

**COLORADO GENERAL ASSEMBLY
JOINT BUDGET COMMITTEE**



SUPPLEMENTAL REQUESTS FOR FY 2014-15

DEPARTMENT OF REGULATORY AGENCIES

**JBC Working Document - Subject to Change
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:
Tom Dermody, JBC Staff
January 22, 2015**

For Further Information Contact:

Joint Budget Committee Staff
200 E. 14th Avenue, 3rd Floor
Denver, Colorado 80203
Telephone: (303) 866-2061
TDD: (303) 866-3472

TABLE OF CONTENTS

	Narrative Page	Numbers Page
Department Overview	1	N.A.
Summary: FY 2014-15 Appropriation and Recommendation	1	N.A.
Prioritized Supplementals in Department-assigned Order		
S1 – Technical Adjustment to Letternotes	1	4
Non-prioritized Supplementals		
Statewide Common Policy Supplemental Requests	3	N.A.
Appendices		
Numbers Pages	4	N.A.

DEPARTMENT OF REGULATORY AGENCIES

Department Overview

The Department of Regulatory Agencies is responsible for consumer protection carried out through regulatory programs that license, establish standards, approve rates, investigate complaints, and conduct enforcement through 41 boards, commissions, and advisory committees across more than 50 professions, occupations, programs, and institutions. The Department is organized in the following 10 predominantly cash-funded divisions: (1) Executive Director's Office; (2) Banking; (3) Civil Rights; (4) Consumer Counsel; (5) Financial Services; (6) Insurance; (7) Public Utilities Commission; (8) Real Estate; (9) Professions and Occupations; and (10) Securities.

Summary: FY 2014-15 Appropriation and Recommendation

Department of Regulatory Agencies: Recommended Changes for FY 2014-15						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2014-15 Appropriation						
H.B. 14-1336 (Long Bill)	\$85,864,050	\$1,882,646	\$77,871,913	\$4,722,507	\$1,386,984	580.6
Other legislation	<u>802,770</u>	<u>0</u>	<u>802,770</u>	<u>0</u>	<u>0</u>	<u>7.0</u>
Current FY 2014-15 Appropriation	\$86,666,820	\$1,882,646	\$78,674,683	\$4,722,507	\$1,386,984	587.6
Recommended Changes						
Current FY 2014-15 Appropriation	\$86,666,820	1,882,646	\$78,674,683	\$4,722,507	\$1,386,984	587.6
S-1 Technical adjustment to letternotes	0	0	0	0	0	0.0
Statewide Common Policy Supplemental Requests	<u>7,962</u>	<u>232</u>	<u>3,610</u>	<u>(158)</u>	<u>4,278</u>	<u>0.0</u>
Recommended FY 2014-15 Appropriation	\$86,674,782	\$1,882,878	\$78,678,293	\$4,722,349	\$1,391,262	587.6
Recommended Increase/(Decrease)	\$7,962	\$232	\$3,610	(\$158)	\$4,278	0.0
Percentage Change	0.0%	0.0%	0.0%	(0.0%)	0.3%	0.0%
FY 2014-15 Executive Request	\$86,686,527	\$1,883,556	\$78,689,360	\$4,722,349	\$1,391,262	587.6
Request Above/(Below) Recommendation	\$11,745	\$678	\$11,067	\$0	\$0	0.0

Request/Recommendation Descriptions

S-1 Technical adjustment to letternotes: The request includes two adjustments to letternotes in the FY 2014-15 Long Bill to insert two recently created cash funds. The request has a net \$0 budget impact and does not change the Department's spending authority.

Statewide Common Policy Supplemental Requests: The requests were addressed during staff’s supplemental recommendation presentation for the Department of Personnel on Thursday, January 8th; the table above reflects those recommendations. Please see the table in the Statewide Common Policy Supplemental Requests section for the specific line item amounts requested by the Department. The requested adjustments include an increase of \$910 General Fund, an increase of \$14,677 Cash Funds, a decrease of \$158 Reappropriated Funds, and an increase of \$4,278 Federal Funds for the Department’s share of the Statewide ALJ services allocation adjustment, vehicle lease payment true-up, administrative law judges services allocation adjustment, and COFRS modernization adjustment. Staff requests permission to make any necessary adjustments to the relevant common policy line items once Committee policy is established.

Prioritized Supplemental Requests

SUPPLEMENTAL REQUEST, DEPARTMENT PRIORITY #1 TECHNICAL ADJUSTMENT TO LETTERNOTES

	Request	Recommendation
Total	<u>\$0</u>	<u>\$0</u>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Federal Funds	0	0

Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? [An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.]	YES
JBC staff and the Department agree that this request is the result of technical error.	

Department Request: The Department requests a technical adjustment to insert two recently created cash funds into the Long Bill letternotes for FY 2014-15. These source notations are required in order to use appropriations as intended by appropriation and statute.

Staff Recommendation: Staff recommends that the Committee approve this supplemental request.

Staff Analysis: The supplemental budget request is a technical adjustment and does not affect the amount of line item appropriations. Two funds for which appropriations were included in the FY 2014-15 Long Bill had source notations omitted. The Moving Outreach Fund (Section 40-10.1-509, C.R.S.) was omitted from letternote “e” for the Executive Director’s Office. This fund was created for the purposes of educating consumers of their rights and the responsibilities of goods movers regulated by the Public Utilities Commission. The Community Association

Manager Licensing Cash Fund (Section 12-61-1012, C.R.S.) was omitted from letternote “a” for the Division of Real Estate. This fund was created to pay the costs of the Division of Real Estate implementing community association manager licensing and became effective starting January 2015.

Adding the fund sources to the letternotes in the FY 2014-15 Long Bill will resolve the technical error, allowing the Department to spend the funds as intended. Based on the fiscal note for the bills that created these funds, source notations should reflect \$5,000 for the Moving Outreach Fund and \$132,715 for the Community Association Manager Licensing Cash Fund.

Statewide Common Policy Supplemental Requests

These requests are not prioritized and are not analyzed in this packet. The JBC will act on these items later when it makes decisions regarding common policies.

Department's Portion of Statewide Supplemental Request	Total	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
ALJ Services Allocation Adjustment	\$21,492	\$972	\$20,520	\$0	\$0	0.0
Capitol Complex Leased Space Adjustment	421	0	421	0	0	0.0
Annual Fleet Supplemental True-up	(3,661)	0	(3,661)	0	0	0.0
COFRS Modernization Adjustment	<u>1,455</u>	<u>(62)</u>	<u>(2,603)</u>	<u>(158)</u>	<u>4,278</u>	<u>0.0</u>
Department's Total Statewide Supplemental Requests	\$19,707	\$910	\$14,677	(\$158)	\$4,278	0.0

Staff Recommendation: The staff recommendation for these requests was presented to the Committee during staff’s supplemental recommendation presentation for the Department of Personnel on Thursday, January 8th. Staff asks permission to include the corresponding Committee-approved appropriations in the Department's supplemental bill. If staff believes there is reason to deviate from the common policy, staff will appear before the Committee later to present the relevant analysis.

JBC Staff Supplemental Recommendations - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2013-14 Actual	FY 2014-15 Appropriation	FY 2014-15 Requested Change	FY 2014-15 Rec'd Change	FY 2014-15 Total W/ Rec'd Change
--	----------------------	-----------------------------	--------------------------------	----------------------------	-------------------------------------

DEPARTMENT OF REGULATORY AGENCIES
Barbara Kelley, Executive Director

Technical adjustment to letternotes

(1) EXECUTIVE DIRECTOR'S OFFICE AND ADMINISTRATIVE SERVICES

Consumer Outreach/Education Program	<u>136,367</u>	<u>205,000</u>	<u>0</u>	<u>0</u>	<u>205,000</u>
Cash Funds	136,367	205,000	0	0	205,000

(8) DIVISION OF REAL ESTATE

Personal Services	<u>2,973,001</u>	<u>3,844,328</u>	<u>0</u>	<u>0</u>	<u>3,844,328</u>
FTE	47.7	55.9	0.0	0.0	55.9
Cash Funds	2,973,001	3,844,328	0	0	3,844,328

Total for Technical adjustment to letternotes	3,109,368	4,049,328	0	0	4,049,328
<i>FTE</i>	<u>47.7</u>	<u>55.9</u>	<u>0.0</u>	<u>0.0</u>	<u>55.9</u>
Cash Funds	3,109,368	4,049,328	0	0	4,049,328

Totals Excluding Pending Items					
REGULATORY AGENCIES					
TOTALS for ALL Departmental line items	74,932,872	86,666,820	0	0	86,666,820
<i>FTE</i>	<u>535.5</u>	<u>587.6</u>	<u>0.0</u>	<u>0.0</u>	<u>587.6</u>
General Fund	1,649,585	1,882,646	0	0	1,882,646
Cash Funds	67,587,873	78,674,683	0	0	78,674,683
Reappropriated Funds	4,407,841	4,722,507	0	0	4,722,507
Federal Funds	1,287,573	1,386,984	0	0	1,386,984