

JOINT BUDGET COMMITTEE



STAFF BUDGET BRIEFING FY 2024-25 DEPARTMENT OF STATE

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ADDITIONAL RESOURCES

Brief summaries of all bills that passed during the 2022 and 2023 legislative sessions that had a fiscal impact on this department are available in Appendix A of the annual Appropriations Report: <https://leg.colorado.gov/publications/appropriations-report-fiscal-year-2023-24>.

The online version of the briefing document, which includes the Numbers Pages, may be found by searching the budget documents on the General Assembly's website by visiting leg.colorado.gov/content/budget/budget-documents. Once on the budget documents page, select the name of this department's *Department/Topic*, "Briefing" under *Type*, and ensure that *Start date* and *End date* encompass the date a document was presented to the JBC.

DEPARTMENT OF STATE

DEPARTMENT OVERVIEW

The Secretary of State is one of five independently-elected constitutional officers and serves as the chief election official for the State of Colorado. The Department of State (DOS) is broadly responsible for overseeing elections, registering businesses, and publishing information and records for public use. The Department consists of four divisions:

ADMINISTRATION DIVISION

- Provides operational support to the Department, including human resources, finance, office management, communications, and direct support to the Office of the Secretary.

INFORMATION TECHNOLOGY DIVISION

- Provides technical and project management services, systems development, and support for information technology systems in the Department.

ELECTIONS DIVISION

- Administers statewide statutory and constitutional provisions that relate to elections, including the administration of the initiative and referendum process; certifies voting equipment; oversees campaign finance reporting by political candidates and committees; registers lobbyists and monitors the filing of required disclosure reports.
- Implements the provisions of the federal Help America Vote Act (HAVA), including improvements to the administration of federal elections.
- Maintains the State of Colorado Registration and Elections (SCORE) system, the State's computerized statewide voter registration system.

BUSINESS AND LICENSING DIVISION

- Collects, maintains, and provides public access to filings made by businesses and non-profit organizations (e.g. annual reports, articles of incorporation etc.); registers business names, trade names, and trademarks; registers charitable organizations and licenses entities involved in charitable bingo/raffle; licenses and regulates notaries public.
- Compiles and publishes the Code of Colorado Regulations (CCR).
- Oversees the Business Intelligence Center

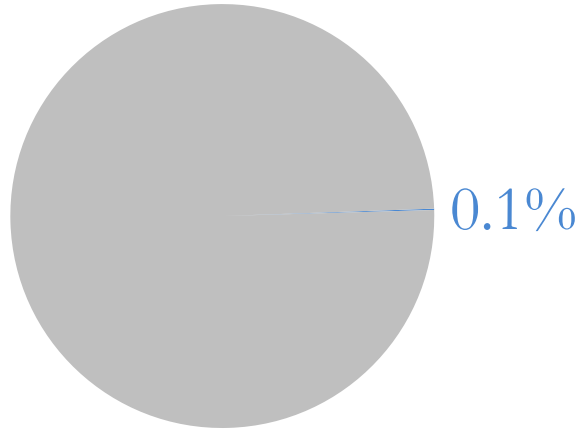
DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25 *
General Fund	\$271,360	\$1,151,651	\$12,835,578	\$6,637,063
Cash Funds	33,077,843	33,953,683	37,047,287	40,339,378
Reappropriated Funds	0	457,349	791,773	302,142
Federal Funds	0	0	0	0
TOTAL FUNDS	\$33,349,203	\$35,562,683	\$50,674,638	\$47,278,583
Full Time Equiv. Staff	147.2	147.2	156.7	161.5

Funding for the Department of State in FY 2023-24 consists of 25.3 percent General Fund, 73.1 percent cash funds, and 1.6 percent reappropriated funds.

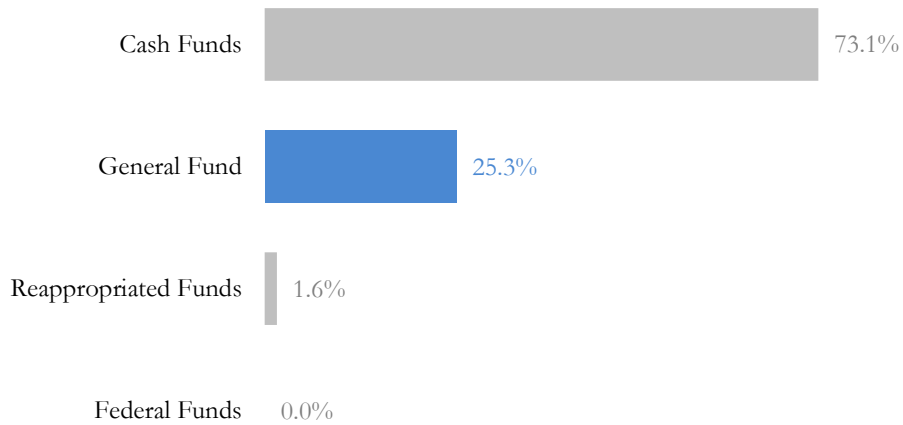
DEPARTMENT BUDGET: GRAPHIC OVERVIEW

Department's Share of Statewide General Fund



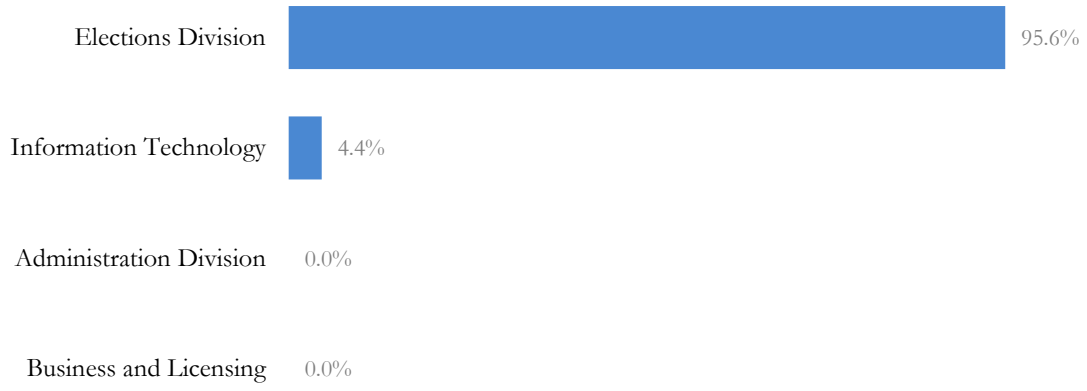
Based on the FY 2023-24 appropriation.

Department Funding Sources



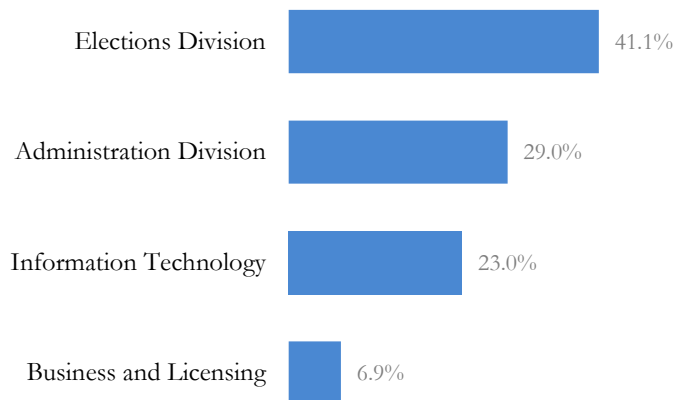
Based on the FY 2023-24 appropriation.

Distribution of General Fund by Division



Based on the FY 2023-24 appropriation.

Distribution of Total Funds by Division



Based on the FY 2023-24 appropriation.

CASH FUNDS DETAIL

DEPARTMENT OF STATE CASH FUNDS APPROPRIATION DETAIL			
FUND NAME OR GROUP	FY 2023-24 APPROP.	PRIMARY SOURCES OF FUND REVENUE	PRIMARY USES IN THIS DEPARTMENT
Department of State Cash Fund	\$32,988,910	Revenue for this fund primarily comes from state business filing fees, and also includes other program fees.	The fund is used for operational expenses throughout the Department.
Electronic Recording Technology Fund	4,048,377	The fund source is a uniform county clerk and recorder filing surcharge on all documents.	This fund is continuously appropriated to the Electronic Recording Technology Board for operating purposes.
Federal Elections Assistance Fund	10,000	This fund receives federal and state moneys appropriated for HAVA-related purposes.	The fund is continuously appropriated to the Department to utilize HAVA funding to improve the administration of federal elections.
Total	\$37,047,287		

ADDITIONAL INFORMATION

DEPARTMENT OF STATE CASH FUND: The Department of State is primarily funded through the Department of State cash fund, and is statutorily authorized to set fees at a level that approximates the total costs of departmental operations while also utilizing and maintaining reserves in the fund. More information is provided in the factors driving the budget section below.

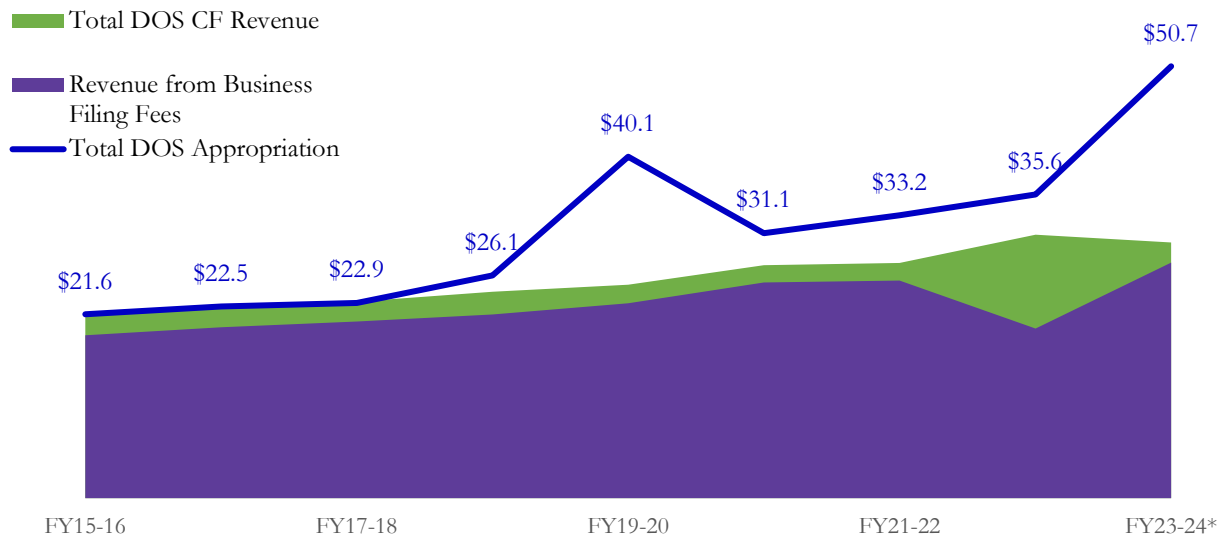
GENERAL FACTORS DRIVING THE BUDGET

The DOS budget is driven by (1) the volume of business filings in a year, (2) department-wide expenses related to the administration of elections, and (3) information technology support of elections and business filing processes.

BUSINESS FILING FEES AND DOS CASH FUND REVENUES

The DOS Cash Fund is the depository for state business filing fees, and these account for a majority of the cash fund's revenue. The remainder of the revenues are made up of fees from other programs including bingo-raffle licensing, campaign finance reporting, and the registration of lobbyists and notaries public. The DOS maintains a policy to conduct regular competitiveness reviews when setting fee amounts, and the fee schedule has remained relatively consistent over the last ten years.

A majority of the Total Annual DOS Appropriation comes from DOS Cash Fund Revenue, which is largely determined by Revenue from Business Filing Fees (Millions).



*Filing fee revenue is lower in FY 2022-23 due to the credit established in H.B. 22-1001 (Reduce Fees for Business Filings) provided to filers of new LLCs and new trade name registrations. In recent sessions, election-related legislation has somewhat increased General Fund appropriations to the Department. However, the largest jump in General Fund appropriations, seen in the graph above in FY 2019-20 and FY 2023-24, comes from local election reimbursement during presidential primary years.

ELECTION EXPENDITURES

A large portion of Departmental expenditures are driven by the costs of administering elections. These costs reflect changes in the population of eligible voters, new election laws, and the variable characteristics of each election cycle. Election expenditures are cyclical and based on the characteristics of the elections occurring during that year. In odd-year elections, ballot initiatives must be TABOR-related and in even-year elections there are no restrictions on types of initiatives. Even-year elections line up with presidential and gubernatorial elections, which tend to have higher turnout rates, and are also when the federal government makes HAVA (Help America Vote Act) grants available.

INITIATIVES AND REFERENDUMS

- The Department funds the verification of signatures on candidate and initiative petitions. Expenditures fluctuate based on the year and number of initiatives on the ballot.

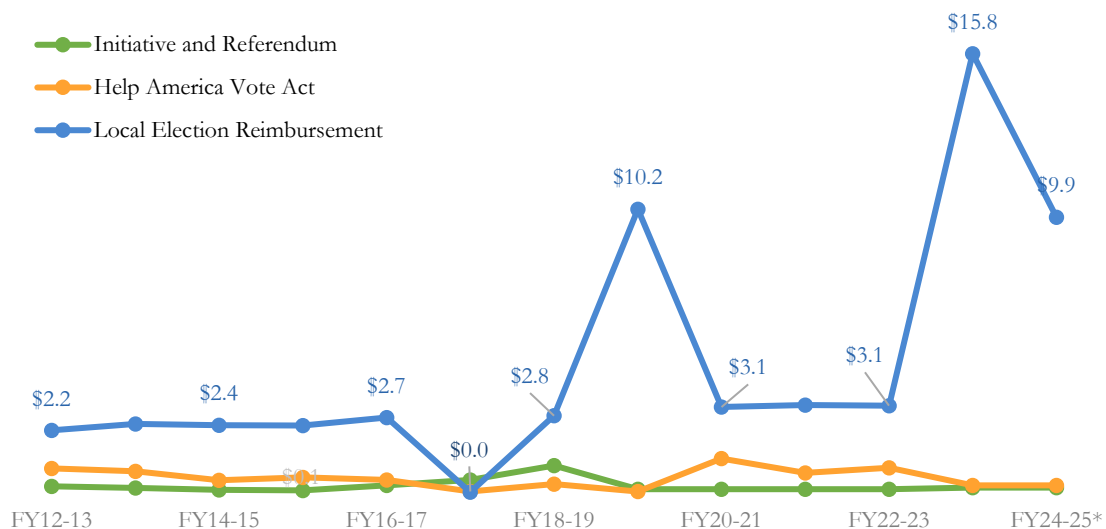
LOCAL ELECTION REIMBURSEMENT

- For odd-year elections, the State reimburses counties on a 'per voter' basis. This is driven by the number of eligible voters registered in each county and the reimbursement rate specified in statute. This will change on July 1, 2024, when S.B. 23-276 (Modification to Laws Regarding Elections) goes into effect, under which reimbursement to counties for election costs will be calculated as a percentage of actual direct costs to the county.
- The Department reimburses counties for actual direct costs related to presidential primary elections. The funding for this, beyond what is in the Department's line item for local election reimbursement from the DOS Cash Fund, comes from the General Fund.
- Local election reimbursement costs are estimated based on actual costs for the previous primary election, which are then adjusted to account for inflation and the fact that presidential primaries are roughly 20.0 percent more expensive for counties to conduct.

HELP AMERICA VOTE ACT (HAVA) PROGRAM

- The State matches federal funding with cash funds to receive HAVA grants. HAVA funding can be used to improve the administration of federal elections, including replacing outdated voting technology, ensuring accessibility for disabled voters, and instituting and maintaining Colorado's statewide voter registration system (SCORE).
- HAVA funding is determined annually based on available federal grants. The Department received federal HAVA grant funding in 2018, 2020, and 2022.

Department of State Local Election Reimbursement, HAVA, and Initiative and Referendum state expenditures (millions) are cyclical and determined by the characteristics of each election cycle.



*FY 2023-24 data is based on appropriations rather than expenditures. FY 2024-25 data is based on the Department's request.

INFORMATION TECHNOLOGY SYSTEMS

The Information Technology (IT) Division provides most of the technological support for other divisions in the Department, namely the Elections and Business and Licensing Divisions. The costs of this support are housed in the Hardware/Software Maintenance line item.

The IT Division maintains and supports the business and licensing system for:

- Business filing processes;
- Public records resources; and
- Certification programs.

The Division also maintains elections software for:

- The SCORE system for statewide computerized voter registration and election management;
- Statewide ballot tracking and;
- The TXT2CURE/TXT2SIGN system that enables voters with missing or discrepant signatures, missing identification for mail ballots, or a missing signature on the voter registration application to fix the discrepancy electronically.

SUMMARY: FY 2023-24 APPROPRIATION & FY 2024-25 REQUEST

DEPARTMENT OF STATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2023-24 APPROPRIATION:						
SB 23-214(Long Bill)	\$50,108,869	\$12,835,578	\$36,481,518	\$791,773	\$0	155.5
Other legislation	565,769	0	565,769	0	0	1.2
TOTAL	\$50,674,638	\$12,835,578	\$37,047,287	\$791,773	\$0	156.7
FY 2024-25 REQUESTED APPROPRIATION:						
FY 2023-24 Appropriation	\$50,674,638	12,835,578	\$37,047,287	\$791,773	0	156.7
R1 HAVA election security grant state match	234,488	0	234,488	0	0	0.0
R2 ADA IT accessibility	268,872	0	268,872	0	0	2.5
R3 Cybersecurity defense	450,000	0	450,000	0	0	0.0
R4 Inflation adjustment for IT	316,395	0	316,395	0	0	0.0
R5 Business fraud complaint support	54,063	0	54,063	0	0	1.0
R6 ERIC dues increase	50,000	0	50,000	0	0	0.0
Annualize prior year legislation	5,528,372	6,369,203	(383,482)	(457,349)	0	1.3
Informational adjustment	1,431,055	0	1,431,055	0	0	0.0
Centrally appropriated line items	1,269,473	0	1,269,473	0	0	0.0
Non-prioritized decision item	91,973	0	91,973	0	0	0.0
Annualize prior year budget actions	(12,981,488)	(12,265,576)	(381,488)	(334,424)	0	0.0
Technical adjustments	(76,976)	(302,142)	(76,976)	302,142	0	0.0
Indirect cost assessment	(32,282)	0	(32,282)	0	0	0.0
TOTAL	\$47,278,583	\$6,637,063	\$40,339,378	\$302,142	\$0	161.5
INCREASE/(DECREASE)	(\$3,396,055)	(\$6,198,515)	\$3,292,091	(\$489,631)	\$0	4.8
Percentage Change	(6.7%)	(48.3%)	8.9%	(61.8%)	0.0%	3.1%

R1 2022 HAVA ELECTION SECURITY GRANT STATE MATCH: The request includes \$234,488 in one-time DOS Cash Fund spending authority for FY 2024-25 to match a federal HAVA grant for \$1,172,438. The State must match 20.0 percent of these funds in order to access the federal funds, and must have the spending authority by April 10, 2025. This funding is used to support improvements in federal election administration and infrastructure, including the provision of grants to counties for physical and cyber security, improvements to the Statewide Colorado Registration and Election (SCORE) system, performing election audits, and cybersecurity improvements. If this request is not approved, the Department would be required to return the \$1,172,438 in grant funding to the US Election Assistance Commission, as well as accumulated interest.

R2 AMERICANS WITH DISABILITIES ACT (ADA) IT ACCESSIBILITY: This request includes \$268,872 in DOS Cash Fund spending authority for FY 2024-25 to add 2.5 FTE for ADA accessibility compliance. The Department requests 1.0 FTE for an IT Professional and 1.5 FTE for two Temporary Aides to manually review DOS content for ADA accessibility. At present, DOS has over 30 public-facing applications, and automated processes are only able to detect around 30% of the issues related to ADA accessibility. Existing IT staffing within DOS is largely responsible for the development and updating of these proprietary applications. The Department requests this additional FTE for front-end development and review of applications to allow for continuous testing of Department content and applications to meet ADA guidelines.

R3 CYBERSECURITY DEFENSE: The request includes \$450,000 in DOS Cash Fund spending authority for technical testing of election systems. The Department aims to employ a variety of cybersecurity measures to maintain election security, including detection systems, penetration testing, automated AI response to threats, incident response, and securing code vulnerabilities. The request includes funding for both software and hardware upgrades, as well as a budget set-aside for industry contractors with relevant expertise.

R4 INFLATION ADJUSTMENT FOR HARDWARE/SOFTWARE LICENSING: The request includes \$316,395 for increased costs for hardware and software licensing. The Department last received an adjustment for market forces through a request made in November of 2021. Since then, persistent inflation has caused costs for IT services and licenses to rise. Furthermore, industry shifts in software licensing from perpetual licensing to subscription models has made it more difficult to defer upgrading software, since costs for software are increasingly annual, instead of up-front.

R5 BUSINESS FRAUD COMPLAINT SUPPORT: The request includes \$54,063 in DOS Cash Fund spending authority to hire 1.0 additional FTE in the Business and Licensing Division. The Department is requesting this funding to handle an anticipated increase in public contacts after January 1, 2024, due to the federal Corporate Transparency Act (CTA) entering into force. At present, there are 1.5 million firms filed with the Department, and if even a small fraction of these contact the department, it is likely to cause a backlog. Additionally, the implementation of S.B. 22-034 (Business Filing Address And Name Fraud) has seen over 1,000 complaints regarding fraudulent business filings, which has also contributed to increasing workload. The additional FTE for this request will handle both business fraud filing complaints and respond to CTA questions from Colorado businesses.

R6 ERIC DUES INCREASE The request includes \$50,000 in in DOS Cash Fund spending authority to pay for increases in membership fees for the Electronic Registration Information Center (ERIC) program. ERIC is a nonprofit comprised of member states. The organization helps to maintain current voter registration information for local authorities through checks on government documents across member states (e.g. DMV records, USPS change of address forms). This funding would primarily be used to pay membership dues, which have increased \$36,000 since FY 21-22, as well as supporting increasing operating costs.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes adjustments for the second- and third-year impacts of prior year legislation outlined in the table below.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB23-276 Modify election law	6,374,992	6,700,000	(325,008)	0	0	1.5
HB21-1071 Ranked choice nonpartisan elections	(784,646)	(330,797)	3,500	(457,349)	0	0.0
SB23-153 Notary sunset extension	(61,974)	0	(61,974)	0	0	(0.2)
TOTAL	\$5,528,372	\$6,369,203	(\$383,482)	(\$457,349)	\$0	1.3

INFORMATIONAL ADJUSTMENTS: The request includes \$1,431,055 in technical adjustments, including a cash fund adjustment from the Electronic Recording Technology Board Fund to reflect the Electronic Recording Technology Board’s adjusted balance, shown for informational purposes.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items outlined in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	Federal FUNDS	FTE
Salary survey	669,963	0	669,963	0	0	0.0
PERA Direct Distribution	229,288	0	229,288	0	0	0.0
Health, life, and dental	206,262	0	206,262	0	0	0.0
AED	76,077	0	76,077	0	0	0.0
SAED	76,077	0	76,077	0	0	0.0
Paid Family and Medical Leave Insurance	59,305	0	59,305	0	0	0.0
Leased space	59,000	0	59,000	0	0	0.0
Workers' compensation	17,715	0	17,715	0	0	0.0
ALJ services	16,093	0	16,093	0	0	0.0
Short-term disability	2,281	0	2,281	0	0	0.0
Risk management & property adjustment	(71,425)	0	(71,425)	0	0	0.0
Payments to OIT	(59,318)	0	(59,318)	0	0	0.0
CORE adjustment	(8,389)	0	(8,389)	0	0	0.0
Legal services	(3,456)	0	(3,456)	0	0	0.0
TOTAL	\$1,269,473	\$0	\$1,269,473	\$0	\$0	0.0

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$91,973 in cash funds for items requested by other departments that impact the agencies covered in this briefing document.

NON-PRIORITIZED DECISION ITEM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP Central Services Omnibus Request	\$91,663	\$0	\$91,663	\$0	\$0	0.0
CORE Operating Resources	723	0	723	0	0	0.0
NP1 Annual Fleet Vehicle Request	(413)	0	(413)	0	0	0.0
TOTAL	\$91,973	\$0	\$91,973	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes adjustments for prior year impacts of budget actions outlined in the table below.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize Pres Prim Election County Reimb	(12,600,000)	(12,265,576)	0	(334,424)	0	0.0
Annualize HAVA Grant Match	(234,488)	0	(234,488)	0	0	0.0
FY22-23 R2 Odd year HW/SW maint decrease	(147,000)	0	(147,000)	0	0	0.0
Prior year salary survey	0	0	0	0	0	0.0
TOTAL	(\$12,981,488)	(\$12,265,576)	(\$381,488)	(\$334,424)	\$0	0.0

TECHNICAL ADJUSTMENTS: The request includes requests for technical adjustments outlined in the table below.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE	
SWICAP common policy base adj	0	(302,142)	0	302,142	0.0	
Doc solutions common policy base adj	(76,976)	0	(76,976)	0	0.0	
TOTAL	(\$76,976)	(\$302,142)	(\$76,976)	\$302,142	0.0	

INDIRECT COST ASSESSMENT: The request includes a reduction to the Department's indirect cost assessment.

ISSUE: ELECTION ADMINISTRATION COSTS

One of the most pressing issues facing the Department of State is the changes in reimbursement to counties for election costs brought about by the passage of S.B. 23-276. Presently, the Department subsidizes county costs at a rate of 80 or 90 cents per active registered voter, based on the number of eligible voters registered in each county, pursuant to Section 1-5-505.5, C.R.S. In instances, when there are odd-year elections in which the statewide ballot question is the only item on a county ballot, the Department reimburses the county for its actual direct costs. However, S.B. 23-276 will come into effect on July 1, 2024, significantly increasing county reimbursements for the 2024 General Election. The Department is requesting General Fund to cover the increased cost of these county reimbursements, rather than continuing to rely on the DOS Cash Fund

SUMMARY

- The Department's FY 2024-25 request includes an increase of \$6.7 million General Fund to reflect the FY 2024-25 cost of S.B. 23-276 and cover the increasing cost of election reimbursements.
- Current legislation authorizes the use of either General Fund or the DOS cash fund to support these reimbursements and does not specify a preferred source. As a result, the Committee will have to make a decision on fund sources to support any necessary increase in the FY 2024-25 Long Bill.
- Funding reimbursements through the DOS Cash Fund would require raising fee revenue by 19.2 percent, which would impact businesses paying those fees and drive a larger TABOR refund as long as the State is above the Referendum C cap.

DISCUSSION

LEGISLATIVE CHANGES

Prior to S.B. 23-276 taking effect, counties are responsible for the entirety of costs to conduct all general, primary, and congressional elections in accordance with Section 1-5-505, C.R.S. Meanwhile, for Presidential Primary Elections, the Department reimburses counties for their actual direct costs from the General Fund in accordance with Section 24-21-104.5(2), C.R.S. Lastly, in elections where there is a statewide ballot question, the Department subsidizes county costs at a rate of 80 or 90 cents per active registered voter, based on the number of eligible voters registered in each county, pursuant to Section 1-5-505.5, C.R.S. In rare instances, when there are odd-year elections in which the statewide ballot question is the only item on a county ballot, the Department reimburses the county for its actual direct costs. Senate Bill 23-276 alters this reimbursement by requiring the Department to provide 45 percent reimbursement to counties for actual costs of administering any election wherein the state certifies any ballot content (Section 1-5-505.5(1), C.R.S.).

DEPARTMENT REQUEST

The Department's request includes an annualization of S.B. 3-276 from General Fund in the amount of \$6.7 million. Under the previous formula, the Department was prepared to pay approximately \$3.2 million for reimbursements from the DOS Cash Fund. However, under S.B. 23-276, DOS is required to compensate counties for 45 percent of their actual election costs. The Department estimates that the cost for these reimbursements will total \$9.9 million, resulting in a \$6.7 million shortfall for FY

24-25.¹ The proposed annualization from General Fund would cover the difference brought about by this change in reimbursement structure.

Under current conditions, the DOS Cash Fund is unable to absorb these increased costs, with these costs estimated at approximately 263 percent of reserves. In order for the Cash Fund to absorb the reimbursement costs, revenues would need to increase by 19.23 percent. In order to accomplish the necessary revenue increase, the Department would need to raise fees substantially. Depending on the fee revenue source, it is possible that this increase in fees would have detrimental impacts on Colorado businesses.

The Department would like to transition the statutory election payments for statewide ballot questions from the DOS Cash Fund to the General Fund. This would alleviate current pressures on reserves in the DOS cash fund caused by the increasing costs of elections. As shown in the table below, the DOS Cash Fund’s historical revenue and expenditures have been relatively close, and the fund is in compliance with statutory reserve requirements.

DOS CASH FUND CASH FLOW				
	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24
Revenue	\$27,348,753	\$40,330,488	\$31,120,000	\$32,170,000
Expenses	(27,738,855)	(41,079,862)	(29,755,073)	(34,540,984)
Net cash flow	(390,102)	(749,374)	1,364,927	(2,370,984)
Reserve	4,668,167	2,750,146	4,115,073	2,548,603
Reserve %	17.1	6.8	13.2	7.9

CONSIDERATIONS

- The Department of State Cash Fund is not TABOR exempt, so increases in the fund’s revenues would have a General Fund impact if the State is above its TABOR Referendum C cap.
- The Department is statutorily authorized to set fees at a level that approximates the total costs of departmental operations while also utilizing and maintaining reserves in the fund.
- Current fee amounts range from ten to fifty dollars per transaction, and the fee schedule for the fund has remained relatively consistent over the last ten years. To cover the increase in election reimbursement pursuant to S.B. 23-276, the department would need to increase fee revenue by 19.23 percent if the reimbursements were made from the DOS Cash Fund. The Department argues that this could have a negative impact on business filings.
- Changes in the structure of reimbursement, from a “per-voter” model to a percentage of actual expenditures, would have negative impacts on the solvency of the DOS Cash Fund, given current revenues. This factor may make the use of General Fund to pay increasing costs for elections more tenable than using the DOS Cash Fund, especially in the short-term.

CONCLUSION

The changes in reimbursement to counties is expected to have a substantial effect on the DOS budget moving forward, with S.B. 23-276 roughly tripling the expected election reimbursement expenditures

¹ The Final Legislative Council Staff Fiscal Note for S.B. 23-276 estimates that the FY 2024-25 shortfall will be \$5.1 million. However, Fiscal Notes Staff also notes that county expenditures for administering elections may be underreported, since reimbursement to the counties was not directly tied to expenditures prior to S.B. 23-276 taking effect.

for the Department. Given the magnitude of the increase, staff recommends that the Committee discuss the issue, including potential fee impacts as well as the Department's proposed General Fund increase, with the Department at the upcoming hearing. Based on the currently available information, staff anticipates recommending that the Committee consider using General Fund to support some or all of the projected increase in expenditures for FY 2024-25

ONE-TIME FUNDING AUTHORIZED IN RECENT LEGISLATIVE SESSIONS

During the 2023 legislative session, the General Assembly did not appropriate any one-time funding to the Department of State, however it did appropriate \$1.0 million in one-time funding originating as state General Fund to the Department of State during the 2022 legislative session.

SUMMARY

- Senate Bill 22-153 appropriated \$1.0 million General Fund to the Department of State for local election security grants. These grants are being administered to assist local governments in complying with new election security measures. Grants are distributed based on county size, and will be used for key card access systems, cameras, and video storage.

DISCUSSION

During the 2022 legislative sessions, the General Assembly allocated \$1.0 million in one-time General Fund appropriations to the Department of State. To assist the Committee in tracking the use of these funds, the tables below show the sum of one-time General Fund allocations in FY 2022-23.

ALLOCATION AND EXPENDITURE OF ONE-TIME GENERAL FUND

DEPARTMENT OF STATE ONE-TIME GENERAL FUND			
BILL NUMBER AND SHORT TITLE	APPROPRIATION	ACTUAL EXPENDITURE OF FUNDS THROUGH FY 2023	BRIEF DESCRIPTION OF PROGRAM AND ANTICIPATED USE OF THE FUNDS
S.B. 22-153 Internal election security measures	\$1,000,000	\$ 929,056	Appropriates \$1,000,000 for election security grants for counties. The remaining \$70,043 reverted to the General Fund at the end of FY 22-23.
TOTAL	\$1,000,000	\$929,056	

As reflected in the table, the Department spent \$929,056 of the \$1.0 million appropriation in FY 2022-23. The remaining \$70,043 reverted to the General Fund

APPENDIX A NUMBERS PAGES

Appendix A details actual expenditures for the last two fiscal years, the appropriation for the current fiscal year, and the requested appropriation for next fiscal year. This information is listed by line item and fund source.

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
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DEPARTMENT OF STATE
Jena Griswold, Secretary of State

(1) ADMINISTRATION DIVISION

Personal Services	<u>2,166,504</u>	<u>2,178,505</u>	<u>2,658,764</u>	<u>2,826,733</u>
FTE	24.6	25.3	25.1	25.6
Cash Funds	2,166,504	2,178,505	2,658,764	2,826,733
Health, Life, and Dental	<u>1,599,943</u>	<u>1,615,000</u>	<u>1,780,886</u>	<u>1,987,148</u>
Cash Funds	1,599,943	1,615,000	1,780,886	1,987,148
Short-term Disability	<u>18,277</u>	<u>19,091</u>	<u>17,487</u>	<u>19,768</u>
Cash Funds	18,277	19,091	17,487	19,768
Paid Family and Medical Leave Insurance	<u>0</u>	<u>0</u>	<u>0</u>	<u>59,305</u>
Cash Funds	0	0	0	59,305
S.B. 04-257 Amortization Equalization Disbursement	<u>578,281</u>	<u>590,000</u>	<u>582,868</u>	<u>658,945</u>
Cash Funds	578,281	590,000	582,868	658,945
S.B. 06-235 Supplemental Amortization Equalization Disbursement	<u>578,281</u>	<u>565,000</u>	<u>582,868</u>	<u>658,945</u>
Cash Funds	578,281	565,000	582,868	658,945
Salary Survey	<u>378,464</u>	<u>392,180</u>	<u>627,387</u>	<u>669,963</u>
Cash Funds	378,464	392,180	627,387	669,963

*This line item contains a decision item

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
PERA Direct Distribution	<u>255,791</u>	<u>282,593</u>	<u>42,358</u>	<u>271,646</u>	
Cash Funds	255,791	282,593	42,358	271,646	
Workers' Compensation	<u>51,618</u>	<u>75,482</u>	<u>78,177</u>	<u>95,892</u>	
Cash Funds	51,618	75,482	78,177	95,892	
Operating Expenses	<u>353,570</u>	<u>367,090</u>	<u>534,000</u>	<u>536,750</u>	
Cash Funds	353,570	367,090	534,000	536,750	
Legal Services	<u>648,827</u>	<u>877,423</u>	<u>1,195,027</u>	<u>1,191,571</u>	
Cash Funds	648,827	877,423	1,195,027	1,191,571	
Outside Legal Services	<u>0</u>	<u>0</u>	<u>25,000</u>	<u>25,000</u>	
Cash Funds	0	0	25,000	25,000	
Administrative Law Judge Services	<u>16,040</u>	<u>71,968</u>	<u>32,857</u>	<u>48,950</u>	
Cash Funds	16,040	71,968	32,857	48,950	
Payment to Risk Management and Property Funds	<u>159,124</u>	<u>262,320</u>	<u>175,809</u>	<u>104,384</u>	
Cash Funds	159,124	262,320	175,809	104,384	
Vehicle Lease Payments	<u>10,150</u>	<u>10,144</u>	<u>16,776</u>	<u>16,363</u>	*
Cash Funds	10,150	10,144	16,776	16,363	
Leased Space	<u>1,205,433</u>	<u>1,303,579</u>	<u>1,383,579</u>	<u>1,442,579</u>	
Cash Funds	1,205,433	1,303,579	1,383,579	1,442,579	
Payments to OIT	<u>505,524</u>	<u>292,397</u>	<u>558,704</u>	<u>499,386</u>	
Cash Funds	505,524	292,397	558,704	499,386	

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
CORE Operations	<u>19,539</u>	<u>23,056</u>	<u>14,820</u>	<u>7,154</u> *	
Cash Funds	19,539	23,056	14,820	7,154	
Electronic Recording Technology Board	<u>2,921,397</u>	<u>534,830</u>	<u>4,048,377</u>	<u>5,479,432</u>	
Cash Funds	2,921,397	534,830	4,048,377	5,479,432	
Indirect Cost Assessment	<u>148,425</u>	<u>259,249</u>	<u>334,424</u>	<u>302,142</u>	
Cash Funds	148,425	259,249	334,424	302,142	
Discretionary Fund	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>	
Cash Funds	0	0	5,000	5,000	
DPA Administration Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>16,534</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	16,534	
Office of the State Architect	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u> *	
General Fund	0	0	0	0	
DHR State Agency Service	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,980</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	22,980	
DHR Training Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,632</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	4,632	

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
DHR Labor Relations Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>29,434</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	29,434	
Financial Ops and Reporting Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,167</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	11,167	
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,916</u> *	
General Fund	0	0	0	0	
Cash Funds	0	0	0	6,916	
TOTAL - (1) Administration Division	11,615,188	9,719,907	14,695,168	16,998,719	15.7%
<i>FTE</i>	<u>24.6</u>	<u>25.3</u>	<u>25.1</u>	<u>25.6</u>	<u>2.0%</u>
General Fund	0	0	0	0	0.0%
Cash Funds	11,615,188	9,719,907	14,695,168	16,998,719	15.7%

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
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(2) INFORMATION TECHNOLOGY DIVISION

Information Technology

Personal Services	<u>6,017,646</u>	<u>5,716,653</u>	<u>7,926,968</u>	<u>7,408,677</u> *	
FTE	39.9	37.7	46.0	48.5	
General Fund	0	16,000	565,802	234,979	
Cash Funds	6,017,646	5,700,653	6,903,817	7,173,698	
Reappropriated Funds	0	0	457,349	0	
Operating Expenses	<u>401,137</u>	<u>359,366</u>	<u>515,258</u>	<u>766,829</u> *	
General Fund	0	0	525	551	
Cash Funds	401,137	359,366	514,733	766,278	
Hardware/Software Maintenance	<u>2,367,749</u>	<u>2,303,291</u>	<u>2,783,625</u>	<u>2,953,020</u> *	
Cash Funds	2,367,749	2,303,291	2,783,625	2,953,020	
Information Technology Asset Management	<u>357,264</u>	<u>363,614</u>	<u>449,093</u>	<u>449,093</u>	
General Fund	0	0	3,675	3,675	
Cash Funds	357,264	363,614	445,418	445,418	
TOTAL - (2) Information Technology Division	9,143,796	8,742,924	11,674,944	11,577,619	(0.8%)
FTE	<u>39.9</u>	<u>37.7</u>	<u>46.0</u>	<u>48.5</u>	5.4%
General Fund	0	16,000	570,002	239,205	(58.0%)
Cash Funds	9,143,796	8,726,924	10,647,593	11,338,414	6.5%
Reappropriated Funds	0	0	457,349	0	(100.0%)

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
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(3) ELECTIONS DIVISION

Personal Services	<u>2,984,984</u>	<u>2,954,057</u>	<u>3,431,565</u>	<u>3,649,125</u>	
FTE	34.4	37.1	43.5	44.5	
Cash Funds	2,984,984	2,954,057	3,431,565	3,649,125	
Operating Expenses	<u>326,164</u>	<u>332,645</u>	<u>445,884</u>	<u>489,989</u>	*
Cash Funds	326,164	332,645	445,884	489,989	
Help America Vote Act Program	<u>1,744,609</u>	<u>881,403</u>	<u>244,488</u>	<u>244,488</u>	*
FTE	2.4	0.4	0.0	0.0	
Cash Funds	698,209	566,528	244,488	244,488	
Federal Funds	1,046,400	314,875	0	0	
Local Election Reimbursement	<u>3,141,411</u> 0.0	<u>3,118,411</u>	<u>15,800,000</u>	<u>9,900,000</u>	
General Fund	0	0	12,265,576	6,397,858	
Cash Funds	3,141,411	3,118,411	3,200,000	3,200,000	
Reappropriated Funds	0	0	334,424	302,142	
Initiative and Referendum	<u>107,860</u>	<u>107,860</u>	<u>165,000</u>	<u>165,000</u>	
Cash Funds	107,860	107,860	165,000	165,000	
Document Management	<u>611,283</u>	<u>684,916</u>	<u>741,956</u>	<u>664,980</u>	
Cash Funds	611,283	684,916	741,956	664,980	
Local Election Security Grants	<u>0</u>	<u>929,057</u>	<u>0</u>	<u>0</u>	
General Fund	0	929,057	0	0	

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
HAVA Federal Title I 2018	<u>0</u>	<u>1,446,720</u>	<u>0</u>	<u>0</u>	
Federal Funds	0	1,446,720	0	0	
Appropriation to the Local Elections Assistance Cash Fund	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Cash Funds	0	0	0	0	
TOTAL - (3) Elections Division	8,916,311	10,455,069	20,828,893	15,113,582	(27.4%)
<i>FTE</i>	<u>36.8</u>	<u>37.5</u>	<u>43.5</u>	<u>44.5</u>	<u>2.3%</u>
General Fund	0	929,057	12,265,576	6,397,858	(47.8%)
Cash Funds	7,869,911	7,764,417	8,228,893	8,413,582	2.2%
Reappropriated Funds	0	0	334,424	302,142	(9.7%)
Federal Funds	1,046,400	1,761,595	0	0	0.0%

Appendix A: Numbers Pages

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Appropriation	FY 2024-25 Request	Request vs. Appropriation
(4) BUSINESS AND LICENSING DIVISION					
Personal Services	<u>3,691,981</u>	<u>2,599,606</u>	<u>3,024,863</u>	<u>3,137,493</u> *	
FTE	34.5	33.2	42.1	42.9	
Cash Funds	3,691,981	2,599,606	3,024,863	3,137,493	
Operating Expenses	<u>111,385</u>	<u>76,613</u>	<u>132,675</u>	<u>133,075</u> *	
Cash Funds	111,385	76,613	132,675	133,075	
Business Intelligence Center Personal Services	<u>568,541</u>	<u>600,829</u>	<u>318,095</u>	<u>318,095</u>	
FTE	0.6	0.9	0.0	0.0	
Cash Funds	568,541	600,829	318,095	318,095	
Business Intelligence Center Operating Expenses	<u>132,150</u>	<u>36,958</u>	<u>0</u>	<u>0</u>	
Cash Funds	132,150	36,958	0	0	
TOTAL - (4) Business and Licensing Division	4,504,057	3,314,006	3,475,633	3,588,663	3.3%
FTE	<u>35.1</u>	<u>34.1</u>	<u>42.1</u>	<u>42.9</u>	1.9%
Cash Funds	4,504,057	3,314,006	3,475,633	3,588,663	3.3%
TOTAL - Department of State	34,179,352	32,231,906	50,674,638	47,278,583	(6.7%)
FTE	<u>136.4</u>	<u>134.6</u>	<u>156.7</u>	<u>161.5</u>	3.1%
General Fund	0	945,057	12,835,578	6,637,063	(48.3%)
Cash Funds	33,132,952	29,525,254	37,047,287	40,339,378	8.9%
Reappropriated Funds	0	0	791,773	302,142	(61.8%)
Federal Funds	1,046,400	1,761,595	0	0	0.0%

APPENDIX B FOOTNOTES AND INFORMATION REQUESTS

UPDATE ON LONG BILL FOOTNOTES

The General Assembly includes footnotes in the annual Long Bill to: (a) set forth purposes, conditions, or limitations on an item of appropriation; (b) explain assumptions used in determining a specific amount of an appropriation; or (c) express legislative intent relating to any appropriation. Footnotes to the 2023 Long Bill (S.B. 23-214) can be found at the end of each departmental section of the bill at <https://leg.colorado.gov/bills/sb23-214>. The Long Bill footnotes relevant to this document are listed below.

- 108 Department of State, Elections Division, Local Election Reimbursement -- If actual reimbursements to counties required by section 1-5-505.5, C.R.S., exceed the cash funds amount specified in this line item, the Department may spend up to 115.0 percent of the cash funds amount specified to make the required reimbursements.

COMMENT: The Department has not and does not anticipate utilizing this exception for FY 2023-24.

UPDATE ON LONG BILL REQUESTS FOR INFORMATION

The Joint Budget Committee annually submits requests for information to executive departments and the judicial branch via letters to the Governor, the Chief Justice, and other elected officials. Each request is associated with one or more specific Long Bill line item(s), and the requests have been prioritized by the Joint Budget Committee as required by Section 2-3-203 (3), C.R.S. Copies of these letters are included as Appendix L of the annual Appropriations Report. The requests for information relevant to this document are listed below.

REQUESTS AFFECTING MULTIPLE DEPARTMENTS

- 1 All Departments -- The Departments are requested to provide by November 1 of each fiscal year Schedule 9 reports for every annually and continuously appropriated cash fund administered by the Department as part of the standard November 1 budget submission. The Office of State Planning and Budgeting, in coordination with the Office of the State Controller, the Department of the Treasury, and the independent agencies, is further requested to provide by November 1 of each fiscal year a consolidated report that includes the following information for all continuously appropriated cash funds:
- The name of the fund;
 - The statutory citation for the fund;
 - The year the fund was created;
 - The department responsible for administering the fund;

- The total cash balance as of July 1, 2023;
- The unobligated cash balance as of July 1, 2023; and
- The unencumbered cash balance as of July 1, 2023.

1

COMMENT: The Department has complied with this request.

REQUESTS AFFECTING ONLY DEPARTMENT OF STATE

- 1 Department of State, Administration Division – The Department is requested to submit a report with its annual budget request on DOS business filing fees and cash fund revenue, including data on total business filings, revenue from business filing fees, and total DOS cash fund revenue by November 1st of each fiscal year.

COMMENT: The Department has submitted the following information regarding this request.

DOS Business Filing Fees and Cash Fund Revenue			
	Total Business Filings	Revenue from Business Filing Fees	Total DOS CF Revenue
FY 2012-13	682,949	12,749,090	14,838,261
FY 2013-14	696,140	16,335,768	20,869,466
FY 2014-15	748,368	16,981,602	19,878,791
FY 2015-16	782,017	19,097,497	21,462,890
FY 2016-17	822,654	20,048,615	22,446,407
FY 2017-18	878,099	20,744,376	23,075,111
FY 2018-19	922,706	21,565,606	24,225,526
FY 2019-20	960,791	22,874,992	25,064,701
FY 2020-21	1,040,838	25,318,185	27,348,753
FY 2021-22 ¹	1,105,524	25,531,317	27,603,138
FY 2022-23 ²	1,180,028	19,917,016	30,915,824
FY 2023-24 ³	1,250,830	27,640,953	30,000,000

¹ FY 2021-22 Cash Fund Revenue is adjusted to eliminate the impact of the GASB 87 revenue entry for Future Lease Component Payments

² FY 2022-23 Cash Fund Revenue is adjusted to eliminate the impact of GASB 87 and 96 (Subscription-based Information Technology Arrangements (SBITA) revenue entries). Filing fee revenue is lower due to the HB 22-1001 credit provided to filers of new LLCs and new trade name registrations.

³ FY 2023-24 revenue and filings are estimated based on Department of State projections.

- 2 Department of State, Elections Division, Local Election Reimbursement -- The Department is requested to submit a letter addressed to the General Assembly and to the Joint Budget Committee notifying both if, and when, it relies on footnote 108 to overexpend the Local Election Reimbursement line item authorized by aforementioned footnote to meet statutory requirements of Section 1-5-505.5, C.R.S.

COMMENT: The Department has not and does not anticipate utilizing this exception for FY 2023-24.

- 3 Department of State, Election Division, Local Election Reimbursement – The Department is requested to submit a report of the total annual reported costs for counties to conduct elections and the amount of funding the counties received from coordinated entities related to conducting elections in that year, by November 1st of each fiscal year.

COMMENT: The Department received this request in May of 2023, with the 2023 Coordinated Election (in November) being the first election for which this data has been compiled. Given that this election took place after the November 1 deadline for submission, submission prior to the deadline was not feasible for the current year. The Department intends to provide this data annually beginning in November of 2024.

- 4 Department of State, Business and Licensing Division, Business Intelligence Center -- The Department is requested to submit a report with its annual budget request detailing donations received by the Business Intelligence Center, either directly or through the 501(c)(3) organization designated by the Department. The report should include data on the receipt and expenditure of both financial and in-kind donations for the prior fiscal year and year-to-date data on donations made in the current fiscal year. It should also include information on each project ever funded, including public availability/access, features/purpose, and a measure to gauge its success or usage.

COMMENT: The Department submitted the following information regarding the request.

BIC FY 2022-23 DONATIONS AND EXPENDITURES

The key initiative of the Business Intelligence Center (BIC) Program has been the InnovateCO data challenge, formerly known as Go Code Colorado. This challenge encouraged software developers, entrepreneurs, and analysts to use public data to solve business problems. The event was sunsetted at the end of the fiscal year. In years past, the program has typically received financial and in-kind donations to supplement the experience of the participants.

In FY 2019-20, the Business Intelligence Center received a \$50,000 grant from the Statewide Internet Portal Authority (SIPA)/Colorado Interactive (CI) Innovation Fund. The Department has expended \$45,120 from this SIPA grant previously as detailed in the previous year's report. BIC did not use any of the remaining \$4,880 in FY 2022-23.

In FY 2022-23, the Business Intelligence Center received a \$50,000 grant from the Statewide Internet Portal Authority (SIPA) Innovation Fund. The Department expended \$35,644.66 from the grant and returned the remaining \$14,355.34 to SIPA on July 27, 2023.

Financial donations (Table 1), expenditures (Table 2), as well as in-kind donations (Table 3) are detailed below. In-kind donations include use of software programs at discounted or no cost, as well as technical support from donor corporate staff, venue rental, and parking for Challenge Day.

TABLE 1 – FY 2022-23 FINANCIAL DONATIONS	
ORGANIZATION	DONATION/ GRANT AMOUNT
Statewide Internet Portal Authority Grant	\$35,645
TOTAL	\$35,645

TABLE 2 – FY 2022-23 DONATION EXPENDITURES		
EXPENSE CATEGORY	AMOUNT	DESCRIPTION
Marketing Materials	\$2,904	Sweatshirts for 2023 InnovateCO participants
Official Function Costs	8,975	Event venue and food costs
Speaker Honorarium	2,500	For final event
Video & Photography Services	21,266	For InnovateCO events
TOTAL	\$35,645	

TABLE 3 – FY 2022-23 IN-KIND DONATIONS		
ORGANIZATION	AMOUNT	DESCRIPTION
ESRI	\$1,100	Actual Use: 90-day seat = \$550 \$550 x 2 users = \$1,100
Brownstein Farber		
Hyatt and Schreck	500	Catered lunch for final event
Datalere	3,000	Catered meals for launch and final event
TOTAL	\$4,600	

BIC FY 2023-24 DONATIONS AND EXPENDITURES

At the time of this report, approximately four months have passed in FY 2023-24. The InnovateCO portion of the Business Intelligence Center has been sunsetted and there are no plans to reestablish this challenge. As a result, the program will not seek additional funding or in-kind donations.

APPENDIX C

DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1)(b), C.R.S., the Department of State is required to publish an **Annual Performance Report** for the *previous fiscal year* by November 1 of each year. This report is to include a summary of the department's performance plan and most recent performance evaluation for the designated fiscal year. In addition, pursuant to Section 2-7-204 (3)(a)(I), C.R.S., the department is required to develop a **Performance Plan** and submit the plan for the *current fiscal year* to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year.

For consideration by the Joint Budget Committee in prioritizing the department's FY 2024-25 budget request, the FY 2022-23 Annual Performance Report and the FY 2023-24 Performance Plan can be found at the following link:

<https://operations.colorado.gov/performance-management/departments-performance-plans>

APPENDIX D: ELECTRONIC RECORDING TECHNOLOGY BOARD 2023 ANNUAL REPORT

This page is intentionally left blank. The Electronic Recording Technology Board's 2023 Annual Report begins on the next page.



ELECTRONIC RECORDING TECHNOLOGY BOARD

2023 ANNUAL REPORT

September 1, 2023

www.ertb.org

This Annual Report is presented per the statutory requirements in 24-21-406 (1) and (2):

- (1) Notwithstanding section 21-1-136 (11) on or before September 1, 2017, and each September thereafter until September 1, 2025, the board shall prepare a report that, for each grant made during the prior fiscal year, describes the:
 - (a) County that received the grant;
 - (b) Grant amount;
 - (c) Purpose of the grant; and
 - (d) Grant outcomes.
- (2) The board shall follow-up with a county that receives a grant as necessary for the department of state to complete the report. The department shall publish a copy of the report on the department's website.

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BACKGROUND

History of the Electronic Recording Technology Board

In the state of Colorado, a one-dollar per document technology fee was implemented in the early 2000's to aid County offices across the state in funding technological advancements in recording. As a result, Colorado was the first multi-jurisdictional state in the nation to adopt e-Recording across the state.

In the spring of 2014 a working group made up of real estate, title, lending, and legal professionals, as well as county subject-matter experts, conducted a statewide needs assessment and a request for information to evaluate the state of recording systems in Colorado.

In the spring of 2016, Senate Bill 16-115 was passed which created the Electronic Recording Technology Board. In 2021, House Bill 21-1225 was passed extending the Electronic Recording Technology Board until 2026.

Vision

To create, support, and maintain a statewide land records environment that promotes accessibility and consistency for the public in an efficient and user-friendly manner.

Mission

To develop, maintain, improve, replace, or preserve land records systems in our state.

Goals

- Assure the security, accuracy, and preservation of public records required to be maintained by a Clerk and Recorder.
- Assure that the sequence in which documents are received by a Clerk and Recorder is accurately reflected to the greatest extent practicable.
- Provide for online public access to public documents while maintaining the privacy of personal identifying information when applicable.
- Assure that electronic filing systems used in different counties are similar so as to facilitate the submission and searching of electronic records.

Objectives

1. Develop a strategic plan that incorporates the core goals and establish the administration of the Electronic Recording Technology Fund and Board.
2. Determine functionality standards for an electronic filing system that supports the core goals.
3. Issue a Request for Proposal (RFP) for electronic filing systems, equipment and software that the counties may choose to acquire.
4. Develop best practices for an electronic filing system.
5. Provide training to Clerk and Recorders related to electronic filing systems.
6. Develop a grant program, prepare reports and promulgate any necessary rule-making.
7. Develop subcommittees and project timelines for implementation.

Board Members

Susan Corliss (Chair)

Kit Carson County
Representing County Clerk & Recorders

Lloyd Booth (Vice Chair)

Mead Technology Solutions
Representing Mortgage Lending Industry

Chris Beall (Treasurer)

Deputy Secretary of State
Representing Colorado Secretary of State

Charles Calvin

Calvin Law Firm
Representing Colorado Bar Association

Robert Howe

Title Company of the Rockies
Representing Title Industry

Amanda Gonzalez

Jefferson County Clerk & Recorder
Representing County Clerk & Recorders

Trish Gilbert

Saguache County Clerk & Recorder
Representing County Clerk & Recorders

Steve Schleiker

El Paso County Clerk & Recorder
Representing County Clerk & Recorders

Molly Fitzpatrick

Boulder County Clerk & Recorder
Representing County Clerk & Recorders

Michelle Batey

Executive Director
ertbexecutivedirector@gmail.com



FINANCIAL

FISCAL YEAR 2022-2023*

TOTAL REVENUE COLLECTED
\$2,248,956.00

TOTAL GRANTS AWARDED
\$529,880.75

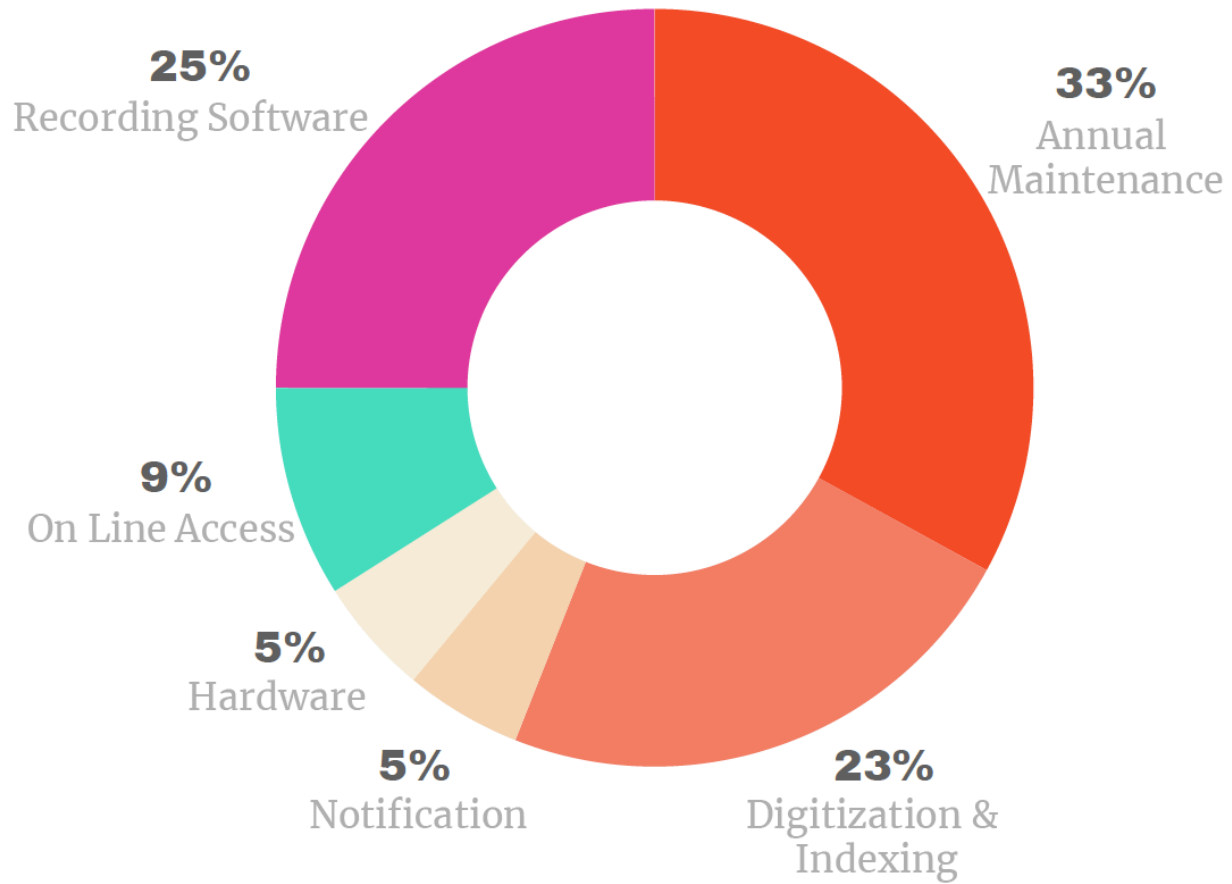
NUMBER OF COUNTIES
13

CURRENT FUND BALANCE
\$5,902,005.00

ERTB EXPENSES (NON-GRANT)
\$96,614.57

* State fiscal year July 1, 2022 - June 30, 2023

HOW FUNDS WERE SPENT (FY 2022-2023)



GRANT AWARDS FY 2022-2023

COUNTY	AMOUNT	PURPOSE
Bent County	\$53,408.00	Annual Licenses and maintenance fees
Chaffee County	\$185,272.00	New recording system and annual maintenance
Cheyenne County	\$6,053.75	Annual maintenance
Crowley County	\$9,501.00	Notification service
Eagle County	\$26,013.25	Annual maintenance, notification service, storage
Hinsdale County	\$15,180.00	Annual Maintenance
Jackson County	\$52,226.00	Digitization, indexing, redaction and on-line access
Lincoln County	\$15,175.00	Hardware and installation
Logan County	\$12,293.75	Notification service and security
Moffat County	\$40,159.00	Digitization and indexing, annual maintenance fees and on-line access fees
Montrose County	\$6,105.00	Reimbursement for microfilm scanner
Phillips County	\$31,250.00	Digitization, indexing and ecommerce
Prowers County	\$77,244.00	Annual Maintenance
TOTAL	\$529,880.75	