theft and Unauthorized Use
- S.B. 23-049 Special Mobile Machinery Registration Exemption
- S.B. 23-025 In God We Trust Special License Plate
- S.B. 23-012 Commercial Motor Carrier Enforcement Safety Laws

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

DIVISION OF MOTOR VEHICLES, ADMINISTRATION, DRIVES MAINTENANCE AND SUPPORT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$8,191,220	\$18,000	\$8,173,220	\$0	\$0	0.0
Other legislation	\$242,597	\$4,293	\$238,304	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$8,433,817</b>	<b>\$22,293</b>	<b>\$8,411,524</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$8,433,817	\$22,293	\$8,411,524	\$0	\$0	0.0
Technical adjustments	1,126,338	0	1,126,338	0	0	0.0
Annualize prior year legislation	(242,597)	(4,293)	(238,304)	0	0	0.0
<b>TOTAL</b>	<b>\$9,317,558</b>	<b>\$18,000</b>	<b>\$9,299,558</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$883,741</b>	<b>(\$4,293)</b>	<b>\$888,034</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	10.5%	(19.3%)	10.6%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$9,317,558</b>	<b>\$18,000</b>	<b>\$9,299,558</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (B) DRIVER SERVICES

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

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

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

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

## PERSONAL SERVICES

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

Administrative Revocation Account, and the First-time Drunk Driving Offender Account; and several funds that provide minimal funding.

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

*REQUEST:* The Department requests an appropriation of \$27,258,120 total funds, including \$3,228,433 General Fund, \$23,906,705 cash funds, \$122,982 reappropriated funds, and 426.9 FTE.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$25,605,964	\$3,030,850	\$22,452,132	\$122,982	\$0	426.9
<b>TOTAL</b>	<b>\$25,605,964</b>	<b>\$3,030,850</b>	<b>\$22,452,132</b>	<b>\$122,982</b>	<b>\$0</b>	<b>426.9</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$25,605,964	\$3,030,850	\$22,452,132	\$122,982	\$0	426.9
Centrally appropriated line items	1,652,156	197,583	1,454,573	0	0	0.0
<b>TOTAL</b>	<b>\$27,258,120</b>	<b>\$3,228,433</b>	<b>\$23,906,705</b>	<b>\$122,982</b>	<b>\$0</b>	<b>426.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$1,652,156</b>	<b>\$197,583</b>	<b>\$1,454,573</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	6.5%	6.5%	6.5%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$27,258,120</b>	<b>\$3,228,433</b>	<b>\$23,906,705</b>	<b>\$122,982</b>	<b>\$0</b>	<b>426.9</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

## OPERATING EXPENSES

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

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

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

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,534,299	\$414,260	\$2,109,869	\$10,170	\$0	0.0
<b>TOTAL</b>	<b>\$2,534,299</b>	<b>\$414,260</b>	<b>\$2,109,869</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,534,299	\$414,260	\$2,109,869	\$10,170	\$0	0.0
<b>TOTAL</b>	<b>\$2,534,299</b>	<b>\$414,260</b>	<b>\$2,109,869</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,534,299</b>	<b>\$414,260</b>	<b>\$2,109,869</b>	<b>\$10,170</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## DRIVER'S LICENSE DOCUMENTS

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

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

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

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, DRIVERS LICENSE DOCUMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$7,756,108	\$3,498	\$7,752,610	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$7,756,108</b>	<b>\$3,498</b>	<b>\$7,752,610</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$7,756,108	\$3,498	\$7,752,610	\$0	\$0	0.0
Technical adjustments	387,631	0	387,631	0	0	0.0
<b>TOTAL</b>	<b>\$8,143,739</b>	<b>\$3,498</b>	<b>\$8,140,241</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$387,631</b>	<b>\$0</b>	<b>\$387,631</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	5.0%	0.0%	5.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$8,143,739</b>	<b>\$3,498</b>	<b>\$8,140,241</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## IGNITION INTERLOCK PROGRAM

House Bill 08-1194 requires first time drunk driving offenders to obtain an ignition interlock for their vehicle in order to reinstate their licenses. It increased the driver's license reinstatement fee by \$35 and credited that increase to the newly created "First Time Drunk Driver Offender account". The money in the account is used to assist those who cannot afford an ignition interlock system to purchase them

so they can continue to drive for employment related purposes. The fund also supports high-visibility drunk-driving enforcement actions administered by the Department of Transportation.

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

*REQUEST:* The Department requests an appropriation of \$728,379 cash funds and 6.9 FTE. The Department's request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, IGNITION INTERLOCK PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$695,945	\$0	\$695,945	\$0	\$0	6.9
<b>TOTAL</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$695,945</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$695,945	\$0	\$695,945	\$0	\$0	6.9
Centrally appropriated line items	32,434	0	32,434	0	0	0.0
<b>TOTAL</b>	<b>\$728,379</b>	<b>\$0</b>	<b>\$728,379</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
<b>INCREASE/(DECREASE)</b>	<b>\$32,434</b>	<b>\$0</b>	<b>\$32,434</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.7%	0.0%	4.7%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$728,379</b>	<b>\$0</b>	<b>\$728,379</b>	<b>\$0</b>	<b>\$0</b>	<b>6.9</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## INDIRECT COST ASSESSMENT

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

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

*REQUEST:* The Department requests an appropriation of \$3,593,346 cash funds. The Department request is summarized in the table below.

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

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						

DIVISION OF MOTOR VEHICLES, DRIVER SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 23-214 (Long Bill)	\$2,819,339	\$0	\$2,819,339	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$2,819,339</b>	<b>\$0</b>	<b>\$2,819,339</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,819,339	\$0	\$2,819,339	\$0	\$0	0.0
Indirect cost assessment	738,833	0	738,833	0	0	0.0
Technical adjustments	35,174	0	35,174	0	0	0.0
<b>TOTAL</b>	<b>\$3,593,346</b>	<b>\$0</b>	<b>\$3,593,346</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$774,007</b>	<b>\$0</b>	<b>\$774,007</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	27.5%	0.0%	27.5%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,593,346</b>	<b>\$0</b>	<b>\$3,593,346</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (C) VEHICLE SERVICES

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

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

### PERSONAL SERVICES

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

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$3,181,121	\$662,406	\$2,518,715	\$0	\$0	53.3
Other legislation	\$47,492	\$0	\$47,492	\$0	\$0	0.8

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>TOTAL</b>	<b>\$3,228,613</b>	<b>\$662,406</b>	<b>\$2,566,207</b>	<b>\$0</b>	<b>\$0</b>	<b>54.1</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$3,228,613	\$662,406	\$2,566,207	\$0	\$0	54.1
Centrally appropriated line items	244,156	49,493	194,663	0	0	0.0
Annualize prior year legislation	9,498	0	9,498	0	0	0.1
<b>TOTAL</b>	<b>\$3,482,267</b>	<b>\$711,899</b>	<b>\$2,770,368</b>	<b>\$0</b>	<b>\$0</b>	<b>54.2</b>
<b>INCREASE/(DECREASE)</b>	<b>\$253,654</b>	<b>\$49,493</b>	<b>\$204,161</b>	<b>\$0</b>	<b>\$0</b>	<b>0.1</b>
Percentage Change	7.9%	7.5%	8.0%	0.0%	0.0%	0.2%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,482,267</b>	<b>\$711,899</b>	<b>\$2,770,368</b>	<b>\$0</b>	<b>\$0</b>	<b>54.2</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## OPERATING EXPENSES

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

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$388,285	\$28,587	\$359,698	\$0	\$0	0.0
Other legislation	\$13,952	\$0	\$13,952	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$402,237</b>	<b>\$28,587</b>	<b>\$373,650</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$402,237	\$28,587	\$373,650	\$0	\$0	0.0
Annualize prior year legislation	(7,525)	0	(7,525)	0	0	0.0
<b>TOTAL</b>	<b>\$394,712</b>	<b>\$28,587</b>	<b>\$366,125</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$7,525)</b>	<b>\$0</b>	<b>(\$7,525)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(1.9%)	0.0%	(2.0%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$394,712</b>	<b>\$28,587</b>	<b>\$366,125</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## LICENSE PLATE ORDERING

This line item funds payments to the Department of Correction, Correctional Industries for producing and distributing license plates, permits, placards, tabs, and other related items. These products are



distributed to the State's 64 counties and the State offices for timely distribution to customers. The funding comes from the License Plate Cash Fund, which is funded by fees charged for license plates and associated products. The General Fund appropriation is provided to replace foregone revenue on plates and products for which the Division does not collect fees, pursuant to Section 42-3-213, C.R.S.

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, LICENSE PLATE ORDERING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$8,714,024	\$236,000	\$8,478,024	\$0	\$0	0.0
Other legislation	\$151,197	\$0	\$151,197	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$8,865,221</b>	<b>\$236,000</b>	<b>\$8,629,221</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$8,865,221	\$236,000	\$8,629,221	\$0	\$0	0.0
Technical adjustments	5,004,286	11,800	4,992,486	0	0	0.0
Annualize prior year legislation	(138,925)	0	(138,925)	0	0	0.0
<b>TOTAL</b>	<b>\$13,730,582</b>	<b>\$247,800</b>	<b>\$13,482,782</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$4,865,361</b>	<b>\$11,800</b>	<b>\$4,853,561</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	54.9%	5.0%	56.2%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$13,730,582</b>	<b>\$247,800</b>	<b>\$13,482,782</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM

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

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, MOTORIST INSURANCE IDENTIFICATION DATABASE PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$346,332	\$0	\$346,332	\$0	\$0	1.0
<b>TOTAL</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$346,332</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$346,332	\$0	\$346,332	\$0	\$0	1.0
Centrally appropriated line items	8,370	0	8,370	0	0	0.0
<b>TOTAL</b>	<b>\$354,702</b>	<b>\$0</b>	<b>\$354,702</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$8,370</b>	<b>\$0</b>	<b>\$8,370</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	2.4%	0.0%	2.4%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$354,702</b>	<b>\$0</b>	<b>\$354,702</b>	<b>\$0</b>	<b>\$0</b>	<b>1.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## EMISSIONS PROGRAM

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

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, EMISSIONS PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,230,606	\$0	\$1,230,606	\$0	\$0	15.0
<b>TOTAL</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$1,230,606</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,230,606	\$0	\$1,230,606	\$0	\$0	15.0
Centrally appropriated line items	52,660	0	52,660	0	0	0.0
<b>TOTAL</b>	<b>\$1,283,266</b>	<b>\$0</b>	<b>\$1,283,266</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$52,660</b>	<b>\$0</b>	<b>\$52,660</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	4.3%	0.0%	4.3%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,283,266</b>	<b>\$0</b>	<b>\$1,283,266</b>	<b>\$0</b>	<b>\$0</b>	<b>15.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## INDIRECT COST ASSESSMENT

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

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

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

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

DIVISION OF MOTOR VEHICLES, VEHICLE SERVICES, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$426,142	\$0	\$426,142	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$426,142</b>	<b>\$0</b>	<b>\$426,142</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$426,142	\$0	\$426,142	\$0	\$0	0.0
Indirect cost assessment	116,405	0	116,405	0	0	0.0
<b>TOTAL</b>	<b>\$542,547</b>	<b>\$0</b>	<b>\$542,547</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$116,405</b>	<b>\$0</b>	<b>\$116,405</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	27.3%	0.0%	27.3%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$542,547</b>	<b>\$0</b>	<b>\$542,547</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (D) COUNTY SUPPORT SERVICES

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

In FY 2019-20, the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund replaced the Colorado State Titling and Registration Account in the Highway Users Tax Fund, pursuant to Section 42-1-211 (2), C.R.S. Sources of Revenue include a share of fees and taxes for

titling and registering motor vehicles; for titling manufactured homes; and for the sale of some special license plates.

## OPERATING EXPENSES

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

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

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

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

## COUNTY OFFICE ASSET MAINTENANCE

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

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

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

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

## COUNTY OFFICE IMPROVEMENTS

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

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

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

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

## (4) SPECIALIZED BUSINESS GROUP

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

SPECIALIZED BUSINESS GROUP						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$72,354,680	\$206,560	\$71,813,553	\$334,567	\$0	382.3
Other legislation	1,168,518	831,850	98,744	237,924	0	7.6
<b>TOTAL</b>	<b>\$73,523,198</b>	<b>\$1,038,410</b>	<b>\$71,912,297</b>	<b>\$572,491</b>	<b>\$0</b>	<b>389.9</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$73,523,198	\$1,038,410	\$71,912,297	\$572,491	\$0	389.9
R4 AID criminal investigation resources	200,742	0	200,742	0	0	0.0
R5 MED support funding	0	0	0	0	0	0.0
Centrally appropriated line items	1,097,199	8,733	1,088,466	0	0	0.0
Technical adjustments	963,007	0	963,007	0	0	0.0
Indirect cost assessment	538,860	0	538,860	0	0	0.0
Annualize prior year legislation	448,140	577,105	108,959	(237,924)	0	10.6
<b>TOTAL</b>	<b>\$76,771,146</b>	<b>\$1,624,248</b>	<b>\$74,812,331</b>	<b>\$334,567</b>	<b>\$0</b>	<b>400.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$3,247,948</b>	<b>\$585,838</b>	<b>\$2,900,034</b>	<b>(\$237,924)</b>	<b>\$0</b>	<b>10.6</b>
Percentage Change	4.4%	56.4%	4.0%	(41.6%)	0.0%	2.7%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$76,771,146</b>	<b>\$1,624,248</b>	<b>\$74,812,331</b>	<b>\$334,567</b>	<b>\$0</b>	<b>400.5</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## DECISION ITEMS - SPECIALIZED BUSINESS GROUP

### → R4 CRIMINAL INVESTIGATION RESOURCES

REQUEST: The Department request is composed of two parts:

- 1 An increase of \$200,742 cash fund spending authority from the Auto Dealers License Cash Fund in FY 2024-25 and ongoing to reclassify its investigators from Criminal Investigator I to Criminal Investigator II. This change which would more accurately align compensation with the duties and expertise needed to perform their investigatory responsibilities
- 2 A labeling change that would update the Long Bill and change the Division name from “(4) *Specialized Business Group (E) Motor Vehicle Licensing Board*” to “(4) *Specialized Business Group (E) Auto Industry Division*”. The Division has operated under the Auto Industry Division (AID) brand for many years, but the Long Bill label has not been updated to match the change.

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

*ANALYSIS:* The Auto Industry Division (AID) regulates motor and powersports, vehicle salespersons, dealers, wholesalers, wholesale auction dealers, manufacturers, distributors, and manufacturer representatives, and faces significant recruiting and retention efforts. This increase in cash fund spending authority is to reclassify its investigators from Criminal Investigator I to Criminal Investigator II, which would more accurately align compensation with the duties and expertise needed to perform their investigatory responsibilities.

The AID has experienced a 42.0 percent increase in consumer complaints over the past three years. In addition, investigations have increased in complexity due to advancements in technology, which requires increased training of investigators to navigate the technological changes effectively.

A vehicle purchase is one of the three most significant household expenses, and vehicle prices have increased dramatically over the past three years. The average new vehicle price in 2023 is \$51,000, 30 percent higher than in 2020. Additionally, used vehicle prices have surged 37 percent. AID investigators provide critical service and protection to Colorado consumers related to these significant purchases by regulating the motor vehicle and power sports industry with a balanced emphasis on education, compliance, and enforcement of applicable laws and regulations.

The Department states that this change in job classification would align wages within the Division and recognize the expertise needed to carry out their duties. This increase in spending authority would also enhance AID's ability to attract and retain high quality personal to serve Colorado citizens. Being able to attract and retain qualified criminal investigators has proven to be a significant challenge to the Department, which is in large part due to the non-competitive salary of the Criminal Investigator I.

The average base salary for an AID Investigator I is \$65,448, increasing the difficulty in attracting and retaining investigative staff in the AID, which currently has a 41 percent vacancy rate in this position. Comparatively, the Bureau of Labor Statistics shows that in 2022, the mean annual wage of detectives and criminal investigators in Colorado was \$95,450. According to the City and County of Denver website, police detectives earn \$112,077 per year, and the base salary at the Denver Police Department increases to \$71,322 during the first year after graduation from the academy.

The Department provided the FTE composition of the Auto Industry Division, which is found in the table below:

AUTO INDUSTRY DIVISION JOB CLASS	
JOB CLASSIFICATION	FTE COUNT
Management	1.0
Analyst	1.0
Policy Advisor II	1.0
Legal Assistant II	1.0
Office Manager I	1.0
Program Assistant I	1.0
Program Assistant II	1.0
Admin Assistant II	1.0
Admin Assistant III	6.0
Compliance Investigator I	2.0
Compliance Investigator II	1.0
Criminal Investigator I	11.0
Criminal Investigator II	2.0

AUTO INDUSTRY DIVISION JOB CLASS	
JOB CLASSIFICATION	FTE COUNT
Criminal Investigator III	1.0
Criminal Investigator IV	1.0
	32.0

The Department also provided a salary comparison of Criminal Investigator I salaries within the Department's Specialized Business Group.

CRIMINAL INVESTIGATOR AVERAGE ANNUAL SALARY		
	CRIMINAL INVESTIGATOR I	CRIMINAL INVESTIGATOR II
AID	\$65,488	\$79,576
SBG	70,448	86,924

## → R5 MARIJUANA ENFORCEMENT DIVISION FUNDING ADJUSTMENT

**REQUEST:** The request is for a budget-neutral cash fund finance restructuring in the Marijuana Enforcement Division, including a \$3.0 million reduction in the appropriation from the Marijuana Cash Fund, to be supplanted by \$3.0 million in on-going cash fund spending authority from the Marijuana Tax Cash Fund.

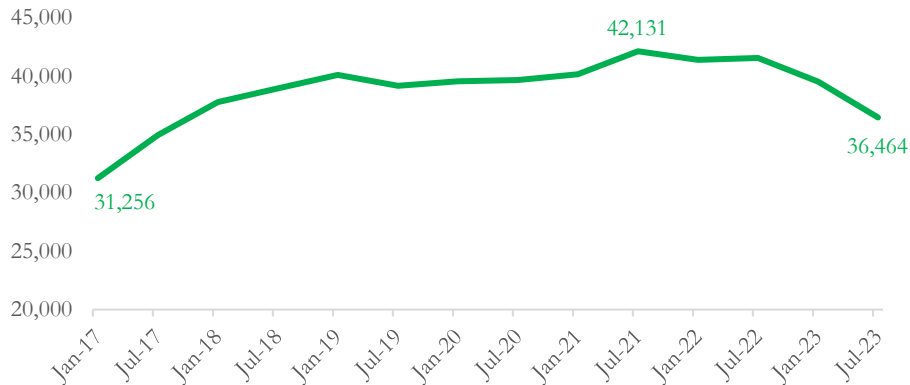
**RECOMMENDATION:** Staff recommend denial of the request.

**ANALYSIS:** The Marijuana Enforcement Division (MED) regulates the commercial marijuana sector. It administers and enforces laws related to the marijuana industry through the licensure of medical and retail marijuana businesses, owners, and employees, as well as enforcement efforts to monitor and ensure compliance. The Marijuana Cash Fund is funded through fee revenue, and has come under significant pressure in recent years to meet its obligations on an ongoing basis.

According to the Department, legislation has added significantly to the workload of the MED over the last seven years. Since 2016, 53 bills have been passed impacting the MED. This legislation has led to an increase in ongoing spending authority of nearly \$7 million and an increase of 62.8 FTE. The annual growth in salaries that was agreed to in the Partnership Agreement has also added expenses to the Division without a new source of revenue. The Department states that, between 2016 and 2024, salary costs have grown by 24 percent, increasing payroll by an estimated \$2.6 million to support the existing level of operations.

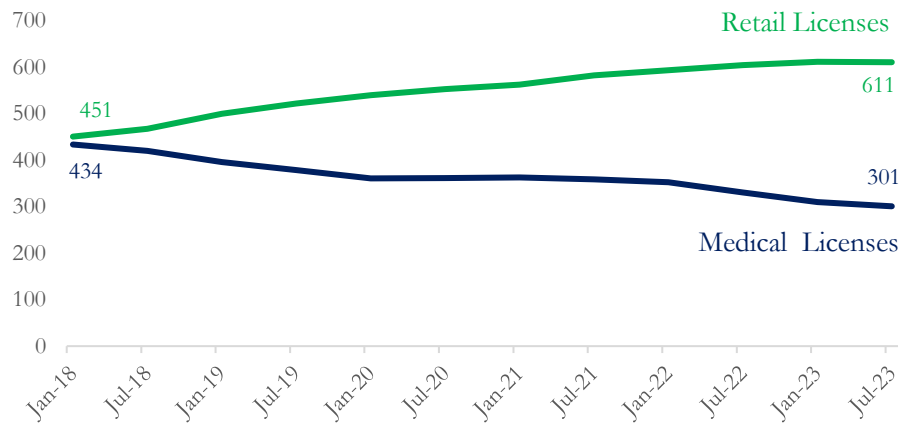
The COVID pandemic, and the federal stimulus money that followed, led to a surge in retail marijuana sales, which led to a significant increase in the issuance of marijuana occupational licenses, which are required to work in the industry. These licenses are issued and renewed for a two-year period and represent a significant source of fee revenue to the MCF. As illustrated in the graph below, the issuance of marijuana occupational licenses has declined by approximately 15.0 percent from the peak in 2021.

Marijuana industry occupational licenses are down approximately 15 percent from the pandemic peak



A business license is required of all medical and retail marijuana dispensaries. Though the industry has faced numerous market challenges in the post-pandemic era, there has not been a significant decrease in the total number of active retail and medical establishment licenses. While medical licenses continue to decline, an entrenched pre-pandemic trend, retail marijuana licenses have continued to grow, increasing by 35.5 percent between 1/1/2018 and 7/1/2023. An argument could be made that although the marijuana industry in Colorado faces numerous challenges, business owners retain some level of optimism regarding the future of the industry.

Active total retail marijuana establishment licenses have continued to climb post-pandemic, while active medical licenses continue to decline



Prior to FY 2016-17 the MCF had a balance that exceeded the statutory limit for excess reserves. The Department states that in order to remedy this, the MED implemented a 22.0 % fee reduction in FY 2016-17. Consequently, the MCF has been intentionally operating at a deficit since FY 2017-18. The current projected year ending balance in FY 2024-25, without the JBC's approval of this request, would be a cash fund deficit balance of approximately \$2.8 million.



The table below provides data on the Marijuana Cash Fund over the previous eight fiscal years, from FY 2015-16 through FY 2022-23, including fee revenue, expenditures, year ending fund balance, and transfers from the fund.

MARIJUANA ENFORCEMENT DIVISION								
	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
MCF Fee Revenue	\$14,877,908	\$12,181,506	\$12,234,234	\$11,261,176	\$10,475,082	\$11,047,630	\$12,372,739	\$10,611,385
Expenditures	4,443,047	7,099,158	14,035,865	14,792,699	16,386,295	17,124,601	16,438,071	15,657,596
MCF Fund Balance	24,592,264	31,332,941	20,756,298	17,897,400	11,164,634	4,124,001	3,367,766	236,067
MCF Transfers	-	-	(10,000,000)	(350,500)	(2,514,400)	(2,227,600)	(200,991)	
MTCF Appropriation	7,690,125	7,644,192						

In the request, the Department states that regulatory enforcement is an allowable purpose in statute for MTCF revenue. Note in the table above that prior to FY 2017-18, the MED did receive funding from the MTCF. Staff have provided the relevant statute regarding allowable purposes for MTCF revenue, and confirmed that enforcement is one of the seventeen allowable uses for MTCF revenue. The General Assembly has specified the following **allowable purposes** for which money in the MTCF may be appropriated:<sup>2</sup>

- (A) To *educate people about marijuana* to prevent its illegal use or legal abuse.
- (B) To *provide services for adolescents and school-aged children* in school settings or through community-based organizations.
- (C) To treat and provide related services to people with any type of substance use or mental health disorder, including those with co-occurring disorders, or to evaluate the effectiveness and sufficiency of *behavioral health services*.
- (D) For jail-based and other *behavioral health services for persons involved in or diverted from the criminal justice system*.
- (E) For state *regulatory enforcement, policy coordination, or litigation defense costs* related to retail or medical marijuana.**
- (F) For *law enforcement and law enforcement training*, including any expenses for the police officers' standards and training board training or certification.
- (G) For the *promotion of public health*, including poison control, prescription drug take-back programs, the creation of a marijuana laboratory testing reference library, and other public health services related to controlled substances.
- (H) To *study the use of marijuana and other drugs*, their health effects, and other social impacts related to them.
- (I) To *research, regulate, study, and test industrial hemp or hemp seeds*.
- (J) Repealed.
- (K) Repealed.
- (L) For the *Colorado Veterans' Service-to-career Pilot Program*.
- (M) For the expenses of the Department of Education and the Department of Public Health and Environment in *developing and maintaining a resource bank for educational material on marijuana* and providing technical assistance.
- (N) For *housing, rental assistance, and supportive services*, including reentry services.
- (O) For the development of local dually identified crossover youth plans and services.
- (P) For *comprehensive quality physical education instruction*.

<sup>2</sup> See Section 39-28.8-501 (2)(b)(IV), C.R.S.

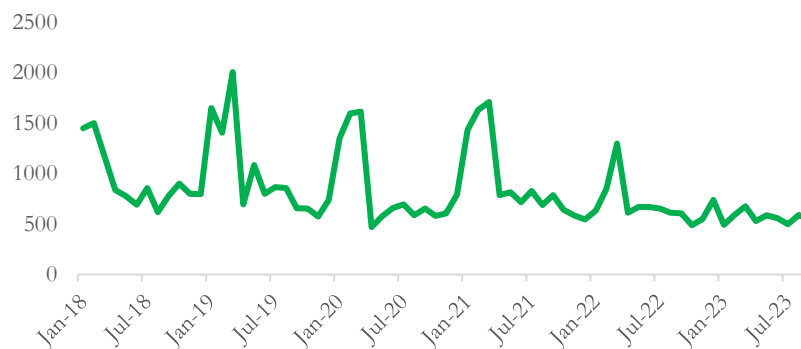
- (Q) Repealed.
- (R) Repealed.
- (S) For the program to support *entrepreneurs in the marijuana industry*.
- (T) For expenses relating to the reduction of collateral consequences experienced by people previously sentenced for drug offenses.
- (U) For *trial court programs* administered by the Judicial Department.

The Department states that it has implemented various cost-cutting measures within the MED to maintain the solvency of the MCF. In recent years, expenses have been approximately 25 percent below the appropriated level of funding. The Department has achieved this through cost containment, with 156 appropriated FTE in the Division; they currently have only 106 filled positions.

The stated mission of the MED is to protect public health and safety through regulation of the commercial marijuana industry. Staff has significant concerns about the ability of the Division to carry out its mission given the drastic cost-cutting measures the MED has undergone.

Data obtained from the MED dashboard shows that investigations have been trending down in recent years. The average number of monthly investigations between 01/2018 and 01/2020 was 981. Between 1/2022 and 9/2023, the most recent data published on the dashboard, the average number of monthly investigations had dropped to 640. Investigations may be opened for a variety of reasons, including receipt of a complaint, receipt of an application, and inspection of a license. The graph below illustrates the monthly trend in MED investigations.

MED investigations have trended down in recent years, largely part due to cost containment measures.



Staff recommend denial of the request, and are particularly concerned with the following:

- 1 The Department has cut the MED operating budget significantly over the last three years in an attempt to maintain the solvency of the Marijuana Cash Fund, spending approximately 25.0 percent less than the funding appropriated by the JBC. Staff are very concerned that these cuts have significantly diminished the investigatory and regulatory capacity of the Department.
- 2 During last year's budget cycle the Department presented a request for \$2.1 million in one-time funding from the MTCF. The JBC denied this request, and directed the Department to utilize the Cash Fund Solvency Fund established in S.B. 21-283 to borrow funds to maintain the

solvency of the Marijuana Cash Fund. Additionally, the JBC advised the Department to raise fees in order to bring the fund into balance.

The Department did utilize a loan from the Cash Fund Solvency Fund for \$1.5 million. However, the Department, after a year of stakeholder engagement on how to structure fees, raised fees by only 8.0 percent. Adjusted for inflation, fees today remain approximately 20.0 percent less in real dollars than they were in FY 2016-17.

- 3 The Department stated in their FY 2023-24 budget request R6 (Marijuana Enforcement Division Cash Fund Solvency) that they were “*working to redesign a fee schedule which has a target effective date of July 1, 2023 that will rectify the operating deficit in FY 2023-24.*” Rather than follow through on this intention, the Department sought a \$4.0 million General Fund transfer from the IDS Print Production over-appropriation through an amendment to S.B. 23-199 (Marijuana License Applications and Renewals). This legislation did not go through the JBC or either appropriation committee for review.

Staff are concerned that despite the Department advising the JBC during the FY 2023-24 budget cycle that they were going to implement a fee schedule to restore solvency to the MCF, they alternatively sought a short-term funding solution, did not adequately raise fees, and are now returning to the JBC to request even more funding from the MTCTF, which also has solvency issues, on an ongoing basis.

## LINE ITEM DETAIL – SPECIALIZED BUSINESS GROUP

### (A) ADMINISTRATION

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

#### PERSONAL SERVICES

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

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

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

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,141,167	\$8,121	\$803,417	\$329,629	\$0	11.0
<b>TOTAL</b>	<b>\$1,141,167</b>	<b>\$8,121</b>	<b>\$803,417</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,141,167	\$8,121	\$803,417	\$329,629	\$0	11.0
Centrally appropriated line items	34,863	306	34,557	0	0	0.0
<b>TOTAL</b>	<b>\$1,176,030</b>	<b>\$8,427</b>	<b>\$837,974</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$34,863</b>	<b>\$306</b>	<b>\$34,557</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.1%	3.8%	4.3%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,176,030</b>	<b>\$8,427</b>	<b>\$837,974</b>	<b>\$329,629</b>	<b>\$0</b>	<b>11.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### OPERATING EXPENSES

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

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

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

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

SPECIALIZED BUSINESS GROUP, ADMINISTRATION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
<b>TOTAL</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
<b>TOTAL</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$13,934</b>	<b>\$111</b>	<b>\$8,885</b>	<b>\$4,938</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (B) LIMITED GAMING DIVISION

This division licenses, regulates, and supervises any devices, persons, locations, and activities related to limited gaming in the cities of Black Hawk, Central City, and Cripple Creek. This includes conducting background checks on gaming license applicants, patrolling casinos to observe potential violations of gaming laws, and conducting audits to verify that regulated businesses remit the proper

amount of gaming taxes. The Division also oversees the related sports betting industry in the three gaming cities and online through internet sports betting operators contracted by casinos.

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

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

### PERSONAL SERVICES

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

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

*REQUEST:* The Department's request reflects an informational appropriation of \$9,604,145 cash funds and 106.0 FTE.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$9,269,350	\$0	\$9,269,350	\$0	\$0	106.0
<b>TOTAL</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$9,269,350</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$9,269,350	\$0	\$9,269,350	\$0	\$0	106.0
Centrally appropriated line items	334,795	0	334,795	0	0	0.0
<b>TOTAL</b>	<b>\$9,604,145</b>	<b>\$0</b>	<b>\$9,604,145</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$334,795</b>	<b>\$0</b>	<b>\$334,795</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.6%	0.0%	3.6%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$9,604,145</b>	<b>\$0</b>	<b>\$9,604,145</b>	<b>\$0</b>	<b>\$0</b>	<b>106.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## OPERATING EXPENSES

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

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

*REQUEST:* The Department's request reflects an informational appropriation of \$1,129,997 cash funds.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,129,997	\$0	\$1,129,997	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,129,997	\$0	\$1,129,997	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$1,129,997</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## PAYMENTS TO OTHER STATE AGENCIES

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

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

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

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PAYMENTS TO OTHER STATE AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,066,253	\$0	\$4,066,253	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, PAYMENTS TO OTHER STATE AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation	\$4,066,253	\$0	\$4,066,253	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$4,066,253</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## DISTRIBUTION TO GAMING CITIES AND COUNTIES

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

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

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

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

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, DISTRIBUTION TO GAMING CITIES AND COUNTIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$23,788,902	\$0	\$23,788,902	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$23,788,902	\$0	\$23,788,902	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, DISTRIBUTION TO GAMING CITIES AND COUNTIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$23,788,902</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### RESPONSIBLE GAMING GRANT PROGRAM

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

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

*REQUEST:* The Department requests \$3.2 million cash funds.

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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, RESPONSIBLE GAMING GRANT PROGRAM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$2,500,000	\$0	\$2,500,000	\$0	\$0	0.0
Technical adjustments	700,000	0	700,000	0	0	0.0
<b>TOTAL</b>	<b>\$3,200,000</b>	<b>\$0</b>	<b>\$3,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$700,000</b>	<b>\$0</b>	<b>\$700,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	28.0%	0.0%	28.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$3,200,000</b>	<b>\$0</b>	<b>\$3,200,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

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

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

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



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

SPECIALIZED BUSINESS GROUP, LIMITED GAMING DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$780,302	\$0	\$780,302	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$780,302</b>	<b>\$0</b>	<b>\$780,302</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$780,302	\$0	\$780,302	\$0	\$0	0.0
Indirect cost assessment	157,885	0	157,885	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$938,187</b>	<b>\$0</b>	<b>\$938,187</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$157,885</b>	<b>\$0</b>	<b>\$157,885</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.2%	0.0%	20.2%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$938,187</b>	<b>\$0</b>	<b>\$938,187</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (C) LIQUOR AND TOBACCO ENFORCEMENT DIVISION

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

#### PERSONAL SERVICES

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

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

**REQUEST:** The Department requests an appropriation of \$5,286,470 total funds, including \$199,790 General Fund and \$5,086,680 cash funds, and 65.4 FTE.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$4,969,276	\$191,363	\$4,777,913	\$0	\$0	63.7
Other legislation	\$77,154	\$0	\$77,154	\$0	\$0	1.4
<b>TOTAL</b>	<b>\$5,046,430</b>	<b>\$191,363</b>	<b>\$4,855,067</b>	<b>\$0</b>	<b>\$0</b>	<b>65.1</b>

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$5,046,430	\$191,363	\$4,855,067	\$0	\$0	65.1
Centrally appropriated line items	207,910	8,427	199,483	0	0	0.0
Annualize prior year legislation	32,130	0	32,130	0	0	0.3
<b>TOTAL</b>	<b>\$5,286,470</b>	<b>\$199,790</b>	<b>\$5,086,680</b>	<b>\$0</b>	<b>\$0</b>	<b>65.4</b>
INCREASE/(DECREASE)						
Percentage Change	4.8%	4.4%	4.8%	0.0%	0.0%	0.5%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

### OPERATING EXPENSES

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

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

*REQUEST:* The Department requests an appropriation of \$539,856 total funds, including \$6,965 General Fund and \$532,891 cash funds.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$537,561	\$6,965	\$530,596	\$0	\$0	0.0
Other legislation	\$21,590	\$0	\$21,590	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$559,151</b>	<b>\$6,965</b>	<b>\$552,186</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$559,151	\$6,965	\$552,186	\$0	\$0	0.0
Annualize prior year legislation	(19,295)	0	(19,295)	0	0	0.0
<b>TOTAL</b>	<b>\$539,856</b>	<b>\$6,965</b>	<b>\$532,891</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
INCREASE/(DECREASE)						
Percentage Change	(3.5%)	0.0%	(3.5%)	0.0%	0.0%	0.0%
FY 2024-25 EXECUTIVE REQUEST						
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not

directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

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

*REQUEST:* The Department requests an appropriation of \$543,436 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, LIQUOR AND TOBACCO ENFORCEMENT DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$459,608	\$0	\$459,608	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$459,608</b>	<b>\$0</b>	<b>\$459,608</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$459,608	\$0	\$459,608	\$0	\$0	0.0
Indirect cost assessment	82,806	0	82,806	0	0	0.0
Technical adjustments	1,022	0	1,022	0	0	0.0
<b>TOTAL</b>	<b>\$543,436</b>	<b>\$0</b>	<b>\$543,436</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$83,828</b>	<b>\$0</b>	<b>\$83,828</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	18.2%	0.0%	18.2%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$543,436</b>	<b>\$0</b>	<b>\$543,436</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (D) DIVISION OF RACING EVENTS

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

### PERSONAL SERVICES

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

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

*REQUEST:* The Department requests an appropriation of \$1,452,119 cash funds and 11.7 FTE.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,357,817	\$0	\$1,357,817	\$0	\$0	11.7
<b>TOTAL</b>	<b>\$1,357,817</b>	<b>\$0</b>	<b>\$1,357,817</b>	<b>\$0</b>	<b>\$0</b>	<b>11.7</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,357,817	\$0	\$1,357,817	\$0	\$0	11.7
Technical adjustments	55,940	0	55,940	0	0	0.0
Centrally appropriated line items	38,362	0	38,362	0	0	0.0
<b>TOTAL</b>	<b>\$1,452,119</b>	<b>\$0</b>	<b>\$1,452,119</b>	<b>\$0</b>	<b>\$0</b>	<b>11.7</b>
<b>INCREASE/(DECREASE)</b>	<b>\$94,302</b>	<b>\$0</b>	<b>\$94,302</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	6.9%	0.0%	6.9%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,452,119</b>	<b>\$0</b>	<b>\$1,452,119</b>	<b>\$0</b>	<b>\$0</b>	<b>11.7</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### OPERATING EXPENSES

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

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

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

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$301,344	\$0	\$301,344	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$301,344</b>	<b>\$0</b>	<b>\$301,344</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$301,344	\$0	\$301,344	\$0	\$0	0.0
Technical adjustments	203,682	0	203,682	0	0	0.0
<b>TOTAL</b>	<b>\$505,026</b>	<b>\$0</b>	<b>\$505,026</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$203,682</b>	<b>\$0</b>	<b>\$203,682</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	67.6%	0.0%	67.6%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$505,026</b>	<b>\$0</b>	<b>\$505,026</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### PURSES AND BREEDERS AWARDS

This line item represents a pass-through appropriation. The Division does not spend the appropriation associated with this line item. Section 12-60-704, C.R.S., created a trust fund that contains money

deposited by licensees and operators of in-state simulcast facilities for horse racing. The Racing Commission promulgates rules that allow for distributions from this fund to owners and breeders of Colorado-bred horses.

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

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

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

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, PURSES AND BREEDERS AWARDS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,400,000	\$0	\$1,400,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,400,000	\$0	\$1,400,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$1,400,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

#### INDIRECT COST ASSESSMENT

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

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

*REQUEST:* The Department requests an appropriation of \$68,153 cash funds. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, DIVISION OF RACING EVENTS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$56,682	\$0	\$56,682	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$56,682</b>	<b>\$0</b>	<b>\$56,682</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$56,682	\$0	\$56,682	\$0	\$0	0.0
Indirect cost assessment	11,471	0	11,471	0	0	0.0
<b>TOTAL</b>	<b>\$68,153</b>	<b>\$0</b>	<b>\$68,153</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$11,471</b>	<b>\$0</b>	<b>\$11,471</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.2%	0.0%	20.2%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$68,153</b>	<b>\$0</b>	<b>\$68,153</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### (E) MOTOR VEHICLE DEALER LICENSING BOARD

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

#### PERSONAL SERVICES

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

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

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

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$2,593,299	\$0	\$2,593,299	\$0	\$0	32.3
<b>TOTAL</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$2,593,299</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$2,593,299	\$0	\$2,593,299	\$0	\$0	32.3
R4 AID criminal investigation resources	200,742	0	200,742	0	0	0.0
Centrally appropriated line items	111,599	0	111,599	0	0	0.0
<b>TOTAL</b>	<b>\$2,905,640</b>	<b>\$0</b>	<b>\$2,905,640</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
<b>INCREASE/(DECREASE)</b>	<b>\$312,341</b>	<b>\$0</b>	<b>\$312,341</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	12.0%	0.0%	12.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$2,905,640</b>	<b>\$0</b>	<b>\$2,905,640</b>	<b>\$0</b>	<b>\$0</b>	<b>32.3</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## OPERATING EXPENSES

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

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

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

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$325,446	\$0	\$325,446	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$325,446	\$0	\$325,446	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$325,446</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## INDIRECT COST ASSESSMENT

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

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

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

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

SPECIALIZED BUSINESS GROUP, MOTOR VEHICLE DEALER LICENSING BOARD, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$237,772	\$0	\$237,772	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$237,772</b>	<b>\$0</b>	<b>\$237,772</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$237,772	\$0	\$237,772	\$0	\$0	0.0
Indirect cost assessment	48,109	0	48,109	0	0	0.0
Technical adjustments	(458)	0	(458)	0	0	0.0
<b>TOTAL</b>	<b>\$285,423</b>	<b>\$0</b>	<b>\$285,423</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$47,651</b>	<b>\$0</b>	<b>\$47,651</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.0%	0.0%	20.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$285,423</b>	<b>\$0</b>	<b>\$285,423</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## (F) MARIJUANA ENFORCEMENT

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

### MARIJUANA ENFORCEMENT

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

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

*REQUEST:* The Department requests an appropriation of \$17,141,443 total funds and 163.3 FTE, which includes \$16,604,617 cash funds from the Marijuana Cash Fund. Details of the request are provided in the table below.

**RECOMMENDATION:** Staff recommends approving the request. However, Staff recommends denial of the budget-neutral Marijuana Tax Cash Fund support funding request, as detailed at the beginning of this section.



SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, MARIJUANA ENFORCEMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$16,138,823	\$0	\$16,138,823	\$0	\$0	157.6
Other legislation	\$532,948	\$295,024	\$0	\$237,924	\$0	1.5
<b>TOTAL</b>	<b>\$16,671,771</b>	<b>\$295,024</b>	<b>\$16,138,823</b>	<b>\$237,924</b>	<b>\$0</b>	<b>159.1</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$16,671,771	\$295,024	\$16,138,823	\$237,924	\$0	159.1
Centrally appropriated line items	369,670	0	369,670	0	0	0.0
R5 MED support funding	0	0	0	0	0	0.0
Annualize prior year legislation	(436,824)	(295,024)	96,124	(237,924)	0	(0.5)
<b>TOTAL</b>	<b>\$16,604,617</b>	<b>\$0</b>	<b>\$16,604,617</b>	<b>\$0</b>	<b>\$0</b>	<b>158.6</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$67,154)</b>	<b>(\$295,024)</b>	<b>\$465,794</b>	<b>(\$237,924)</b>	<b>\$0</b>	<b>(0.5)</b>
Percentage Change	(0.4%)	(100.0%)	2.9%	(100.0%)	0.0%	(0.3%)
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$16,604,617</b>	<b>\$0</b>	<b>\$16,604,617</b>	<b>\$0</b>	<b>\$0</b>	<b>158.6</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

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

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

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

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,287,147	\$0	\$1,287,147	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,287,147</b>	<b>\$0</b>	<b>\$1,287,147</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,287,147	\$0	\$1,287,147	\$0	\$0	0.0
Indirect cost assessment	238,589	0	238,589	0	0	0.0
Technical adjustments	2,821	0	2,821	0	0	0.0
Annualize prior year legislation	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,528,557</b>	<b>\$0</b>	<b>\$1,528,557</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$241,410</b>	<b>\$0</b>	<b>\$241,410</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Percentage Change	18.8%	0.0%	18.8%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,528,557</b>	<b>\$0</b>	<b>\$1,528,557</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## NATURAL MEDICINES [NEW LINE ITEM]

S.B. 23-290 (Natural Medicine Regulation & Legalization) modified the regulation of certain natural psychedelics and updates the criminal provisions related to the administration Proposition 122. This legislation established the Natural Medicine Division in the Department of Revenue to regulate the cultivation, manufacturing, testing, storage, distribution, transport, transfer, and dispensation of regulated natural psychedelics, including requiring a license for each of these activities.

*STATUTORY AUTHORITY:* Section 12-170-102, C.R.S

*REQUEST:* The Department requests an appropriation of \$1,408,955 General Fund. Details of the request are provided in the table below.

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

SPECIALIZED BUSINESS GROUP, MARIJUANA ENFORCEMENT, NATURAL MEDICINES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
Other legislation	\$536,826	\$536,826	\$0	\$0	\$0	4.7
<b>TOTAL</b>	<b>\$536,826</b>	<b>\$536,826</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>4.7</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$536,826	\$536,826	\$0	\$0	\$0	4.7
Annualize prior year legislation	872,129	872,129	0	0	0	10.8
Technical adjustments	0	0	0	0	0	0.0
<b>TOTAL</b>	<b>\$1,408,955</b>	<b>\$1,408,955</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>15.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$872,129</b>	<b>\$872,129</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>10.8</b>
Percentage Change	162.5%	162.5%	0.0%	0.0%	0.0%	229.8%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,408,955</b>	<b>\$1,408,955</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>15.5</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	(0.0)

## (5) STATE LOTTERY DIVISION

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

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

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

STATE LOTTERY DIVISION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 Appropriation</b>						
SB 23-214 (Long Bill)	\$147,208,719	\$0	\$147,208,719	\$0	\$0	102.1
<b>TOTAL</b>	<b>\$147,208,719</b>	<b>\$0</b>	<b>\$147,208,719</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$147,208,719	\$0	\$147,208,719	\$0	\$0	102.1
R6 Lottery modernization	0	0	0	0	0	0.0
Centrally appropriated line items	364,440	0	364,440	0	0	0.0
Indirect cost assessment	150,328	0	150,328	0	0	0.0
Annualize prior year budget actions	(2,705,274)	0	(2,705,274)	0	0	0.0
<b>TOTAL</b>	<b>\$145,018,213</b>	<b>\$0</b>	<b>\$145,018,213</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,190,506)</b>	<b>\$0</b>	<b>(\$2,190,506)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(1.5%)	0.0%	(1.5%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$150,018,213</b>	<b>\$0</b>	<b>\$150,018,213</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below) Recommendation	\$5,000,000	\$0	\$5,000,000	\$0	\$0	0.0

### DECISION ITEMS - STATE LOTTERY DIVISION

#### → R6 LOTTERY MODERNIZATION OF SALES EQUIPMENT

**REQUEST:** The Department requests an increase in spending authority of \$5.0 million in FY 2024-25 and FY 2025-26 from the Lottery Cash Fund to continue purchasing modern vending and merchandising equipment. This is a continuation of the first year of funding that was approved by the Joint Budget Committee (JBC) for FY 2023-24.

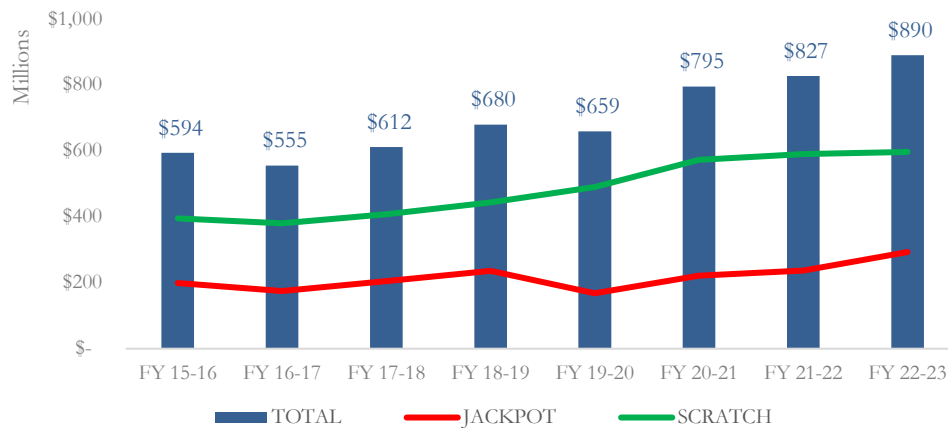
**RECOMMENDATION:** Staff recommends denial of the request.

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

*ANALYSIS:* The Colorado Lottery has experienced significant growth in recent years with combined jackpot and scratch sales growing from \$594.4 million in FY 2015-16 to \$889.8 million in FY 2022-23, equating to a compound annual growth rate (CAGR) of 5.9 percent. During this same period scratch games grew at a CAGR of 6.1 percent, from \$395.2 million to \$596.7 million, and jackpot games grew from \$199.2 million to \$293.1 million, a CAGR of 5.7 percent.

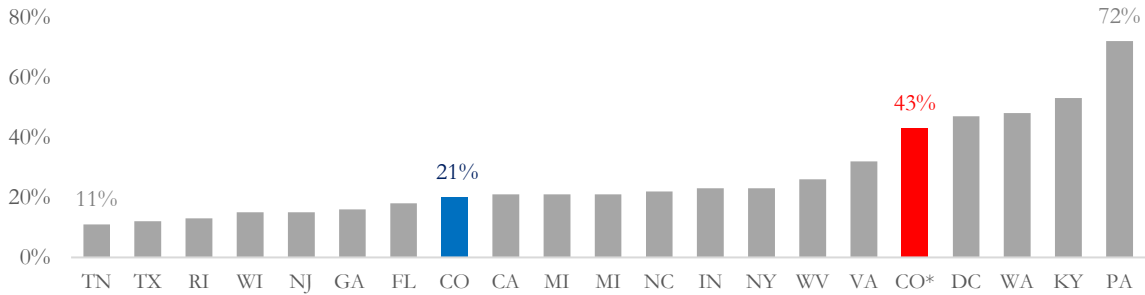
COLORADO LOTTERY SALES			
	JACKPOT	SCRATCH	TOTAL
FY 2015-16	\$199,249,458	\$395,162,447	\$594,411,905
FY 2016-17	175,083,998	380,249,492	555,333,490
FY 2017-18	204,503,998	407,489,335	611,993,333
FY 2018-19	236,369,644	443,409,967	679,779,611
FY 2019-20	168,144,063	490,695,434	658,839,497
FY 2020-21	221,914,884	573,017,390	794,932,274
FY 2021-22	236,590,471	590,288,982	826,879,453
FY 2022-23	\$293,057,878	\$596,720,571	\$889,778,449

The Colorado Lottery has grown at a CAGR of 5.7 percent over the last six years



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

By the conclusion of FY 23-24 Colorado is projected to have a lottery kiosk market penetration rate of 28.0 percent, a significant increase from the current 21.0 market penetration rate.



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

### Colorado Lottery Beneficiaries

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

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

COLORADO LOTTERY BENEFICIARIES FY 2023-24		
	Allocation	Cap
Great Outdoors Colorado (GoCo)	50% to cap	\$75,706,639
Conservation Trust Fund (CTF)	40%	
Colorado Parks and Wildlife (CPW)	10%	
Outdoor Equity Fund (OEF)	Over GoCo cap	2,250,000
Public School Capital Construction Assistance Fund (BEST) - base		3,000,000
Wildlife Cash Fund		25%
Parks / Outdoor Recreation Cash Fund		25%
Public School Capital Construction Assistance Fund (BEST) - overflow		50%

Since its inception in 1983, the Colorado Lottery has distributed over \$4.0 billion to Lottery beneficiaries. In FY 2022-23 the Colorado Lottery paid approximately \$195 million to the following program beneficiaries:

- Great Outdoors Colorado: \$75.7 million. GOCO's independent board awards competitive grants to local governments and land trusts in addition to making investments through Colorado Parks and Wildlife.
- Conservation Trust Fund: \$78.1 million. In FY 2022-23, allocations include wildlife conservation, river recovery, and fish recovery funding.

- Colorado Parks and Wildlife: \$19.5 million. CPW's mission is to perpetuate the state's wildlife resources, provide a quality state parks system, and provide enjoyable and sustainable outdoor recreation opportunities that educate and inspire current and future generations to serve as active stewards of Colorado's natural resources.
- Building Excellent Schools Today: \$11.3 million. BEST is a competitive grant program available to all school districts, charter schools, and institute charter schools whose purpose is to repair or replace Colorado's most needy school facilities.
- Outdoor Equity Fund: \$2.25 million. Colorado Parks and Wildlife manages this newly established grant program designed to increase outdoor access and opportunities for underserved communities. This grant money will go to over 40 projects that support its mission.<sup>3</sup>

#### **LOTTERY MODERNIZATION OF SALES EQUIPMENT**

The Colorado Lottery currently has 3,000 retailers. Of these, only 625 (21 percent) retailers currently have self-service kiosks, with an additional 225 being added in FY 2023-24, 28 percent of retailers will be equipped with vending machines. The additional units being placed are the result of the funding approved in FY 2023-24 R2 (Lottery Modernization of Sales Equipment).

The Lottery currently has 1,200 self-updating digital jackpot signs spread across its 3,000 retailers. In addition, a handful of digital menu boards have been installed as a test to gauge customer and retailer response. Feedback indicates retailers and players prefer these digital displays, as they can be easily placed in visible locations and updated with real-time information. While additional equipment will be placed in FY 2023-24, most retailers will still lack this signage.

The Department states that the \$5 million increased spending authority requested would be used to purchase up to 225 self-service kiosks, 1,000 jackpot signs, and 100 digital menu boards per year at a cost of \$20,000 each, \$816 each, and \$1,700 each, respectively. The specific quantities each year of each item would depend on supply chain ordering lead times and availability as well as retailer demand.

The Department cites the following projected outcomes from the request:

- Self-service kiosk sales average \$220,000 per year per unit. So, for every 225 units deployed, the Lottery expects approximately \$50 million in additional sales per year. The historical return on sales to beneficiaries is 21 percent, so every 225 units placed would return over \$10 million annually.
- According to the Department, digital scratch ticket menu boards are an industry best practice. These digital menu boards draw attention to scratch games available for purchase (which appeals to retailers as it allows players to see the options before reaching the counter), thereby decreasing the time it takes for the transaction. Digital scratch ticket menu boards increase sales and are approximately 18 percent higher than retailers with boards over retailers without menu boards.

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<sup>3</sup> <https://www.coloradolottery.com/en/media-center/stats-reports/>

**RECOMMENDATION:**

Staff recommend denial of the request. While it is clear that this request would generate a significant return on investment, and drive additional revenue to Lottery beneficiaries. However, it is unclear to staff what socioeconomic demographic is driving the substantial growth in Lottery sales in recent years, and how this growth has impacted disadvantaged classes. The Department did provide demographic information on Colorado Lottery players. Still, it remains unclear to staff the frequency of play and the percentage of disposable income that Lottery players from different household income groups are spending on Lottery tickets.

While the beneficiaries of the Colorado Lottery's growth are easily identifiable, the demographic bearing the cost of this growth remains opaque. Staff are concerned that population segments that support the Lottery with a disproportionate share of their disposable income may not share in the benefits of the Lottery and the outdoor programs that it supports. Consequently, staff are uncomfortable recommending this request when the degree to which disadvantaged populations may be adversely impacted by their participation in the Colorado Lottery remains largely unknown.

**LINE ITEM DETAIL - STATE LOTTERY DIVISION****PERSONAL SERVICES**

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

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

*REQUEST:* The Department requests an appropriation of \$9,726,496 cash funds and 102.1 FTE. Details of the request and recommendation are listed in the table below.

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

STATE LOTTERY DIVISION, PERSONAL SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2023-24 APPROPRIATION</b>						
SB 23-214 (Long Bill)	\$9,362,056	\$0	\$9,362,056	\$0	\$0	102.1
<b>TOTAL</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$9,362,056</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>FY 2024-25 RECOMMENDED APPROPRIATION</b>						
FY 2023-24 Appropriation	\$9,362,056	\$0	\$9,362,056	\$0	\$0	102.1
Centrally appropriated line items	364,440	0	364,440	0	0	0.0
<b>TOTAL</b>	<b>\$9,726,496</b>	<b>\$0</b>	<b>\$9,726,496</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
<b>INCREASE/(DECREASE)</b>	<b>\$364,440</b>	<b>\$0</b>	<b>\$364,440</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	3.9%	0.0%	3.9%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$9,726,496</b>	<b>\$0</b>	<b>\$9,726,496</b>	<b>\$0</b>	<b>\$0</b>	<b>102.1</b>
Request Above/(Below)						
Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**OPERATING EXPENSES**

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

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

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

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

STATE LOTTERY DIVISION, OPERATING EXPENSES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$1,540,533</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

**PAYMENTS TO OTHER STATE AGENCIES**

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

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

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

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

STATE LOTTERY DIVISION, PAYMENTS TO OTHER STATE AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$239,410	\$0	\$239,410	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$239,410	\$0	\$239,410	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$239,410</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>



Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0
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### MARKETING AND COMMUNICATIONS

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

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

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

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

STATE LOTTERY DIVISION, MARKETING AND COMMUNICATIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$14,900,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### MULTI-STATE LOTTERY FEES

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

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

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

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

### VENDOR FEES

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

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

*REQUEST:* The Department requests an appropriation of \$37,549,578 cash funds, including an increase of \$5,000,000 for R6 (Lottery Modernization of Sales Equipment).

*RECOMMENDATION:* **Staff recommendation outlined in the table below.**

STATE LOTTERY DIVISION, VENDOR FEES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$35,254,852	\$0	\$35,254,852	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$35,254,852</b>	<b>\$0</b>	<b>\$35,254,852</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$35,254,852	\$0	\$35,254,852	\$0	\$0	0.0
R6 Lottery modernization	0	0	0	0	0	0.0
Annualize prior year budget actions	(2,705,274)	0	(2,705,274)	0	0	0.0
<b>TOTAL</b>	<b>\$32,549,578</b>	<b>\$0</b>	<b>\$32,549,578</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>(\$2,705,274)</b>	<b>\$0</b>	<b>(\$2,705,274)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	(7.7%)	0.0%	(7.7%)	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$37,549,578</b>	<b>\$0</b>	<b>\$37,549,578</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below)						
Recommendation	\$5,000,000	\$0	\$5,000,000	\$0	\$0	0.0

## RETAILER COMPENSATION

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

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

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

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

STATE LOTTERY DIVISION, RETAILER COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						

STATE LOTTERY DIVISION, RETAILER COMPENSATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 Appropriation	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$85,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

### INDIRECT COST ASSESSMENT

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

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

*REQUEST:* The Department requests an appropriation of \$884,763 cash funds including an increase of \$150,328 cash funds. Details of the recommendation are listed in the table below.

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

STATE LOTTERY DIVISION, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION						
SB 23-214 (Long Bill)	\$734,435	\$0	\$734,435	\$0	\$0	0.0
<b>TOTAL</b>	<b>\$734,435</b>	<b>\$0</b>	<b>\$734,435</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
FY 2024-25 RECOMMENDED APPROPRIATION						
FY 2023-24 Appropriation	\$734,435	\$0	\$734,435	\$0	\$0	0.0
Indirect cost assessment	150,328	0	150,328	0	0	0.0
<b>TOTAL</b>	<b>\$884,763</b>	<b>\$0</b>	<b>\$884,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$150,328</b>	<b>\$0</b>	<b>\$150,328</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Percentage Change	20.5%	0.0%	20.5%	0.0%	0.0%	0.0%
<b>FY 2024-25 EXECUTIVE REQUEST</b>	<b>\$884,763</b>	<b>\$0</b>	<b>\$884,763</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

## LONG BILL FOOTNOTES AND REQUESTS FOR INFORMATION

### LONG BILL FOOTNOTES

The 2023 Long Bill includes no footnotes specific to the Department of Revenue. Staff recommends no footnotes for the Department of Revenue for the 2024 Long Bill.

### REQUESTS FOR INFORMATION

Staff recommend continuing the following request for information:

Please provide to the Joint Budget Committee by November 1, 2025, a status update on the Marijuana Cash Fund (MCF) and highlight the key factors contributing to the fund's financial position and ability to meet its current and future financial obligations.

## INDIRECT COST ASSESSMENTS

### DESCRIPTION OF INDIRECT COST ASSESSMENT METHODOLOGY

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

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

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

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

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

### INDIRECT COST POOL

The Indirect Cost Pool is based on the estimated personal services, operating, and utility line items for the requested budget year in the Executive Director's Office. For FY 2024-25, the Department's Indirect Cost Pool as requested is \$14,160,414.

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

TABLE 1: DEPARTMENT OF REV INDIRECT COST POOL	
DIVISION	REQUEST
Executive Director's Office	\$14,160,414
<b>FY 2024-25 Indirect Cost Pool</b>	<b>\$14,160,414</b>

### INDIRECT COST BASE

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

TABLE 2: DEPARTMENT OF REV INDIRECT COST BASE	
DIVISION AND LINE ITEM	REQUEST
(1) EDO (A) Admin, Personal Services	\$1,299,201
(1) EDO, (B) Hearings, Personal Services	282972
(2) TBG, (A) Admin., Personal Services	41064
(2) TBG, (B) Taxation Services, Personal Services	3466970
(2) TBG, (B) Taxation Services, Mineral Audit	86676
(2) TBG, (C) Tax Conferee, Personal Services	115568
(3) DMV, (A) Admin., Personal Services	63889
(3) DMV, (B) DS, Personal Services	3865879
(3) DMV, (B) DS, Ignition Interlock	63381
(3) DMV, (C) VS, Personal Services	484999
(3) DMV, (C) VS, Emissions	137784
(4) SBG, (A) Admin., Personal Services	27665
(4) SBG, (B) Gaming, Personal Services	919957
(4) SBG, (C) Liquor & Tobacco, Personal Services	552395
(4) SBG, (D) Racing, Personal Services	66827
(4) SBG, (E) Dealer Board, Personal Services	280326
(4) SBG, (F) Marijuana, Personal Services	1497311
(4) SBG, (G) Natural Medicine, Personal Services	39939
(5) Lottery, Personal Services	867611
<b>Total</b>	<b>\$14,160,414</b>

### INDIRECT COST REQUEST

For FY 2024-25 the Department has requested \$14,160,414 for indirect cost assessments. This amount is equal to the Indirect Cost Pool. Table 3 shows the FY 2024-25 Department indirect cost assessment based on the November 1 request for each division.

TABLE 3: DEPARTMENT OF REVENUE INDIRECT COST REQUEST			
DIVISION	GENERAL FUND	CASH FUND	TOTAL
(1) EDO (A) Admin, Personal Services	\$1,299,201	\$0	\$1,299,201
(1) EDO, (B) Hearings, Personal Services	0	282,972	\$282,972
(2) TBG, (A) Admin., Personal Services	41,064	0	\$41,064
(2) TBG, (B) Taxation Services, Personal Services	3,466,970	0	\$3,466,970
(2) TBG, (B) Taxation Services, Mineral Audit	86,676	0	\$86,676
(2) TBG, (C) Tax Conferee, Personal Services	115,568	0	\$115,568
(3) DMV, (A) Admin., Personal Services	63,889	0	\$63,889
(3) DMV, (B) DS, Personal Services	446,810	3,419,069	\$3,865,879
(3) DMV, (B) DS, Ignition Interlock	0	63,381	\$63,381
(3) DMV, (C) VS, Personal Services	90,729	394,270	\$484,999
(3) DMV, (C) VS, Emissions	0	137,784	\$137,784
(4) SBG, (A) Admin., Personal Services	27,665	0	\$27,665
(4) SBG, (B) Gaming, Personal Services	0	919,957	\$919,957
(4) SBG, (C) Liquor & Tobacco, Personal Services	20,933	531,462	\$552,395
(4) SBG, (D) Racing, Personal Services	0	66,827	\$66,827
(4) SBG, (E) Dealer Board, Personal Services	0	280,326	\$280,326
(4) SBG, (F) Marijuana, Personal Services	0	1,497,311	\$1,497,311
(4) SBG, (G) Natural Medicine, Personal Services	39,939	0	\$39,939
(5) Lottery, Personal Services	0	867,611	\$867,611
<b>Total</b>	<b>\$5,699,444</b>	<b>\$8,460,970</b>	<b>\$14,160,414</b>

## APPENDIX A: NUMBERS PAGES

*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 REVENUE**  
**Mark Ferrandino, Executive Director**

### (1) EXECUTIVE DIRECTOR'S OFFICE

#### (A) Administration and Support

Personal Services	<u>12,103,851</u>	<u>15,480,799</u>	<u>17,937,576</u>	<u>19,705,548</u>	<u>19,699,789</u> *
FTE	145.0	176.7	190.9	211.2	211.2
General Fund	4,557,291	6,628,542	8,436,921	7,873,612	7,856,353
Cash Funds	301,236	1,312,185	2,692,620	3,454,825	3,466,325
Reappropriated Funds	7,245,324	7,540,072	6,803,638	8,377,111	8,377,111
Federal Funds	0	0	4,397	0	0
Health, Life, and Dental	<u>16,884,143</u>	<u>19,145,346</u>	<u>20,790,040</u>	<u>23,259,430</u>	<u>23,127,476</u> *
General Fund	6,547,644	8,514,392	9,035,999	10,846,906	10,792,094
Cash Funds	10,328,497	10,626,881	11,333,648	12,271,947	12,194,805
Reappropriated Funds	8,002	4,073	105,704	140,577	140,577
Federal Funds	0	0	314,689	0	0
Short-term Disability	<u>162,697</u>	<u>162,852</u>	<u>164,274</u>	<u>185,400</u>	<u>184,224</u> *
General Fund	73,725	74,569	71,051	87,262	86,768
Cash Funds	88,898	88,239	89,768	97,158	96,476
Reappropriated Funds	74	44	936	980	980
Federal Funds	0	0	2,519	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
S.B. 04-257 Amortization Equalization Disbursement	<u>4,786,269</u>	<u>5,128,566</u>	<u>5,557,539</u>	<u>6,177,555</u>	<u>0</u> *
General Fund	1,997,077	2,344,687	2,396,407	2,907,718	0
Cash Funds	2,786,870	2,782,485	3,044,623	3,237,186	0
Reappropriated Funds	2,322	1,394	31,620	32,651	0
Federal Funds	0	0	84,889	0	0
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>4,786,269</u>	<u>5,128,566</u>	<u>5,557,539</u>	<u>6,177,555</u>	<u>0</u> *
General Fund	1,997,077	2,344,687	2,396,407	2,907,718	0
Cash Funds	2,786,870	2,782,485	3,044,623	3,237,186	0
Reappropriated Funds	2,322	1,394	31,620	32,651	0
Federal Funds	0	0	84,889	0	0
AED/SAED Unfunded PERA Liability	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>12,281,590</u>
General Fund	0	0	0	0	5,784,562
Cash Funds	0	0	0	0	6,431,726
Reappropriated Funds	0	0	0	0	65,302
Federal Funds	0	0	0	0	0
PERA Direct Distribution	<u>2,240,773</u>	<u>1,193,374</u>	<u>347,261</u>	<u>2,403,687</u>	<u>2,403,687</u>
General Fund	919,342	0	150,048	1,132,123	1,132,123
Cash Funds	1,320,327	1,192,776	189,918	1,258,783	1,258,783
Reappropriated Funds	1,104	598	1,980	12,781	12,781
Federal Funds	0	0	5,315	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
Salary Survey	<u>3,192,094</u>	<u>3,511,891</u>	<u>6,352,638</u>	<u>7,788,765</u>	<u>4,467,024</u>
General Fund	1,282,289	1,571,176	2,629,467	3,760,339	2,102,622
Cash Funds	1,908,289	1,939,792	3,595,929	3,987,839	2,340,593
Reappropriated Funds	1,516	923	35,848	40,587	23,809
Federal Funds	0	0	91,394	0	0
Step Plan	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,417,466</u>
General Fund	0	0	0	0	1,702,775
Cash Funds	0	0	0	0	1,697,403
Reappropriated Funds	0	0	0	0	17,288
Federal Funds	0	0	0	0	0
Shift Differential	<u>102,026</u>	<u>123,194</u>	<u>115,151</u>	<u>139,234</u>	<u>139,234</u>
General Fund	0	0	0	0	0
Cash Funds	102,026	123,194	115,151	139,234	139,234
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>0</u>	<u>488,085</u>	<u>555,980</u>	<u>552,672</u> *
General Fund	0	0	211,363	261,694	260,305
Cash Funds	0	0	266,444	291,347	289,428
Reappropriated Funds	0	0	2,784	2,939	2,939
Federal Funds	0	0	7,494	0	0
Workers' Compensation	<u>544,852</u>	<u>487,490</u>	<u>487,491</u>	<u>546,940</u>	<u>530,460</u>
General Fund	207,799	185,922	185,922	213,863	202,310
Cash Funds	337,053	301,568	301,569	333,077	328,150
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*

	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
Operating Expenses	<u>3,026,135</u>	<u>2,669,062</u>	<u>3,655,011</u>	<u>3,595,152</u>	<u>3,595,152</u> *
General Fund	2,036,482	2,150,506	2,449,664	2,297,401	2,297,401
Cash Funds	989,653	515,772	1,177,447	1,269,851	1,269,851
Reappropriated Funds	0	2,784	27,900	27,900	27,900
Federal Funds	0	0	0	0	0
Postage	<u>97,221</u>	<u>149,579</u>	<u>221,480</u>	<u>304,708</u>	<u>304,708</u>
General Fund	52,165	52,165	99,175	158,854	158,854
Cash Funds	45,056	97,414	122,305	145,854	145,854
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>4,894,253</u>	<u>5,846,609</u>	<u>5,738,927</u>	<u>5,288,546</u>	<u>5,288,546</u>
General Fund	2,410,120	2,896,468	2,937,593	2,789,830	2,789,830
Cash Funds	2,484,133	2,950,141	2,744,234	2,498,716	2,498,716
Reappropriated Funds	0	0	57,100	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>12,770</u>	<u>322</u>	<u>1,196</u>	<u>1,667</u>	<u>1,565</u>
General Fund	0	0	0	0	0
Cash Funds	12,770	322	1,196	1,667	1,565
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>425,409</u>	<u>749,074</u>	<u>1,577,359</u>	<u>560,631</u>	<u>560,631</u>
General Fund	162,245	285,671	1,125,218	213,162	213,162
Cash Funds	263,164	463,403	452,141	347,469	347,469
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
Vehicle Lease Payments	<u>579,595</u>	<u>624,642</u>	<u>943,837</u>	<u>939,111</u>	<u>939,111</u> *
General Fund	111,224	95,379	131,717	131,717	131,717
Cash Funds	468,371	529,263	812,120	807,394	807,394
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>4,192,283</u>	<u>4,194,639</u>	<u>6,690,079</u>	<u>7,078,845</u>	<u>6,713,845</u> *
General Fund	375,003	407,567	520,972	909,738	544,738
Cash Funds	3,817,280	3,787,072	6,169,107	6,169,107	6,169,107
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>902,493</u>	<u>866,374</u>	<u>894,871</u>	<u>1,249,662</u>	<u>1,249,662</u>
General Fund	336,367	322,906	370,496	517,387	517,387
Cash Funds	566,126	543,468	524,375	732,275	732,275
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>6,671,718</u>	<u>8,513,982</u>	<u>21,937,823</u>	<u>22,016,901</u>	<u>22,016,901</u> *
General Fund	6,292,566	7,977,684	12,387,950	11,476,686	11,476,686
Cash Funds	379,152	536,298	9,549,873	10,540,215	10,540,215
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IT Accessibility	<u>0</u>	<u>0</u>	<u>2,329,986</u>	<u>2,329,986</u>	<u>0</u>
General Fund	0	0	1,596,040	1,596,040	0
Cash Funds	0	0	733,946	733,946	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
Digital Trunk Radio Payments	<u>0</u>	<u>0</u>	<u>140,874</u>	<u>138,492</u>	<u>138,492</u> *
General Fund	0	0	140,874	138,492	138,492
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>987,111</u>	<u>1,680,683</u>	<u>804,958</u>	<u>405,946</u>	<u>311,158</u> *
General Fund	376,468	640,985	307,090	182,416	146,254
Cash Funds	610,643	1,039,698	497,868	223,530	164,904
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Utilities	<u>82,905</u>	<u>83,678</u>	<u>83,703</u>	<u>83,703</u>	<u>83,703</u>
General Fund	0	0	0	0	0
Cash Funds	82,905	83,678	83,703	83,703	83,703
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
DPA Administration Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>189,672</u>	<u>189,672</u> *
General Fund	0	0	0	80,448	80,448
Cash Funds	0	0	0	109,224	109,224
Office of the State Architect	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,358</u>	<u>5,358</u> *
General Fund	0	0	0	2,273	2,273
Cash Funds	0	0	0	3,085	3,085
DHR State Agency Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>270,837</u>	<u>270,837</u> *
General Fund	0	0	0	114,874	114,874
Cash Funds	0	0	0	155,963	155,963

*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
DHR Training Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>54,593</u>	<u>54,593</u> *
General Fund	0	0	0	23,156	23,156
Cash Funds	0	0	0	31,437	31,437
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
DHR Labor Relations Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>385,744</u>	<u>385,744</u> *
General Fund	0	0	0	163,611	163,611
Cash Funds	0	0	0	222,133	222,133
Financial Ops and Reporting Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>685,826</u>	<u>685,826</u> *
General Fund	0	0	0	290,889	290,889
Cash Funds	0	0	0	394,937	394,937
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>424,741</u>	<u>424,741</u> *
General Fund	0	0	0	180,151	180,151
Cash Funds	0	0	0	244,590	244,590
Statewide training	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration and Support</b>	66,674,867	75,740,722	102,817,698	112,950,215	110,023,867
FTE	<u>145.0</u>	<u>176.7</u>	<u>190.9</u>	<u>211.2</u>	<u>211.2</u>
General Fund	29,734,884	36,493,306	47,580,374	51,258,360	49,189,835
Cash Funds	29,679,319	31,696,134	47,542,608	53,023,678	52,165,345
Reappropriated Funds	7,260,664	7,551,282	7,099,130	8,668,177	8,668,687
Federal Funds	0	0	595,586	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
<b>(B) Hearings Division</b>					
Personal Services	<u>2,263,947</u>	<u>2,683,496</u>	<u>3,384,028</u>	<u>3,501,207</u>	<u>3,501,207</u>
FTE	33.3	33.3	33.3	33.3	33.3
General Fund	0	0	0	0	0
Cash Funds	2,263,947	2,683,496	3,384,028	3,501,207	3,501,207
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>88,523</u>	<u>90,946</u>	<u>110,412</u>	<u>110,412</u>	<u>110,412</u>
General Fund	0	0	0	0	0
Cash Funds	88,523	90,946	110,412	110,412	110,412
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>242,870</u>	<u>246,130</u>	<u>240,603</u>	<u>250,007</u>	<u>250,007</u>
General Fund	0	0	0	0	0
Cash Funds	242,870	246,130	240,603	250,007	250,007
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Hearings Division</b>	<b>2,595,340</b>	<b>3,020,572</b>	<b>3,735,043</b>	<b>3,861,626</b>	<b>3,861,626</b>
FTE	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>
General Fund	0	0	0	0	0
Cash Funds	2,595,340	3,020,572	3,735,043	3,861,626	3,861,626
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
<b>TOTAL - (1) Executive Director's Office</b>	69,270,207	78,761,294	106,552,741	116,811,841	113,885,493
<i>FTE</i>	<u>178.3</u>	<u>210.0</u>	<u>224.2</u>	<u>244.5</u>	<u>244.5</u>
General Fund	29,734,884	36,493,306	47,580,374	51,258,360	49,189,835
Cash Funds	32,274,659	34,716,706	51,277,651	56,885,304	56,026,971
Reappropriated Funds	7,260,664	7,551,282	7,099,130	8,668,177	8,668,687
Federal Funds	0	0	595,586	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
<b>(3) TAXATION BUSINESS GROUP</b>					
<b>(A) Administration</b>					
Personal Services	<u>444,892</u>	<u>470,378</u>	<u>600,427</u>	<u>627,722</u>	<u>613,930</u>
FTE	5.0	5.0	5.0	5.0	5.0
General Fund	425,448	454,257	580,634	607,371	593,579
Cash Funds	19,444	16,121	19,793	20,351	20,351
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>5,830</u>	<u>12,360</u>	<u>12,543</u>	<u>12,543</u>	<u>12,543</u>
General Fund	5,830	12,360	12,543	12,543	12,543
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Tax Administration IT System (GenTax) Support	<u>5,834,558</u>	<u>6,781,476</u>	<u>6,971,340</u>	<u>8,977,497</u>	<u>8,977,497</u> *
General Fund	5,834,558	6,781,476	6,832,184	8,128,657	8,128,657
Cash Funds	0	0	139,156	848,840	848,840
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IDS Print Production	<u>4,624,048</u>	<u>6,997,973</u>	<u>5,326,432</u>	<u>6,031,318</u>	<u>1,994,617</u>
General Fund	4,624,048	6,997,973	5,279,653	5,984,539	1,947,838
Cash Funds	0	0	46,779	46,779	46,779
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
<b>SUBTOTAL - (A) Administration</b>	10,909,328	14,262,187	12,910,742	15,649,080	11,598,587
<i>FTE</i>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>	<u>5.0</u>
General Fund	10,889,884	14,246,066	12,705,014	14,733,110	10,682,617
Cash Funds	19,444	16,121	205,728	915,970	915,970
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(B) Taxation Services**

Personal Services	<u>26,365,691</u>	<u>29,863,523</u>	<u>33,181,258</u>	<u>34,718,397</u>	<u>34,732,189</u>
FTE	401.5	424.7	429.8	418.9	418.9
General Fund	25,574,685	28,881,583	31,471,456	32,481,301	32,495,093
Cash Funds	683,269	827,855	1,455,717	1,983,011	1,983,011
Reappropriated Funds	107,737	154,085	254,085	254,085	254,085
Federal Funds	0	0	0	0	0
Operating Expenses	<u>3,176,971</u>	<u>3,505,045</u>	<u>8,574,942</u>	<u>4,777,323</u>	<u>4,777,323</u> *
General Fund	3,169,428	3,496,236	8,556,009	4,721,465	4,721,465
Cash Funds	7,543	8,809	18,933	55,858	55,858
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Joint Audit Program	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>	<u>131,244</u>
General Fund	131,244	131,244	131,244	131,244	131,244
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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
Mineral Audit Program	<u>0</u>	<u>0</u>	<u>918,132</u>	<u>918,132</u>	<u>918,132</u>
FTE	10.2	10.2	10.2	10.2	10.2
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	66,000	66,000	66,000
Federal Funds	0	0	852,132	852,132	852,132
Document Management	<u>4,618,015</u>	<u>4,714,433</u>	<u>4,383,166</u>	<u>5,026,670</u>	<u>5,026,670</u>
General Fund	4,618,015	4,714,433	4,319,245	5,019,080	5,019,080
Cash Funds	0	0	63,921	7,590	7,590
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>528,139</u>	<u>74,361</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.5	1.5	0.0	0.0	0.0
General Fund	126	0	0	0	0
Cash Funds	528,013	74,361	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>10,870</u>	<u>11,228</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	10,870	11,228	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
<b>SUBTOTAL - (B) Taxation Services</b>	34,830,930	38,299,834	47,188,742	45,571,766	45,585,558
<i>FTE</i>	<u>413.2</u>	<u>436.4</u>	<u>440.0</u>	<u>429.1</u>	<u>429.1</u>
General Fund	33,493,498	37,223,496	44,477,954	42,353,090	42,366,882
Cash Funds	1,229,695	922,253	1,538,571	2,046,459	2,046,459
Reappropriated Funds	107,737	154,085	320,085	320,085	320,085
Federal Funds	0	0	852,132	852,132	852,132

**(C) Tax Conferee**

Personal Services	<u>1,441,786</u>	<u>1,385,778</u>	<u>1,636,930</u>	<u>1,680,753</u>	<u>1,680,753</u>
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>
General Fund	1,441,786	1,385,778	1,539,647	1,583,470	1,583,470
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0
Operating Expenses	<u>24,326</u>	<u>43,149</u>	<u>60,905</u>	<u>60,905</u>	<u>60,905</u>
General Fund	60,905	43,149	60,905	60,905	60,905
Cash Funds	(36,579)	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

<b>SUBTOTAL - (C) Tax Conferee</b>	1,466,112	1,428,927	1,697,835	1,741,658	1,741,658
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>
General Fund	1,502,691	1,428,927	1,600,552	1,644,375	1,644,375
Cash Funds	(36,579)	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
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
<b>(D) Special Purpose</b>					
Cigarette Tax Rebate	<u>8,223,947</u>	<u>7,651,146</u>	<u>6,512,685</u>	<u>6,512,685</u>	<u>6,512,685</u>
General Fund	8,223,947	7,651,146	6,512,685	6,512,685	6,512,685
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Amendment 35 Distribution to Local Governments	<u>1,092,394</u>	<u>965,329</u>	<u>1,046,637</u>	<u>1,046,637</u>	<u>1,046,637</u>
General Fund	0	0	0	0	0
Cash Funds	1,092,394	965,329	1,046,637	1,046,637	1,046,637
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Old Age Heat and Fuel and Property Tax Assistance	<u>7,198,621</u>	<u>12,004,423</u>	<u>8,721,000</u>	<u>8,721,000</u>	<u>8,721,000</u>
General Fund	7,198,621	12,004,423	8,721,000	8,721,000	8,721,000
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Commercial Vehicle Enterprise Sales Tax Refund	<u>90,028</u>	<u>31,053</u>	<u>120,524</u>	<u>120,524</u>	<u>120,524</u>
General Fund	0	0	0	0	0
Cash Funds	90,028	31,053	120,524	120,524	120,524
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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
Retail Marijuana Sales Tax Distribution to Local Governments					
General Fund	25,620,732	21,916,172	25,720,418	25,720,418	25,720,418
Cash Funds	25,620,732	21,916,172	25,720,418	25,720,418	25,720,418
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (D) Special Purpose</b>	42,225,722	42,568,123	42,121,264	42,121,264	42,121,264
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	41,043,300	41,571,741	40,954,103	40,954,103	40,954,103
Cash Funds	1,182,422	996,382	1,167,161	1,167,161	1,167,161
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(E) Taxation and Compliance Division**

Personal Services	0	0	0	0
FTE	0.0	0.0	0.0	0.0
General Fund	0	0	0	0
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
Operating Expenses	0	0	0	0
General Fund	0	0	0	0
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	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
Joint Audit Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Mineral Audit Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL - (E) Taxation and Compliance</b>					
<b>Division</b>	0	0	0	0	
FTE	<u>0.0</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

**(F) Taxpayer Service Division**

Personal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	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*  
*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
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Seasonal Tax Processing	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Document Management	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>(27,449)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	(27,449)	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
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (F) Taxpayer Service Division</b>	(27,449)	0	0	0	0
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	0	0	0	0	0
Cash Funds	(27,449)	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (3) Taxation Business Group</b>	89,404,643	96,559,071	103,918,583	105,083,768	101,047,067
<i>FTE</i>	<u>431.8</u>	<u>455.0</u>	<u>458.6</u>	<u>447.7</u>	<u>447.7</u>
General Fund	86,929,373	94,470,230	99,737,623	99,684,678	95,647,977
Cash Funds	2,367,533	1,934,756	2,911,460	4,129,590	4,129,590
Reappropriated Funds	107,737	154,085	417,368	417,368	417,368
Federal Funds	0	0	852,132	852,132	852,132

*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>(4) DIVISION OF MOTOR VEHICLES</b>					
<b>(A) Administration</b>					
Personal Services	<u>2,986,061</u>	<u>2,910,648</u>	<u>3,280,272</u>	<u>3,681,192</u>	<u>3,679,920</u> *
FTE	48.9	42.9	36.9	40.6	40.6
General Fund	(66,196)	584,878	617,237	647,247	647,247
Cash Funds	3,000,747	2,274,260	2,611,249	2,982,159	2,980,887
Reappropriated Funds	51,510	51,510	51,786	51,786	51,786
Federal Funds	0	0	0	0	0
Operating Expenses	<u>322,599</u>	<u>390,736</u>	<u>527,728</u>	<u>558,434</u>	<u>558,433</u> *
General Fund	63,682	63,731	63,731	63,731	63,731
Cash Funds	255,527	323,615	460,607	491,313	491,312
Reappropriated Funds	3,390	3,390	3,390	3,390	3,390
Federal Funds	0	0	0	0	0
DRIVES Maintenance and Support	<u>7,239,443</u>	<u>7,614,051</u>	<u>8,433,817</u>	<u>9,317,558</u>	<u>9,317,558</u>
General Fund	841,219	735,356	22,293	18,000	18,000
Cash Funds	6,398,224	6,770,495	8,411,524	9,299,558	9,299,558
Reappropriated Funds	0	108,200	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (A) Administration</b>	10,548,103	10,915,435	12,241,817	13,557,184	13,555,911
FTE	<u>48.9</u>	<u>42.9</u>	<u>36.9</u>	<u>40.6</u>	<u>40.6</u>
General Fund	838,705	1,383,965	703,261	728,978	728,978
Cash Funds	9,654,498	9,368,370	11,483,380	12,773,030	12,771,757
Reappropriated Funds	54,900	163,100	55,176	55,176	55,176
Federal Funds	0	0	0	0	0

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*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>(B) Driver Services</b>					
Personal Services	<u>22,310,627</u>	<u>24,450,299</u>	<u>25,605,964</u>	<u>27,258,120</u>	<u>27,258,120</u>
FTE	428.5	426.9	426.9	426.9	426.9
General Fund	3,771,293	2,900,377	3,030,850	3,228,433	3,228,433
Cash Funds	18,418,515	21,427,587	22,452,132	23,906,705	23,906,705
Reappropriated Funds	120,819	122,335	122,982	122,982	122,982
Federal Funds	0	0	0	0	0
Operating Expenses	<u>2,700,636</u>	<u>2,427,751</u>	<u>2,534,299</u>	<u>2,534,299</u>	<u>2,534,299</u>
General Fund	1,524,707	414,260	414,260	414,260	414,260
Cash Funds	1,165,759	2,003,321	2,109,869	2,109,869	2,109,869
Reappropriated Funds	10,170	10,170	10,170	10,170	10,170
Federal Funds	0	0	0	0	0
Drivers License Documents	<u>6,303,098</u>	<u>6,242,357</u>	<u>7,756,108</u>	<u>8,143,739</u>	<u>8,143,739</u>
General Fund	3,498	3,498	3,498	3,498	3,498
Cash Funds	6,299,600	6,238,859	7,752,610	8,140,241	8,140,241
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ignition Interlock Program	<u>569,871</u>	<u>599,144</u>	<u>695,945</u>	<u>728,379</u>	<u>728,379</u>
FTE	6.9	6.9	6.9	6.9	6.9
General Fund	0	0	0	0	0
Cash Funds	569,871	599,144	695,945	728,379	728,379
Reappropriated Funds	0	0	0	0	0
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
Indirect Cost Assessment	<u>3,228,570</u>	<u>3,127,093</u>	<u>2,819,339</u>	<u>3,593,346</u>	<u>3,593,346</u>
General Fund	0	0	0	0	0
Cash Funds	3,228,570	3,127,093	2,819,339	3,593,346	3,593,346
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Driver Services</b>	35,112,802	36,846,644	39,411,655	42,257,883	42,257,883
FTE	435.4	433.8	433.8	433.8	433.8
General Fund	5,299,498	3,318,135	3,448,608	3,646,191	3,646,191
Cash Funds	29,682,315	33,396,004	35,829,895	38,478,540	38,478,540
Reappropriated Funds	130,989	132,505	133,152	133,152	133,152
Federal Funds	0	0	0	0	0

**(C) Vehicle Services**

Personal Services	<u>2,503,725</u>	<u>2,925,140</u>	<u>3,228,613</u>	<u>3,482,267</u>	<u>3,482,267</u>
FTE	46.6	52.1	54.1	54.2	54.2
General Fund	580,442	656,752	662,406	711,899	711,899
Cash Funds	1,923,283	2,268,388	2,566,207	2,770,368	2,770,368
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>431,882</u>	<u>339,834</u>	<u>402,237</u>	<u>394,712</u>	<u>394,712</u>
General Fund	431,882	50,362	28,587	28,587	28,587
Cash Funds	0	289,472	373,650	366,125	366,125
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	<b>FY 2021-22 Actual</b>	<b>FY 2022-23 Actual</b>	<b>FY 2023-24 Appropriation</b>	<b>FY 2024-25 Request</b>	<b>FY 2024-25 Recommendation</b>
License Plate Ordering	<u>6,796,932</u>	<u>7,618,115</u>	<u>8,865,221</u>	<u>13,730,582</u>	<u>13,730,582</u>
General Fund	610,468	216,315	236,000	247,800	247,800
Cash Funds	6,186,464	7,401,800	8,629,221	13,482,782	13,482,782
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Motorist Insurance Identification Database Program	<u>342,442</u>	<u>244,323</u>	<u>346,332</u>	<u>354,702</u>	<u>354,702</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	342,442	244,323	346,332	354,702	354,702
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emissions Program	<u>1,029,793</u>	<u>1,074,031</u>	<u>1,230,606</u>	<u>1,283,266</u>	<u>1,283,266</u>
FTE	15.0	15.0	15.0	15.0	15.0
General Fund	0	0	0	0	0
Cash Funds	1,029,793	1,074,031	1,230,606	1,283,266	1,283,266
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>426,885</u>	<u>430,805</u>	<u>426,142</u>	<u>542,547</u>	<u>542,547</u>
General Fund	0	0	0	0	0
Cash Funds	426,885	430,805	426,142	542,547	542,547
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
<b>SUBTOTAL - (C) Vehicle Services</b>	11,531,659	12,632,248	14,499,151	19,788,076	19,788,076
<i>FTE</i>	<u>62.6</u>	<u>68.1</u>	<u>70.1</u>	<u>70.2</u>	<u>70.2</u>
General Fund	1,622,792	923,429	926,993	988,286	988,286
Cash Funds	9,908,867	11,708,819	13,572,158	18,799,790	18,799,790
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) County Support Services**

Operating Expenses	<u>1,712,863</u>	<u>2,017,757</u>	<u>2,356,535</u>	<u>2,356,535</u>	<u>2,356,535</u>
General Fund	0	0	0	0	0
Cash Funds	1,712,863	2,017,757	2,356,535	2,356,535	2,356,535
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Asset Maintenance	<u>247,369</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>
General Fund	0	0	0	0	0
Cash Funds	247,369	511,430	511,430	511,430	511,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Improvements	<u>2,330</u>	<u>26,129</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>
General Fund	0	0	0	0	0
Cash Funds	2,330	26,129	36,000	36,000	36,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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>SUBTOTAL - (D) County Support Services</b>	1,962,562	2,555,316	2,903,965	2,903,965	2,903,965
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	1,962,562	2,555,316	2,903,965	2,903,965	2,903,965
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - (4) Division of Motor Vehicles</b>	59,155,126	62,949,643	69,056,588	78,507,108	78,505,835
<i>FTE</i>	<u>546.9</u>	<u>544.8</u>	<u>540.8</u>	<u>544.6</u>	<u>544.6</u>
General Fund	7,760,995	5,625,529	5,078,862	5,363,455	5,363,455
Cash Funds	51,208,242	57,028,509	63,789,398	72,955,325	72,954,052
Reappropriated Funds	185,889	295,605	188,328	188,328	188,328
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
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**(5) SPECIALIZED BUSINESS GROUP**

**(A) Administration**

Personal Services	<u>731,876</u>	<u>733,685</u>	<u>1,141,167</u>	<u>1,176,030</u>	<u>1,176,030</u>
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	7,694	7,871	8,121	8,427	8,427
Cash Funds	500,759	508,416	803,417	837,974	837,974
Reappropriated Funds	223,423	217,398	329,629	329,629	329,629
Federal Funds	0	0	0	0	0

Operating Expenses	<u>7,918</u>	<u>13,253</u>	<u>13,934</u>	<u>13,934</u>	<u>13,934</u>
General Fund	111	111	111	111	111
Cash Funds	5,018	8,447	8,885	8,885	8,885
Reappropriated Funds	2,789	4,695	4,938	4,938	4,938
Federal Funds	0	0	0	0	0

<b>SUBTOTAL - (A) Administration</b>	739,794	746,938	1,155,101	1,189,964	1,189,964
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	7,805	7,982	8,232	8,538	8,538
Cash Funds	505,777	516,863	812,302	846,859	846,859
Reappropriated Funds	226,212	222,093	334,567	334,567	334,567
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
<b>(B) Limited Gaming Division</b>					
Personal Services	<u>8,664,625</u>	<u>9,946,497</u>	<u>9,269,350</u>	<u>9,604,145</u>	<u>9,604,145</u>
FTE	106.0	106.0	106.0	106.0	106.0
General Fund	0	0	0	0	0
Cash Funds	8,664,625	9,946,497	9,269,350	9,604,145	9,604,145
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>778,202</u>	<u>857,237</u>	<u>1,129,997</u>	<u>1,129,997</u>	<u>1,129,997</u>
General Fund	0	0	0	0	0
Cash Funds	778,202	857,237	1,129,997	1,129,997	1,129,997
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>3,805,206</u>	<u>3,691,143</u>	<u>4,066,253</u>	<u>4,066,253</u>	<u>4,066,253</u>
General Fund	0	0	0	0	0
Cash Funds	3,805,206	3,691,143	4,066,253	4,066,253	4,066,253
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Distribution to Gaming Cities and Counties	<u>148,635,902</u>	<u>156,570,957</u>	<u>23,788,902</u>	<u>23,788,902</u>	<u>23,788,902</u>
General Fund	0	1,250,000	0	0	0
Cash Funds	148,635,902	155,320,957	23,788,902	23,788,902	23,788,902
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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
Responsible Gaming Grant Program	<u>0</u>	<u>2,499,816</u>	<u>2,500,000</u>	<u>3,200,000</u>	<u>3,200,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	2,499,816	2,500,000	3,200,000	3,200,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>992,866</u>	<u>1,024,730</u>	<u>780,302</u>	<u>938,187</u>	<u>938,187</u>
General Fund	0	0	0	0	0
Cash Funds	992,866	1,024,730	780,302	938,187	938,187
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (B) Limited Gaming Division</b>	162,876,801	174,590,380	41,534,804	42,727,484	42,727,484
FTE	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>
General Fund	0	1,250,000	0	0	0
Cash Funds	162,876,801	173,340,380	41,534,804	42,727,484	42,727,484
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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

Personal Services	<u>4,456,684</u>	<u>3,411,889</u>	<u>5,046,430</u>	<u>5,286,470</u>	<u>5,286,470</u>
FTE	58.7	63.7	65.1	65.4	65.4
General Fund	2,058,228	185,187	191,363	199,790	199,790
Cash Funds	2,398,456	3,226,702	4,855,067	5,086,680	5,086,680
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
Operating Expenses	<u>453,893</u>	<u>458,722</u>	<u>559,151</u>	<u>539,856</u>	<u>539,856</u>
General Fund	6,965	6,965	6,965	6,965	6,965
Cash Funds	446,928	451,757	552,186	532,891	532,891
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>364,720</u>	<u>473,590</u>	<u>459,608</u>	<u>543,436</u>	<u>543,436</u>
General Fund	0	0	0	0	0
Cash Funds	364,720	473,590	459,608	543,436	543,436
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (C) Liquor and Tobacco</b>					
<b>Enforcement Division</b>	5,275,297	4,344,201	6,065,189	6,369,762	6,369,762
FTE	<u>58.7</u>	<u>63.7</u>	<u>65.1</u>	<u>65.4</u>	<u>65.4</u>
General Fund	2,065,193	192,152	198,328	206,755	206,755
Cash Funds	3,210,104	4,152,049	5,866,861	6,163,007	6,163,007
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

**(D) Division of Racing Events**

Personal Services	<u>965,745</u>	<u>1,017,565</u>	<u>1,357,817</u>	<u>1,452,119</u>	<u>1,452,119</u>
FTE	7.7	10.7	11.7	11.7	11.7
General Fund	0	0	0	0	0
Cash Funds	965,745	1,017,565	1,357,817	1,452,119	1,452,119
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
Operating Expenses	<u>166,554</u>	<u>309,629</u>	<u>301,344</u>	<u>505,026</u>	<u>505,026</u>
General Fund	0	0	0	0	0
Cash Funds	166,554	309,629	301,344	505,026	505,026
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Purses and Breeders Awards	<u>741,302</u>	<u>1,010,470</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
General Fund	0	0	0	0	0
Cash Funds	741,302	1,010,470	1,400,000	1,400,000	1,400,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>58,972</u>	<u>58,305</u>	<u>56,682</u>	<u>68,153</u>	<u>68,153</u>
General Fund	0	0	0	0	0
Cash Funds	58,972	58,305	56,682	68,153	68,153
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (D) Division of Racing Events</b>	1,932,573	2,395,969	3,115,843	3,425,298	3,425,298
FTE	<u>7.7</u>	<u>10.7</u>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>
General Fund	0	0	0	0	0
Cash Funds	1,932,573	2,395,969	3,115,843	3,425,298	3,425,298
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*

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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>Hearings Division</b>					
Personal Services	<u>0</u>				
FTE	0.0				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				
Operating Expenses	<u>0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				
Indirect Cost Assessment	<u>0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	0				
<b>SUBTOTAL - Hearings Division</b>	0				
FTE	<u>0.0</u>				
General Fund	0				
Cash Funds	0				
Reappropriated Funds	0				
Federal Funds	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
<b>(F) Motor Vehicle Dealer Licensing Board</b>					
Personal Services	<u>2,092,857</u>	<u>2,370,911</u>	<u>2,593,299</u>	<u>2,905,640</u>	<u>2,905,640</u> *
FTE	32.3	32.3	32.3	32.3	32.3
General Fund	0	0	0	0	0
Cash Funds	2,092,857	2,370,911	2,593,299	2,905,640	2,905,640
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>198,851</u>	<u>292,893</u>	<u>325,446</u>	<u>325,446</u>	<u>325,446</u>
General Fund	0	0	0	0	0
Cash Funds	198,851	292,893	325,446	325,446	325,446
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>247,372</u>	<u>244,578</u>	<u>237,772</u>	<u>285,423</u>	<u>285,423</u>
General Fund	0	0	0	0	0
Cash Funds	247,372	244,578	237,772	285,423	285,423
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>SUBTOTAL - (F) Motor Vehicle Dealer</b>					
<b>Licensing Board</b>	2,539,080	2,908,382	3,156,517	3,516,509	3,516,509
FTE	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>
General Fund	0	0	0	0	0
Cash Funds	2,539,080	2,908,382	3,156,517	3,516,509	3,516,509
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
<b>(G) Marijuana Enforcement</b>					
Marijuana Enforcement	<u>9,879,646</u>	<u>8,612,671</u>	<u>16,671,771</u>	<u>16,604,617</u>	<u>16,604,617</u> *
FTE	152.0	156.0	159.1	158.6	158.6
General Fund	(2,719,323)	0	295,024	0	0
Cash Funds	12,598,969	8,612,671	16,138,823	16,604,617	16,604,617
Reappropriated Funds	0	0	237,924	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>1,168,700</u>	<u>1,290,841</u>	<u>1,287,147</u>	<u>1,528,557</u> 0.0	<u>1,528,557</u> 0.0
General Fund	0	0	0	0	0
Cash Funds	1,168,700	1,290,841	1,287,147	1,528,557	1,528,557
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Natural Medicines	<u>0</u>	<u>0</u>	<u>536,826</u>	<u>1,408,955</u>	<u>1,408,955</u>
FTE	0.0	0.0	4.7	15.5	15.5
General Fund	0	0	536,826	1,408,955	1,408,955
Transfers to Other Departments	<u>200,991</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	200,991	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*  
*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>SUBTOTAL - (G) Marijuana Enforcement</b>	11,249,337	9,903,512	18,495,744	19,542,129	19,542,129
<i>FTE</i>	<u>152.0</u>	<u>156.0</u>	<u>163.8</u>	<u>174.1</u>	<u>174.1</u>
General Fund	(2,719,323)	0	831,850	1,408,955	1,408,955
Cash Funds	13,968,660	9,903,512	17,425,970	18,133,174	18,133,174
Reappropriated Funds	0	0	237,924	0	0
Federal Funds	0	0	0	0	0

<b>TOTAL - (5) Specialized Business Group</b>	184,612,882	194,889,382	73,523,198	76,771,146	76,771,146
<i>FTE</i>	<u>367.7</u>	<u>379.7</u>	<u>389.9</u>	<u>400.5</u>	<u>400.5</u>
General Fund	(646,325)	1,450,134	1,038,410	1,624,248	1,624,248
Cash Funds	185,032,995	193,217,155	71,912,297	74,812,331	74,812,331
Reappropriated Funds	226,212	222,093	572,491	334,567	334,567
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
<b>(6) STATE LOTTERY DIVISION</b>					
Personal Services	<u>7,544,037</u>	<u>8,588,284</u>	<u>9,362,056</u>	<u>9,726,496</u>	<u>9,726,496</u>
FTE	102.1	102.1	102.1	102.1	102.1
General Fund	0	0	0	0	0
Cash Funds	7,544,037	8,588,284	9,362,056	9,726,496	9,726,496
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>881,580</u>	<u>1,123,203</u>	<u>1,540,533</u>	<u>1,540,533</u>	<u>1,540,533</u>
General Fund	0	0	0	0	0
Cash Funds	881,580	1,123,203	1,540,533	1,540,533	1,540,533
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>134,212</u>	<u>137,868</u>	<u>239,410</u>	<u>239,410</u>	<u>239,410</u>
General Fund	0	0	0	0	0
Cash Funds	134,212	137,868	239,410	239,410	239,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Marketing and Communications	<u>14,680,192</u>	<u>14,837,053</u>	<u>14,900,000</u>	<u>14,900,000</u>	<u>14,900,000</u>
General Fund	0	0	0	0	0
Cash Funds	14,680,192	14,837,053	14,900,000	14,900,000	14,900,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

*JBC Staff Figure Setting - FY 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
Multi-State Lottery Fees	<u>90,878</u>	<u>119,622</u>	<u>177,433</u>	<u>177,433</u>	<u>177,433</u>
General Fund	0	0	0	0	0
Cash Funds	90,878	119,622	177,433	177,433	177,433
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vendor Fees	<u>19,832,699</u>	<u>27,887,826</u>	<u>35,254,852</u>	<u>37,549,578</u>	<u>32,549,578</u> *
General Fund	0	0	0	0	0
Cash Funds	19,832,699	27,887,826	35,254,852	37,549,578	32,549,578
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retailer Compensation	<u>62,184,571</u>	<u>65,841,424</u>	<u>85,000,000</u>	<u>85,000,000</u>	<u>85,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	62,184,571	65,841,424	85,000,000	85,000,000	85,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>729,711</u>	<u>755,162</u>	<u>734,435</u>	<u>884,763</u>	<u>884,763</u>
General Fund	0	0	0	0	0
Cash Funds	729,711	755,162	734,435	884,763	884,763
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ticket Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
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
<b>TOTAL - (6) State Lottery Division</b>	106,077,880	119,290,442	147,208,719	150,018,213	145,018,213
<i>FTE</i>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>
General Fund	0	0	0	0	0
Cash Funds	106,077,880	119,290,442	147,208,719	150,018,213	145,018,213
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
<b>TOTAL - Department of Revenue</b>	508,520,738	552,449,832	500,259,829	527,192,076	515,227,754
<i>FTE</i>	<u>1,626.8</u>	<u>1,691.6</u>	<u>1,715.6</u>	<u>1,739.4</u>	<u>1,739.4</u>
General Fund	123,778,927	138,039,199	153,435,269	157,930,741	151,825,515
Cash Funds	376,961,309	406,187,568	337,099,525	358,800,763	352,941,157
Reappropriated Funds	7,780,502	8,223,065	8,277,317	9,608,440	9,608,950
Federal Funds	0	0	1,447,718	852,132	852,132

## APPENDIX B: JTC R1 RECOMMENDATION



**Legislative Council Staff**  
*Nonpartisan Services for Colorado's Legislature*

# Memorandum

January 24, 2024

**TO:** Joint Technology Committee  
**FROM:** Dan Graeve, Research Analyst, 303-866-3446  
**SUBJECT:** JTC Staff Analysis of JBC-Referred FY2024-25 Operating Budget Request  
Colorado Department of Revenue  
R-01 GenTax & DRIVES Support Funding

## Summary

In FY 2024-25, the Department of Revenue (DOR) is requesting \$866,221 (\$547,734 General Fund and \$318,792 from the Colorado DRIVES Vehicle Services Account (DRIVES) Cash Fund). Pursuant to Joint Rule 45(b), the Joint Budget Committee (JBC) referred this operating budget request to the Joint Technology Committee (JTC) for the committee's review and recommendation.

## Request Details

DOR is requesting funding to hire additional maintenance staff for critical systems. In addition, the request includes support funding to implement legislative enhancements due to legislation passed in 2022 and 2023. Finally, the request also includes funds for a third party contract to add live call translation services in the taxation call center. The request will be used to fund 8.3 FTE in FY 2024-25, annualized to 9.0 FTE in FY 2025-26.

## DRIVES and GenTax

GenTax is Colorado's tax administration software platform. State and county Division of Motor Vehicles employees use the Colorado DRIVES system to provide driver and motor vehicles services. DOR created the Innovation, Strategy, and Delivery Division (ISD) in 2022 to implement improvements in processing requests in both systems as a result of organizational and staffing change. Through the department's FY 2022-23 decision item, ISD used a cross-functional, sub-team approach to staff its Tax and DMV Delivery teams to more proactively manage a backlog of system enhancement requests. However, the DOR indicates that demand for services change requests in its DRIVES and GenTax systems remain high.

**Open records requirements:** Pursuant to Section 24-72-202 (6.5)(b), C.R.S., research memoranda and other final products of Legislative Council Staff are considered public records and subject to public inspection unless: a) the research is related to proposed or pending legislation; and b) the legislator requesting the research specifically asks that the research be permanently considered "work product" and not subject to public inspection. If you would like to designate this memorandum to be permanently considered "work product" not subject to public inspection, or if you think additional research is required and this is not a final product, please contact the Legislative Council Librarian at (303) 866-4011 within seven days of the date of the memorandum.



DOR indicates that it needs additional staffing due to workload impacts from recent legislative sessions as well demands from planned GenTax and DRIVES upgrades in FY 2024-25 and FY 2025-26. The DRIVES upgrade in particular, according to the department, will approach 70,000 hours of programming and testing, spanning 18 to 24 months. DOR further states that it encountered hiring challenges from Colorado's competitive tech job market, resulting in vacancies in FY 2022-23. The request will fund the following positions within ISD:

- six Business Analyst III,
- two Business Analyst IV, and
- one Business Analyst V.

### Translation Services

The department also proposes to contract with a third party to perform live translation services for the taxation call center. The state estimates that just over 2,000 taxpayers will take advantage of translation services based on the population and experience of one other states contacted by DOR. DOR states that additional customer service agents will be needed as a result of offering translation services in order to not negatively affect existing customers.

### Committee Options

The JTC has three options for committee action when it reviews an operating budget request and makes a recommendation to the JBC. The JTC can:

- recommend the request to the JBC for funding with no concerns;
- recommend the request to the JBC for funding with concerns; or
- not recommend the request for funding.

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee  
FROM Jon Catlett, JBC Staff (303-866-4386)  
DATE February 26, 2024  
SUBJECT Department of Revenue Figure Setting  
R5 MED Support Funding

### R5: MARIJUANA ENFORCEMENT DIVISION FUNDING ADJUSTMENT:

The Department provided an update on the Marijuana Cash Fund (MCF) on February 26, 2024, based on the most recent forecast of fee revenue. The MCF outlook has been revised downward since the November 1 budget submission.

Marijuana Cash Fund 02/26/2024						
MED Cash Fund	FY2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY2027-28
	Actual	Projection	Projection	Projection	Projection	Projection
<b>Beginning Fund Balance</b>	<b>\$ 3,367,766</b>	<b>\$ 236,067</b>	<b>\$ 435,068</b>	<b>(\$ 4,741,285)</b>	<b>(\$ 9,947,466)</b>	<b>(\$ 15,088,746)</b>
<b>Revenue</b>						
<i>Planned percent fee increase</i>			4%	3%	3%	3%
License Fee Revenue	\$ 10,611,385	\$12,000,000	\$ 12,480,000	\$ 12,854,400	\$ 13,240,032	\$ 13,637,233
Fines, Other Rev	417,379	338,064	338,064	338,064	338,064	338,064
SB23-199 GF Transfers		\$ 4,389,873				
<b>Total Revenue</b>	<b>\$ 11,028,764</b>	<b>\$ 16,727,937</b>	<b>\$ 12,818,064</b>	<b>\$ 13,192,464</b>	<b>\$ 13,578,096</b>	<b>\$ 13,975,297</b>
<b>Total Expenditures</b>	<b>(\$15,660,463)</b>	<b>(\$16,528,936)</b>	<b>(\$17,494,418)</b>	<b>(\$17,898,644)</b>	<b>(\$18,219,376)</b>	<b>(\$18,546,191)</b>
Cash fund Insolvency						
Loan/Repayment	\$ 1,500,000		(\$ 500,000)	(\$ 500,000)	(\$ 500,000)	
<b>Surplus/(Deficit)</b>	<b>(\$ 3,131,699)</b>	<b>\$ 199,001</b>	<b>(\$ 5,176,354)</b>	<b>(\$ 5,206,180)</b>	<b>(\$ 5,141,280)</b>	<b>(\$ 4,570,894)</b>
<b>Ending Fund Balance</b>	<b>\$ 236,067</b>	<b>\$ 435,068</b>	<b>(\$ 4,741,285)</b>	<b>(\$ 9,947,466)</b>	<b>(\$ 15,088,746)</b>	<b>(\$ 19,659,640)</b>
<b>Cost drivers for \$1million increase in expenditures from FY24 to FY25</b>						
Compensation (Salary Survey and steps)				\$600,000		
Central Services (DPA omnibus DI creating new common policies and Payments to OIT)				\$200,000		
Assumed 1% inflationary increase in expenditures				\$160,000		

MARIJUANA TAX CASH FUND PROJECTIONS: OSPB

FEBRUARY 26, 2024

The December MTCF revenue forecast provided by OSPB was revised downwards from the September forecast for the current year and FY 2024-25. Current year revenue for FY 2023-24 is now projected to be \$154.9 million in the December forecast, a decrease of approximately \$10.0 million from the September projection. FY 2024-25 revenue is forecast to be \$175.5 million, roughly \$4 million less than the September forecast.

MARIJUANA TAX CASH FUND PROJECTIONS -DECEMBER 2023 OSPB FORECAST AND SESSION APPROPRIATIONS			
DESCRIPTION	FY 2023-24 APPROPRIATED	FY 2024-25 NOV1 REQUEST	FY 2024-25 JAN 2 REQUEST
Beginning fund balance as of July 1, 2022 (per Department of Revenue)	\$140,059,941	\$121,808,246	\$121,808,246
<b>PLUS: Total MTCF share of revenue (December OSPB)</b>	<b>154,930,145</b>	<b>175,491,530</b>	<b>175,491,530</b>
LESS: Amount designated as TABOR emergency reserve	(100,000,000)	(100,000,000)	(100,000,000)
<b>Amount available after TABOR reserve</b>	<b>194,990,086</b>	<b>197,299,776</b>	<b>197,299,776</b>
LESS: S.B. 21-207 (Pub School Cap Const Assistance Fund Transfer) and H.B. 22-1341 (Marijuana Tax Cash Fund) Transfer to Education	(20,000,000)	0	0
<b>LESS: Requested Legislative placeholder for I Matter Continuation (Department of Human Services)</b>		<b>(6,000,000)</b>	<b>0</b>
<b>LESS: Requested legislative placeholder for OEDIT business office modifications</b>		<b>(5,000,000)</b>	<b>(2,750,000)</b>
<b>LESS: Requested transfer to IT Capital MED seed-to-sale software</b>		<b>(4,080,000)</b>	<b>(1,000,000)</b>
<b>LESS: Requested MED support funding (Revenue R5)</b>		<b>(3,000,000)</b>	<b>(3,000,000)</b>
<b>LESS: Requested Reducing crime and violence (Department of Human Services R2)</b>		<b>(2,652,554)</b>	<b>(2,652,554)</b>
<b>LESS: Requested Hemp center for excellence (Agriculture R11)</b>		<b>(1,467,847)</b>	<b>0</b>
<b>LESS: Requested continuation of HB19-1009 (Voucher Grant Program)</b>		<b>(999,479)</b>	<b>(999,479)</b>
PLUS: Budget reduction to align with expenses (DPS NP4)		673,832	673,832
LESS: H.B. 21-1315 (Costs Assessed to Juveniles in the Criminal Justice System) Transfers	(598,000)	(598,000)	(598,000)
LESS: Current/requested annual appropriations to a variety of departments	(156,083,840)	(160,285,847)	(161,285,847)
LESS: Recommended statutory reserve (15.0 percent of appropriations)	(23,412,576)	(26,809,784)	(25,502,107)
<b>EQUALS: Estimated available balance above/(deficit below) 15.0 percent statutory reserve</b>	<b>(\$5,104,330)</b>	<b>(\$12,919,903)</b>	<b>\$185,621</b>
PLUS: Total reserve amounts	123,412,576	126,809,784	125,502,107
PLUS: Estimated FY 2023-24, FY 2024-25 budget reversion	3,500,000	1,500,000	1,500,001
<b>Year-end fund balance (including reserves)</b>	<b>\$121,808,246</b>	<b>\$115,389,881</b>	<b>\$127,187,729</b>

MARIJUANA TAX CASH FUND PROJECTIONS: LCS



FEBRUARY 26, 2024

The December MTCF revenue forecast provided by LCS was also revised downwards from the September forecast for the current year and FY 2024-25. Current year revenue for FY 2023-24 is projected to be \$140.2 million in the December forecast, a decrease of approximately \$7.6 million from the September projection.

FY 2024-25 revenue is forecast to be \$149.3 million, roughly \$5.6 million less than the September forecast.

Note that for the current year, FY 2023-24, the most recent MTCF forecast by LCS is approximately \$14.7 million lower than OSPB's forecast, and the FY 2024-25 LCS forecast is roughly \$26 million below the OSPB MTCF projection.

MARIJUANA TAX CASH FUND PROJECTIONS -DECEMBER 2023 LCS FORECAST AND SESSION APPROPRIATIONS			
DESCRIPTION	FY 2023-24 APPROPRIATED	FY 2024-25 NOV1 REQUEST	FY 2024-25 JAN 2 REQUEST
Beginning fund balance as of July 1, 2022 (per Department of Revenue)	\$140,059,941	\$107,078,101	\$107,078,101
<b>PLUS: Total MTCF share of revenue (December LCS forecast)</b>	<b>140,200,000</b>	<b>149,300,000</b>	<b>149,300,000</b>
LESS: Amount designated as TABOR emergency reserve	(100,000,000)	(100,000,000)	(100,000,000)
<b>Amount available after TABOR reserve</b>	<b>180,259,941</b>	<b>156,378,101</b>	<b>156,378,101</b>
LESS: S.B. 21-207 (Pub School Cap Const Assistance Fund Transfer) and H.B. 22-1341 (Marijuana Tax Cash Fund) Transfer to Education	(20,000,000)	0	0
<b>LESS: Requested Legislative placeholder for I Matter Continuation (Department of Human Services)</b>		<b>(6,000,000)</b>	<b>0</b>
<b>LESS: Requested legislative placeholder for OEDIT business office modifications</b>		<b>(5,000,000)</b>	<b>(2,750,000)</b>
<b>LESS: Requested transfer to IT Capital MED seed-to-sale software</b>		<b>(4,080,000)</b>	<b>(1,000,000)</b>
<b>LESS: Requested MED support funding (Revenue R5)</b>		<b>(3,000,000)</b>	<b>(3,000,000)</b>
<b>LESS: Requested Reducing crime and violence (Department of Human Services R2)</b>		<b>(2,652,554)</b>	<b>(2,652,554)</b>
<b>LESS: Requested Hemp center for excellence (Agriculture R11)</b>		<b>(1,467,847)</b>	<b>0</b>
<b>LESS: Requested continuation of HB19-1009 (Voucher Grant Program)</b>		<b>(999,479)</b>	<b>(999,479)</b>
PLUS: Budget reduction to align with expenses (DPS NP4)		673,832	673,832
LESS: H.B. 21-1315 (Costs Assessed to Juveniles in the Criminal Justice System) Transfers	(598,000)	(598,000)	(598,000)
LESS: Current/requested annual appropriations to a variety of departments	(156,083,840)	(160,285,847)	(161,285,847)
LESS: Recommended statutory reserve (15.0 percent of appropriations)	(23,412,576)	(26,809,784)	(25,502,107)
<b>EQUALS: Estimated available balance above/(deficit below) 15.0 percent statutory reserve</b>	<b>(\$19,834,475)</b>	<b>(\$53,841,578)</b>	<b>(\$40,736,054)</b>
PLUS: Total reserve amounts	123,412,576	126,809,784	125,502,107
PLUS: Estimated FY 2023-24, FY 2024-25 budget reversion	3,500,000	1,500,000	1,500,001
<b>Year-end fund balance (including reserves)</b>	<b>\$107,078,101</b>	<b>\$74,468,206</b>	<b>\$86,266,054</b>