

Joint Budget Committee



Staff Figure Setting FY 2025-26

Department of Revenue

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

Prepared by:

Jon Catlett, JBC Staff

February 18, 2025

Joint Budget Committee Staff

200 E. 14th Avenue, 3rd Floor / Denver, Colorado 80203

Telephone: (303)866-2061 / TDD: (303)866-3472

<https://leg.colorado.gov/agencies/joint-budget-committee>

Contents

Department Overview	1
Summary of Staff Recommendations	3
Description of Incremental Changes.....	3
Major Differences from the Request	7
Decision Items Affecting Multiple Divisions	8
➔ R1 IRS Direct File Implementation Resources	8
➔ R2 Division of Taxation Auditors.....	10
➔ R3 Lottery Optimization.....	12
➔ R5 General Fund Reductions.....	19
(1) The Executive Director’s Office	21
Decision Items – The Executive Director’s Office (None)	22
Line Item Detail - The Executive Director’s Office	22
(A) Administration and Support.....	22
(B) Hearings Division	37
(2) The Taxation Business Group	40
Decision Items – The Taxation Business Group	41
➔ Staff Initiated: GenTax Funding Reduction	41
Recommendation.....	41
Analysis	41
Line Item Detail - Taxation Business Group	42
(A) Administration.....	42
(B) Taxation Services	45
(C) Tax Conferee.....	50
(D) Special Purpose	51
(3) Division of Motor Vehicles	54
Decision Items - Division of Motor Vehicles	55
➔ R4 DMV Efficiency Consolidation.....	55
➔ R6 Restructure License Plate Payment	56
Line Item Detail - Division of Motor Vehicles	58
(A) Administration.....	58
(B) Driver Services.....	60

(C) Vehicle Services	64
(D) County Support Services	69
(4) Specialized Business Group	70
Decision Items - Specialized Business Group (None).....	71
Line Item Detail – Specialized Business Group	71
(A) Administration.....	71
(B) Limited Gaming Division.....	72
(C) Liquor and Tobacco Enforcement Division.....	77
(D) Division of Racing Events	79
(E) Auto Industry Division	82
(F) Marijuana Enforcement.....	84
(G) Firearms Dealers Division.....	86
(5) State Lottery Division	88
Decision Items - State Lottery Division (None).....	88
Line Item Detail - State Lottery Division	89
Long Bill Footnotes	95
Requests for Information.....	96
Indirect Cost Assessments	97
Recommended Balancing Options.....	100
Additional Balancing Options	101
Appendix A: Numbers Pages.....	103

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB 24-1430 (Long Bill)	\$525,369,300	\$156,468,782	\$358,439,946	\$9,608,440	\$852,132	1,739.4
Other Legislation	2,750,495	1,796,571	953,924	0	0	9.5
SB 25-107 (Supplemental Bill)	-585,523	0	-585,523	0	0	0.0
Total FY 2024-25	\$527,534,272	\$158,265,353	\$358,808,347	\$9,608,440	\$852,132	1,748.9
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$527,534,272	\$158,265,353	\$358,808,347	\$9,608,440	\$852,132	1,748.9
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
R3 Lottery optimization	5,091,824	0	5,091,824	0	0	10.9
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0
R5 DMV General Fund reductions	0	-586,292	586,292	0	0	0.0
R6 Restructure license plate payment	-13,482,782	0	-13,482,782	0	0	0.0
Centrally appropriated line items	8,687,080	3,177,353	5,557,039	-47,312	0	0.0
Division of Gaming True-Up	5,964,460	0	5,964,460	0	0	32.0
Lottery Vendor fees	4,587,044	0	4,587,044	0	0	0.0
Technical adjustments	2,035,528	1,510,489	525,039	0	0	0.0
Responsible Gaming Grant Program	1,020,000	0	1,020,000	0	0	0.0
Annualize prior year budget action	811,619	468,616	343,003	0	0	1.0
Annualize prior year legislation	386,724	-358,219	744,943	0	0	21.5
Indirect cost assessment	76,741	-76,741	76,741	76,741	0	0.0
Non priority decision items	13,237	302,872	-97,279	-192,356	0	0.9
Staff-initiated GenTax funding reduction	-450,000	-450,000	0	0	0	0.0
Total FY 2025-26	\$542,275,747	\$162,253,431	\$369,724,671	\$9,445,513	\$852,132	1,815.2
Changes from FY 2024-25	\$14,741,475	\$3,988,078	\$10,916,324	-\$162,927	\$0	66.3
Percentage Change	2.8%	2.5%	3.0%	-1.7%	0.0%	3.8%
FY 2025-26 Executive Request	\$553,773,054	\$164,125,320	\$379,350,089	\$9,445,513	\$852,132	1,825.4
Staff Rec. Above/-Below Request	-\$11,497,307	-\$1,871,889	-\$9,625,418	\$0	\$0	-10.2

Description of Incremental Changes

R1 IRS direct file implementation resources: The recommendation includes the denial of \$617,840 General Fund and 1.8 FTE in FY 2025-26 annualizing to \$626,606 General Fund and 2.0 FTE in FY 2026-27 and ongoing for resources requested to implement IRS Direct File (IDF), a service that allows taxpayers to file federal income taxes for free directly with the IRS. To facilitate the implementation of IDF, the Department of Revenue would need to program and update the state's current tax filing systems to integrate with the IDF platform.

R2 Division of taxation auditors: The recommendation includes the denial of \$650,777 and 5.5 FTE in FY 2025-26 for auditors in the Taxation Business Group. This request is for additional audit resources to support the Taxation Services Division and according to the Department is driven by the increasing complexity of returns due to federal and state legislation.

R3 Lottery optimization: The recommendation includes a partial approval of the Department's request, allocating 10.9 FTE and \$5.1 million in Lottery Cash Funds. These funds are intended for marketing initiatives, responsible gaming programs, vendor fees, as well as for personnel in sales, operations, security, warehouse, and compliance. In recent years, the Lottery's resources have not kept pace with the significant growth in sales. This recommendation aims to provide the Lottery with the necessary resources to address this gap. The recommendation annualizes to 12.0 FTE and \$6,043,923 in FY 2026-27.

R4 DMV efficiency consolidation: The recommendation includes denial of a net-zero funding consolidation aimed at aligning the Long Bill with the current operational structure of the Division of Motor Vehicles (DMV).

R5 DMV General Fund reductions: The recommendation includes approval of a budget neutral General Fund reduction of \$586,292 and an equivalent increase of \$586,292 cash fund spending authority to various line items in the Division of Motor Vehicles.

R6 Restructure license plate payment: [Legislation Required] The recommendation includes approval of proposed JBC sponsored legislation that would reduce TABOR revenue by changing Colorado statute to credit the material fee revenue for producing and distributing license plates, decals, and validating tabs to an existing TABOR-exempted Enterprise Fund belonging to Colorado Correctional Industries instead of the License Plate Cash Fund managed by the Department of Revenue. This proposed change would reduce TABOR revenue to the state by approximately \$12 million beginning in FY 2025-26.

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Salary survey	\$3,538,396	\$1,614,887	\$1,909,039	\$14,470	\$0	0.0
Health, life, and dental	2,406,360	707,326	1,736,644	-37,610	0	0.0
Payments to OIT	1,501,197	532,524	968,673	0	0	0.0
Step Plan	863,127	328,160	532,804	2,163	0	0.0
AED and SAED adjustment	625,213	99,588	538,317	-12,692	0	0.0
Legal services	416,450	233,149	183,301	0	0	0.0
Risk management & property	259,647	98,722	160,925	0	0	0.0
Vehicle lease payments	69,398	9,734	59,664	0	0	0.0
Shift differential	55,204	0	55,204	0	0	0.0
Paid Family & Medical Leave Insurance	28,134	4,482	24,224	-572	0	0.0
ALJ services	9,515	0	9,515	0	0	0.0
Short-term disability	9,378	1,494	8,075	-191	0	0.0

Staff Working Document – Does Not Represent Committee Decision

Centrally appropriated line items						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Step Plan	0	0	0	0	0	0.0
Prior year salary survey	0	0	0	0	0	0.0
Capitol Complex leased space	-887,984	-371,369	-516,615	0	0	0.0
Workers' compensation	-90,852	-34,650	-56,202	0	0	0.0
Health life dental true-up	-71,324	-46,899	-24,326	-99	0	0.0
PERA direct distribution	-44,779	205	-32,203	-12,781	0	0.0
Total	\$8,687,080	\$3,177,353	\$5,557,039	-\$47,312	\$0	0.0

Division of Gaming true up: The recommendation includes an increase of \$5,964,460 in cash funds and 32.0 FTE for an informational technical adjustment to more closely align the Long Bill with the Gaming Commission approved budgets for the division. The Division of Gaming is continuously appropriated and is included in the Long Bill for informational purposes only.

Lottery vendor fees: The recommendation includes an increase of \$4.6 million in Lottery Cash Funds for a technical adjustment related to payments for lottery vendors. This increase is necessary to ensure the Lottery Division has adequate cash fund spending authority to fulfill its contractual obligations to vendors, who are paid based on a percentage of Lottery ticket sales.

Technical adjustments: The recommendation includes a \$2.0 million increase in total funds and \$1.5 million increase in General Fund for various technical adjustments related to document management, integrated document solutions print production, Fast Enterprises contract escalator, postage, vehicle leases and leased space. Adjustments are outlined in the table below.

Technical adjustments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Document mgt common policy	\$701,528	\$709,118	-\$7,590	\$0	\$0	0.0
Contract escalator fast enterprises	667,858	237,110	430,748	0	0	0.0
Joint audit program fee	221,015	221,015	0	0	0	0.0
IDS print production	164,838	164,838	0	0	0	0.0
Postage	153,694	124,492	29,202	0	0	0.0
Variable vehicle	97,333	24,654	72,679	0	0	0.0
Leased space escalator	29,262	29,262	0	0	0	0.0
Total	\$2,035,528	\$1,510,489	\$525,039	\$0	\$0	0.0

Responsible Gaming Grant Program: The request includes a technical adjustment to increase funding for the grant program by approximately \$1.0 million cash fund spending authority in order to meet the program's statutory funding requirements. This grant program is financed with proceeds from gaming and sports betting tax revenue.

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 action						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY24 R2 DOR space planning	\$581,238	\$370,496	\$210,742	\$0	\$0	0.0
FY24 R1 GenTax & DRIVES support funding	158,291	98,120	60,171	0	0	0.7

Staff Working Document – Does Not Represent Committee Decision

Annualize prior year budget action						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY24 R3 DMV Fraud investigation resources	72,090	0	72,090	0	0	0.3
Total	\$811,619	\$468,616	\$343,003	\$0	\$0	1.0

Non-prioritized decision items: The recommendation includes a net increase of \$13,237 total funds, including an increase of \$302,872 General Fund and a decrease of \$97,279 cash funds to reflect the FY 2025-26 impact of non-prioritized decision items, shown in the table below.

Non priority decision items						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
BANP PTC tax credit conversion	\$178,195	\$178,195	0	0	0	0.9
NP DPS Digital trunk radio	5,604	5,604	0	0	0	0.0
NP DPA - DOR OAC staffing	293	0	293	0	0	0.0
NP Equity office funding realignment	0	191,935	0	-191,935	0	0.0
BANP Short-term disability	-103,255	-47,073	-55,761	-421	0	0.0
NP CORE Operating Resources	-67,600	-25,789	-41,811	0	0	0.0
Total	\$13,237	\$302,872	-\$97,279	-\$192,356	\$0	0.9

Annualize prior-year legislation: The recommendation includes a net increase of \$386,724 total funds, including a reduction of \$358,219 General Fund and an increase of \$744,943 cash funds to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the following table.

Annualize prior year legislation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
HB 24-1353 Firearms Dealer Requirements	\$1,667,500	\$1,459,500	\$208,000	\$0	\$0	18.4
SB 25-107 Revenue Supplemental	585,523	0	585,523	0	0	0.0
HB 24-1312 State income tax credit care	408,139	408,139	0	0	0	4.7
HB 24-1021 Motor vehicle minor education	306,120	0	306,120	0	0	0.0
HB 24-1340 Incentives for post secondary ed	293,896	293,896	0	0	0	3.6
HB 23-251 Revoke driver's license appeal	158,610	158,610	0	0	0	0.0
HB24-1268 Financial assistance for certain	158,403	158,403	0	0	0	1.6
SB 23-290 Natural medicine regulation	124,037	-1,460,596	1,584,633	0	0	3.5
HB 23-1091 Cont child care contribution credit	85,685	85,685	0	0	0	1.5
SB 24-230 Oil & gas production fees	68,291	68,291	0	0	0	0.0
HB 24-1439 Financial incentives ex apprentic	51,617	51,617	0	0	0	0.0
HB 24-1157 Employee owned business & income	47,756	47,756	0	0	0	0.0
HB 24-1316 Middle income housing tax credit	30,842	30,842	0	0	0	0.0
HB 24-1142Reduce income tax social security	17,229	17,229	0	0	0	0.0
HB 24-1311 Family affordability tax credit	8,740	8,740	0	0	0	0.3
SB 24-182 Immigrant ID Document Issuance	3,760	0	3,760	0	0	0.0
HB 24-1369 CO Agriculture license plate	2,647	0	2,647	0	0	0.0
HB 24-1105 Chicano license plate	978	0	978	0	0	0.0
SB 24-100 Commercial vehicle hwy safety	672	0	672	0	0	0.0
SB 24-192 Motor vehicle lemon law	420	0	420	0	0	0.0
SB 24-210 Modification to laws reg election	320	0	320	0	0	0.0
HB 24-1269 Modification of recording fees	320	0	320	0	0	0.0
SB 24-065 Mobile electronic devices	140	0	140	0	0	0.0

Staff Working Document – Does Not Represent Committee Decision

Annualize prior year legislation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
HB 24-1319 Fire fighters license plate	84	0	84	0	0	0.0
SB 24-019 Remuneration ex identifying placard	61	0	61	0	0	0.0
HB 24-1135 Offenses related to op a vehicle	28	0	28	0	0	0.0
HB 23-1272 Tax policy that adv decarbon	0	0	0	0	0	-6.4
SB 24-222 Funding to relocate two state entities	0	0	0	0	0	0.0
SB 24-214 Implement state climate goals	-1,404,795	0	-1,404,795	0	0	0.0
HB 24-1089 Vehicle electronic notifications	-637,312	0	-637,312	0	0	0.7
HB 24-1439 Firearms & ammunition excise tax	-202,872	-383,027	180,155	0	0	-0.4
HB 23-1008 Food accessibility	-156,590	-156,590	0	0	0	-0.3
HB 23-1189 Employer assistance for home purch	-147,352	-147,352	0	0	0	-0.9
SB 23-016 Greenhouse gas reduction measures	-120,358	-120,358	0	0	0	-0.7
HB24-1052 Senior Housing Income Tax Credit	-113,407	-113,407	0	0	0	0.0
HB 23-1309 Film industry tax credit	-108,071	-108,071	0	0	0	-0.6
HB 24-1288 Earned Income Tax Credit Data	-90,257	-90,257	0	0	0	0.0
HB 22-1414 Healthy meals for all public school	-78,019	-78,019	0	0	0	-1.4
HB 24-1277 Reporting adjustments tax income	-76,080	-76,080	0	0	0	-0.6
HB23-112 Earned income and child care tax credit	-68,840	-68,840	0	0	0	0.0
HB 23-1281 Advance use of clean hydrogen	-67,287	-67,287	0	0	0	0.0
HB 23-1240 Sales use tax exempt wildfire	-56,990	-56,990	0	0	0	-0.9
SB 24-228 TABOR Refund Mechanisms	-52,115	-52,115	0	0	0	0.0
SB 24-016 Tax Credits for Contributions via Interm	-41,641	-41,641	0	0	0	-0.4
SB 24-048 Substance use disorders recovery	-37,980	0	-37,980	0	0	-0.4
HB 24-1235 Reduce aviation impacts	-37,217	-37,217	0	0	0	0.0
SB 24-184 Support surface transportation	-35,071	-35,071	0	0	0	0.0
HB 23-1265 Born to be wild license plate	-24,917	0	-24,917	0	0	0.0
SB 23-016 Greenhouse gas reduction meas	-19,699	-19,699	0	0	0	0.0
HB 24-1041 Streamline Filing Sales & Use Tax	-17,200	-17,200	0	0	0	0.0
HB 23-1260 Advanced industry & semiconductor	-14,656	-14,656	0	0	0	0.0
SB 23-145 Stegosaurus fossil license plate	-10,242	0	-10,242	0	0	0.0
SB 23-025 In God we trust license plate	-8,132	0	-8,132	0	0	0.0
SB 24-231 LAG bill	-5,000	0	-5,000	0	0	0.0
SB 22-051 Policies to reduce emissions	-2,040	-2,040	0	0	0	0.0
SB 23-212 Navy Seabees license plate	-540	0	-540	0	0	0.0
HB 24-1050 Simplify processes regarding cert	-414	-414	0	0	0	0.2
Total	\$386,724	-\$358,219	\$744,943	\$0	\$0	21.5

Major Differences from the Request

Differences between staff’s recommended FY 2025-26 appropriation and the Department’s request are a result of:

- Staff recommendation to deny R1 (IRS Direct file implementation resources),
- Staff recommendation to deny R2 (Division of Taxation auditors),
- Staff recommendation for partial approval of R3 (Lottery optimization), including:
 - Funding 11 of the 13 FTE positions requested,
 - Approval of \$2.5 million for Lottery Vendor Fees (\$10 million requested), and

- Approval of \$1.8 million for marketing, communications and responsible gaming initiatives (\$3.3 million requested).
- Staff-initiated GenTax support funding reduction as a budget balancing measure.

Decision Items Affecting Multiple Divisions

→ R1 IRS Direct File Implementation Resources

Request

The Department request includes \$617,840 General Fund and 1.8 FTE for FY 2025-26, annualizing to \$626,606 and 2.0 FTE for fiscal year 2026-27 and ongoing for the Taxation Business Group. This funding request is intended to implement the IRS Direct Filing system.

The request includes one dedicated developer resource from the vendor, FAST Enterprises, estimated to cost \$418,000 per year. According to the Department, this resource will enable Revenue Online to adapt to changes as the Direct Filing system evolves in the future. Additionally, according to the request, the Tax division would require 2.0 FTE for support, which includes testing the interface, enhancing the customer experience, and managing background system rules.

Recommendation

Staff recommends denial of the request. While this funding would streamline the tax filing process for Colorado taxpayers, the future of this program beyond the current filing season is highly uncertain at the federal level. Given the current budgetary challenges, Staff recommend a wait and see approach rather than making this investment in FY 2025-26.

A coalition of thirteen state attorney's general came together to challenge what they believe is an unlawful initiative to establish a government-operated tax preparation service. In a letter addressed to former Treasury Secretary Janet Yellen, the attorneys general stated, "Congress has never granted the Department of the Treasury the authority to create a Direct File program. We urge the Department to terminate the IRS-run Direct File pilot program."¹

Recently confirmed U.S. Treasury Secretary Scott Bessent, during his confirmation hearing before the Senate Finance Committee last month, stated clearly, "I will commit that for this tax season, Direct File will be operational." However, regarding the future of the program beyond

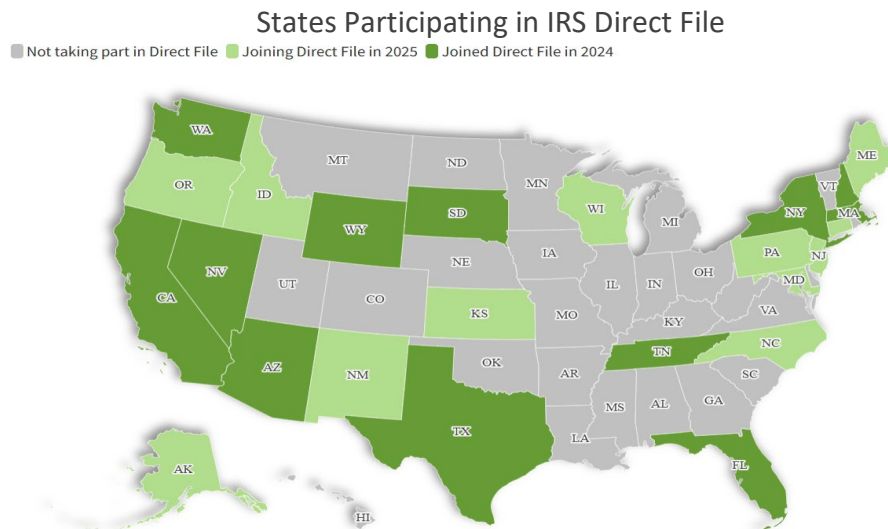
¹ <https://www.forbes.com/sites/patrickgleason/2024/02/08/thirteen-state-attorneys-general-urge-irs-to-halt-unauthorized-program/>

this tax filing season, Bessent was less certain, stating that he would study the program further to ensure it aligns with the IRS's goals.

Analysis

The IRS Direct File is a pilot program that began in March 2024, enabling taxpayers to submit their basic tax returns directly to the federal government at no cost. Initially launched in 12 states, the program is set to expand to an additional 12 states in 2025.

During the pilot program, there were approximately 140,000 taxpayers that utilized the service. The pilot states including Arizona, California, Florida, Massachusetts, Nevada, New Hampshire, New York, South Dakota, Tennessee, Texas, Washington State and Wyoming. The scope of the rollout was very limited by design, and the pilot program accepted W2 wage earners, social security income, and unemployment compensation. The 2025 program is anticipated to expand to support 1099's for interest income and certain retirement income.



Source www.newsweek.com/irs-update-direct-file-expanded-check-eligibility-1963669

Participants in the General Services Administration's Touchpoints survey provided feedback regarding government systems. The survey specifically evaluated the IRS Direct File Pilot, aiming to gather comprehensive insights from users. The Department cited the following statistics in the request, taken from the survey feedback.

- 90 percent of respondents ranked their overall experience as Excellent or Above Average;
- 90 percent of survey respondents who used customer support rated that experience as Excellent or Above Average;
- When asked what they particularly liked, respondents most commonly cited Direct File's ease of use, trustworthiness, and that it was free; and
- 86 percent of respondents said that their experience with Direct File increased their trust in the IRS.

The findings from the survey have prompted some scrutiny, particularly from the conservative Taxpayer’s Protection Alliance. Through a freedom of information request, they gathered 13,000 user comments regarding the Direct File system. Their analysis indicates that user feedback is more nuanced than previously reported; specifically, approximately 70 percent of responses were positive, 10 percent neutral, and about 20 percent included negative feedback or constructive suggestions for improvement.

An approval rating of 70 percent for a federal government technology platform would mark a significant advancement, especially in contrast to the experiences associated with healthcare.gov. However, staff cite this contrast to emphasize the opposition to the IRS Direct File portal. Conversations about this system are extensive and include concerns about even the evaluation of the survey data used to determine its success, which could have implications for the program's future.

In their submission, the Department states that *providing taxpayers an option to file their taxes online directly with the IRS advances the goal of making the IRS a world-class customer service agency* and gives taxpayers the ability to interact with the IRS in ways that work best for them. The integration of state systems with Direct File provides taxpayers with an efficient means of fulfilling their state income tax filing obligations, eliminating the need for repeated data entry. This approach will utilize quiz questions and guided wizards to enhance the user's experience. The interface will closely resemble that of established third-party software vendors within the modernized e-filing industry. Additionally, all traditional methods for income tax filing will continue to be accessible to the public. The Department's aim is to ensure a diverse range of filing options is available, enabling taxpayers to select the solution that best meets their individual needs.

The table below displays the request, recommended appropriation if the JBC approves the request, and the out-year impact of R1.

REV R1 IRS Direct File						
Item	FY 2025-26 Request		FY 2025-26 <i>Alt Zero</i> Recommendation		FY 2026-27 <i>Alt Zero</i> Annualiz.	
	FTE	GF	FTE	GF	FTE	GF
Personal Services						
Tax Examiner IV	1.8	\$128,794	1.8	\$142,766	2.0	\$161,189
Subtotal - Personal Services	1.8	\$128,794	1.8	\$142,766	2.0	161,189
Employee Benefits		\$55,723		\$0		\$35,597
Standard Op Ex		1,323		2,304		2,560
Capital Outlay		14,000		13,340		0
Totals	1.8	\$199,840	1.8	\$158,410	2.0	\$199,346

→ R2 Division of Taxation Auditors

Request

The request includes \$650,777 and 5.5 FTE in FY 2025-26, and annualizes to \$1,113,283 and 10.0 FTE in FY 2026-27 and ongoing for auditors in the Taxation Business Group. This request is

for additional auditors to support the Taxation Services Division and is driven by the increasing complexity of returns due to federal and state legislation.

Recommendation

Staff recommends denial of the request. Staff acknowledges that the Department has submitted some evidence supporting a need for additional audit staff within Taxation Services. However, in light of the current budget constraints and the existing TABOR surplus, Staff advise that these resources not be prioritized at this time.

Analysis

The Department reported additional data regarding the need for auditors in Colorado. According to the Department, the three largest drivers creating the need for additional auditors include:

- Legislation that has increasingly added to the complexity of the state tax structure;
- Consistently lower levels of audit coverage relative to peer states; and
- Economic growth in CO, coupled with hiring challenges that has left Field Audit lacking experienced audit positions required to conduct audits of large and complex businesses.

The Department provided information reflecting the number of bills passed in recent years which impact the tax code. As the table below reflects, there has been a significant increase in the number of bills with a fiscal impact, and 2024 had the most bills passed in recent history with an impact on the tax code.

R2: Legislation Passed Impacting the Colorado Tax Code				
Legislative Session Year	Bills Changing the Tax Code	Bills with A Fiscal Impact	Total New FTE	Auditor FTE in New FTE Count
2020	31	3	6.1	3.0
2021	44	4	1.5	0.0
2022	58	7	17.9	0.0
2023	49	14	35.5	0.0
2024	66	17	2.8	0.0
Total	248	45	63.8	3.0

The Department reports that on average a corporate audit yields approximately \$38,000 in tax liabilities. However, the Department notes, that that some audits may result in no adjustments or may even provide a refund to the taxpayer. There is significant variance in the revenue generated as a result of an audit. However, broadly speaking, an Auditor III generally completes around 18 audits annually, contributing to an average revenue of \$684,000 to the State.

The Department reported the following historical vacancy rates over the previous five fiscal years for Field Auditor III and Field Auditor IV positions in Taxation Services. illustrated in the table below.

R2: Vacancy Rate, Taxation Services Field Auditors			
Fiscal Year	Filled FTE	Vacant FTE	Vacancy Rate
FY 2019-20	39	0	0%
FY 2020-21	31	5	14
FY 2021-22	29	9	24
FY 2022-23	35	2	5
FY 2023-24	36	4	10

The Department states that these audit resources are needed to support the fair application of the tax code, and ensure all taxpayers are paying their share, and to protect state revenues in the increasing complexity of corporate tax structures and planning. Staff acknowledges that the Department has provided some evidence supporting the need for additional audit staff within Taxation Services. However, in light of the current budget constraints and the existing TABOR surplus environment, it is recommended that this investment not be prioritized at this time.

The table below shows the request, recommended appropriation if the JBC were to approve the request as well as the out year impact.

REV R2 Division of Taxation Auditors						
Item	FY 2025-26 Request		FY 2025-26 <i>Alt Zero</i> Recommendation		FY 2026-27 <i>Alt Zero</i> Rec. Annualiz.	
	FTE	GF	FTE	GF	FTE	GF
Personal Services						
Auditor III	4.6	\$329,139	4.6	\$364,846	10.0	\$713,829
Auditor V	0.9	97,259	0.9	105,481	1.0	117,201
Subtotal - Personal Services	5.5	\$426,398	5.5	\$470,327	11.0	\$831,030
Employee Benefits		\$178,322		\$0		\$201,512
Standard Op Ex		4,057		7,040		12,800
Capital Outlay		42,000		40,020		26,680
Totals	5.5	\$650,777	5.5	\$517,387	11.0	\$1,072,022

→ R3 Lottery Optimization

Request

The request includes \$14.6 million from the Lottery Cash Fund and 13.8 FTE in FY 2025-26. The cost increases to 17.0 FTE and \$14.8 million in FY 2026-27. These funds would support marketing, the responsible gaming grant program, vendor fees, and personnel in sales, operations, security, warehouse, and compliance. This request is driven by considerable revenue growth in recent years and a related workload increase, as well as to provide funding for Lottery’s robust retailer recruitment program.

Recommendation

The recommendation includes a partial approval of the Department's request, allocating 10.9 FTE and \$5.1 million in Lottery Cash Funds. These funds are intended for marketing initiatives, responsible gaming programs, vendor fees, as well as for personnel in sales, operations,

security, warehouse, and compliance. In recent years, the resources of the Lottery have not kept pace with significant sales growth. This recommendation seeks to provide the Lottery with the necessary resources to address this gap while allowing the Joint Budget Committee to maintain oversight of the Colorado Lottery. The recommendation annualizes to 12.0 FTE and \$6,043,923 in FY 2026-27.

Analysis

The Department's request aims to secure resources to address the significant growth of the Colorado Lottery. Over the past 15 years, the Lottery has experienced nearly 80 percent growth in sales revenue, increasing from \$501.2 million in fiscal year 2009-10 to \$900.8 million in fiscal year 2023-24. During this period, the Lottery's number of FTE has decreased from 126.0 to 102.1. Currently, the vacancies in the organization stand at 1.8%, with no increase in the spending authority for marketing and communications.

The Department states that due to the significant growth the Lottery has experienced over the past fifteen years, the division is struggling to manage the increased workload associated with this revenue growth. As a result, it is requesting approval to hire additional staff in several areas, including sales, operations, security, warehouse management, compliance, licensing, responsible gaming, and marketing. Furthermore, with the rising costs of advertising and the added expenses required for digital marketing, the division has noticed a considerable decline in its marketing reach.

To fulfill vendor fee obligations, as well as to enhance marketing, sales, responsible gaming efforts, and criminal investigations, the Department is requesting additional resources. This request includes \$14.6 million in additional spending authority from the Lottery Cash Fund and the addition of 13.8 FTE for the fiscal year 2025-26, which would increase to \$14.8 million in FY 2026-27 and beyond. The request includes:

- \$10 million for Lottery vendor fees in FY 2025-26 and ongoing to support a range of vendor activities. These activities include the production of scratch tickets, inventory management, new retailer recruitment program, administration of jackpot games, provision of retailer equipment, back-office accounting, and sales reporting. Approximately 85 percent of the Lottery's vendor contracts are structured based on a percentage of sales.
- \$3.3 million for marketing and communications in FY 2025-26 and ongoing. The Department states that the marketing and communications budget has remained stagnant for 15 years, despite revenue growth of nearly 80 percent during that timeframe. The costs associated with advertising, sponsorships, promotions, and other marketing initiatives have escalated significantly and the budget for marketing and communications has not kept pace.
- An additional \$300,000 per year is also being requested to continue to grow the Lottery's responsible gaming program, bringing the overall spend to \$500,000 for responsible gaming.
- The Department request includes funding for the following additional FTE within the Lottery Division:

- **Sales Team Expansion (5.0 FTE):** The number of retailers has increased by approximately 500 retailers over the past 15 years, necessitating additional sales representatives. The Lottery has established a robust retailer recruitment program, which will further expand the retailer base. These sales representatives will be responsible for training, monitoring inventory, and providing support to over 3,000 retailers selling lottery products.
- **Marketing (3.0 FTE):** These positions will support the upgraded advertising and marketing efforts that would result from a more comprehensive Marketing budget, including social media outreach and promotional events.
- **Operations (3.0 FTE):** In response to the increased demands for testing associated with advancements in technology, system upgrades, and the introduction of a wider variety of scratch and jackpot games. These team members would be tasked with conducting thorough testing of all new equipment, games, and processes to ensure a seamless rollout for both the Lottery's retailers and players.
- **Warehouse (2.0 FTE):** Due to the rising volume of games and tickets being shipped to retailers. Lottery now offers 48 scratch games in the market, double the number available just a few years ago. Additionally, the implementation of predictive ordering requires new inventory to be shipped more frequently to retailers based on current sales trends.
- **Licensing (1.0 FTE):** Additional retailers lead to an increase in licensing applications and renewals that the Department must process. Furthermore, new regulations for retailers selling to couriers requires additional efforts from Licensing.
- **Compliance (1.0 FTE):** The 2023 performance audit report emphasized the need for an additional compliance investigator in the field. For many years, the Lottery has had only two compliance investigators, while the number of retailers has now grown to approximately 3,000 across the state of Colorado. The Department states that adding an additional compliance investigator will enable more thorough, effective, and frequent on-site compliance checks of lottery retailers.
- **Responsible Gaming (1.0 FTE):** This position would support the enhanced responsible gaming efforts that will result with the increase in the responsible gaming budget to support continuous improvement and growth for the Lottery's player health program.
- **Security & Investigations (1.0 FTE):** There has been a significant surge of criminal activities at lottery retailers, coupled with an increase in the sophistication of these crimes. In response the Lottery is implementing new regulations affecting retailers that sell to lottery couriers. These changes will require enhanced investigative measures and undercover operations to ensure compliance with legal standards.

Background

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 \$900.7 million in FY 2023-24, equating to a compound annual growth rate (CAGR) of 5.4 percent. During this same period

scratch games grew at a CAGR of 5.1 percent, from \$395.2 million to \$588.6 million, and jackpot games grew from \$199.2 million to \$312.1 million, a CAGR of 5.8 percent.

Colorado Lottery Gross 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
FY 2023-24	312,111,716	588,644,647	900,756,363

Responsible Gaming

The Department states that although the division is required by law to allocate a minimum of \$200,000 each year for Responsible Gaming initiatives, the Lottery believes this amount is insufficient for adequate support. Included in this request is an additional \$300,000 annually for this purpose. The Department states that Lottery’s primary goal is to increase proceeds for its beneficiaries—thereby maximizing funding for outdoor recreation, conservation, and schools—but it also continues to prioritize responsible gaming. Over the past five years, the Lottery reports having:

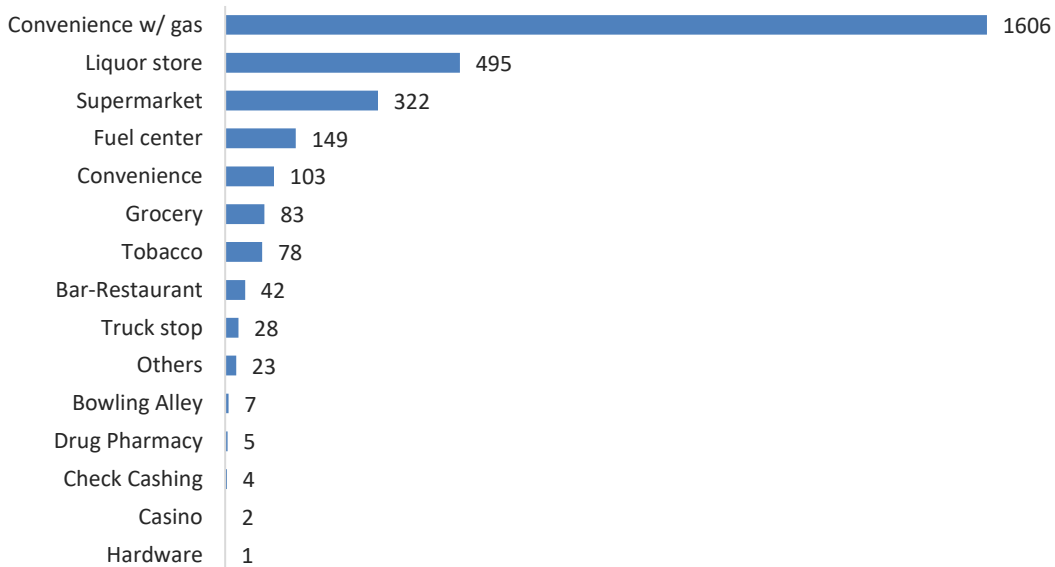
- Achieved the highest level of responsible gaming accreditation with the World Lottery Association (only 10 other US lotteries hold this accreditation);
- Increased its spending on responsible gaming by 75 percent;
- Hired a full-time player health manager (dedicated to managing its responsible gaming program);
- Turned on age verification for all of its self-service kiosks (the first Lottery in the country to do so); and
- Increased its training across staff and retailers on how to promote responsible gaming among players.

Lottery Retail Network

The Colorado Lottery has around 3,000 retailers and is currently expanding its retail presence as part of the retailer recruitment program outlined in its vendor contract. Lottery retailers primarily include convenience stores, gas stations, grocery stores, supermarkets, fuel centers, and liquor stores. The Department is now focusing recruitment efforts on non-traditional retail locations, such as liquor stores, bowling alleys, bars, restaurants, drug stores, gift shops, hardware stores, and other high-traffic independent retail establishments. For these smaller retail environments, the potential benefits of retailer commissions and bonuses can significantly enhance their financial performance. Currently, about 45% of liquor stores in the state participate as Lottery retailers, indicating further recruitment opportunities in this sector.

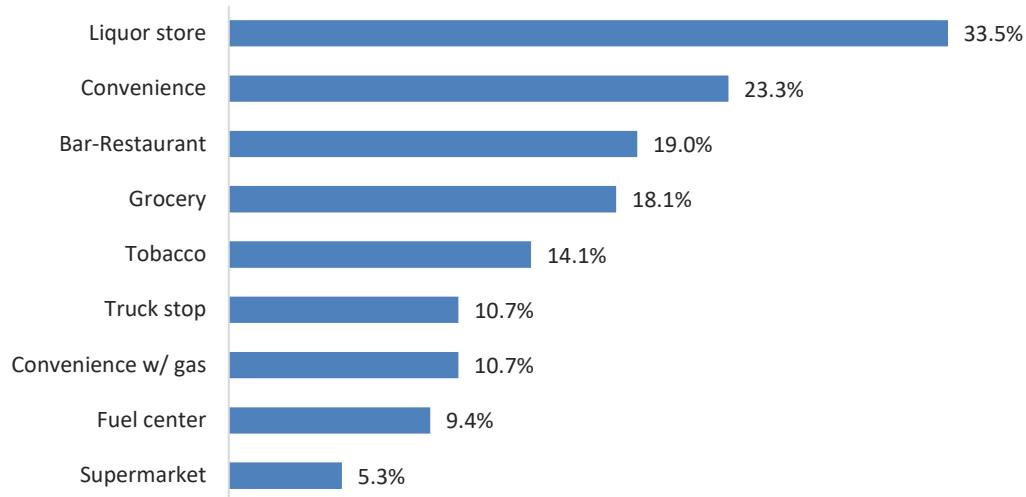
In Colorado, the current ratio of lottery retailers to the population is one retailer for every 2,000 residents. The Department reports that it aims to improve this ratio to one retailer for every 1,563 people through its recruitment program. To achieve this goal, approximately 800 additional retailers would need to be added based on the current population. For comparison, the top 20 lotteries in the country have an average ratio of one retailer for every 1,442 people.

The graph below shows the number of Lottery retailers across the state by category type. As of February 10, 2025, there are a total of 2,948 lottery retailers across Colorado. Convenience stores selling gas make up the largest number of lottery retailers at 54.5 percent, followed by liquor stores which account for 16.8 percent of all lottery retailers, and supermarkets which comprise 10.9 percent of lottery retailers.



Liquor stores comprise the second largest category of lottery retailers across the state, equating to 16.8 percent of all lottery retailers. However, liquor store lottery retailers have been the fastest-growing retailer demographic over the last two years, growing from 329 stores to 495 stores, equating to a 33.5 percent increase. The graphic below depicts the two-year growth rate of the ten largest lottery retailer categories.

Liquor stores have been the fastest-growing category of lottery retailers over the last two years, experiencing growth of over 33 percent.

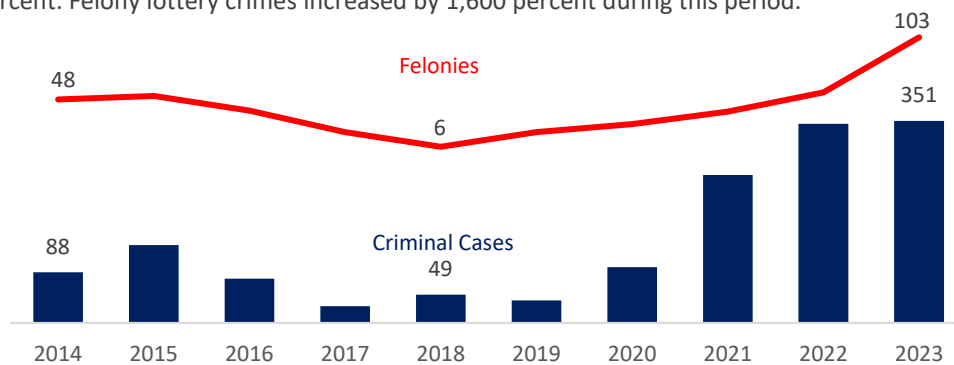


Lottery Crimes

The Department has observed a profound increase in Lottery-related crimes, which is reflective of a broader trend experienced throughout Colorado. The Department reports that lottery products and retailers have become targets for organized retail theft, often carried out by repeat offenders or small groups who exploit security vulnerabilities in convenience stores. This escalation in crime poses significant challenges, as it diminishes the capacity of district attorneys, local law enforcement, and the judicial system to respond effectively. Accordingly, the Department seeks funding for one additional full-time employee (FTE) to help ensure the security and integrity of the Lottery are maintained.

The graph below illustrates the significant increase in Lottery-related criminal cases in recent years, rising from 49 cases in 2018 to over 350 in 2023. During this same period, felony cases involving the Colorado Lottery also surged, increasing from 6 to more than 100 felony cases.

Since 2018, criminal cases related to the Colorado Lottery have risen by over 615 percent. Felony lottery crimes increased by 1,600 percent during this period.



Details on Staff Recommendation

Staff recommendation seeks to strike a balance between providing the resources necessary to support the significant growth in the Lottery in recent years and providing the JBC the capacity to provide meaningful oversight of Lottery operations and its future growth strategies.

The recommendation includes a partial approval of the Department's request, allocating 10.9 full-time equivalents (FTE) and \$5.1 million in Lottery Cash Funds. Staff acknowledge that the Lottery has experienced significant growth in recent years, and this growth has not been matched with adequate resources to support it. However, staff are concerned about the lack of details surrounding the \$10 million request for Vendor Fees.

In recent years, the Lottery has switched to vendor contracts that are paid as a percentage of sales, meaning that an increase in sales should lead to higher vendor fees. Conversely, a decline in sales should result in lower vendor fees. Currently, Lottery revenue is seeing a year-over-year decline in total sales. Unless there is a substantial increase in sales during the third and fourth quarters of the current fiscal year, it is anticipated that FY 2024-25 will have lower Lottery revenue compared to the previous year.

In addition to Lottery Vendor fees, based on a percentage of sales, this line item also funds Lottery kiosks, marketing display boards, and other merchandising equipment. Previous requests from the Lottery have included specific details on how they plan to invest in these resources. However, this ongoing request for \$10 million lacks any details. When Staff inquired about the intended use of these funds, they received the following response from the Department.

Lottery is expanding its retail network to provide greater access for players across the state. Additionally, it is exploring new product developments in both jackpot games and Scratch games to offer more choices for players. The Lottery is also increasing its use of self-service kiosks to align with consumer preferences for self-service options. This includes the introduction of SciQ vending dispensers, which significantly enhance ticket security in retail stores.

Staff is not comfortable making a \$10.0 million policy recommendations to the Committee with such significant information gaps. Additionally, Staff are concerned with recent trends in Lottery expansion and it's onboarding of new retailers, including significant growth in liquor stores.

The table below shows Lottery revenue over the previous seven years, as well as the growth in expenditures and appropriations for Lottery Vendor Fees. Note, Ticket Costs and Vendor Fee budgetary line items were merged in FY 2022-23.

REV R3 Lottery Optimization: Vendor Fees							
	Actual					Projected	
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY2023-24	FY 2024-25	FY 2025-26
Lottery Revenue	\$658,839,497	\$794,932,274	\$826,879,453	\$889,778,449	\$900,756,363	\$873,801,510	\$940,210,425
	-3.1%	20.7%	4.0%	7.6%	1.2%	-3.0%	7.6%
Ticket Costs	\$3,808,623	\$4,537,165	\$0	\$0	\$0	\$0	\$0

REV R3 Lottery Optimization: Vendor Fees							
	Actual					Projected	
	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23	FY2023-24	FY 2024-25	FY 2025-26
Vendor Fees	12,650,591	15,418,546	19,832,699	27,887,826	34,842,330	37,549,578	52,136,622
Total	\$16,459,214	\$19,955,711	\$19,832,699	\$27,887,826	\$34,842,330	\$37,549,578	\$52,136,622
Vendor Fee growth	-3.0%	21.2%	-0.6%	40.6%	24.9%	7.8%	38.8%
Vendor Fee ROI	\$40.03	\$39.83	\$41.69	\$31.91	\$25.85	\$23.27	\$18.03

The table below shows the Department request, staff recommendation and the recommended out-year annualization of R3.

REV R3: Lottery Optimization						
Item	FY 2025-26 Request		FY 2025-26 Recommendation		FY 2026-27 Rec. Annualization	
	FTE	Lottery CF	FTE	Lottery CF	FTE	Lottery CF
Lottery - Personal Services						
Retail Bus Analyst II	2.8	\$140,363	0.9	\$50,731	1.0	\$56,368
Marketing & Comm Spec IV	0.9	65,828	0.9	71,383	1.0	79,314
Marketing & Comm Spec III	1.8	108,310	0.9	58,731	1.0	65,256
Analyst IV	0.9	65,828	0.9	71,383	1.0	79,314
Analyst II	2.8	140,363	2.8	157,831	3.0	169,104
Criminal Investigator	0.9	67,502	0.9	84,744	1.0	94,159
Program Assistant I	1.8	98,216	1.8	106,543	2.0	118,381
Material Handler I	1.8	76,975	1.8	83,486	2.0	92,762
Subtotal - Personal Services	13.8	\$863,083	10.9	\$684,832	12.0	754,658
EDO / Operating						
Employee Benefits		\$413,203		\$0		\$219,247
Standard Op Ex		10,143		13,952		15,360
Capital Outlay		105,000		80,040		0
Fleet Vehicle		39,000		13,000		13,000
Subtotal EDO / Operating		\$567,346		\$106,992		\$989,265
Marketing Expenses		3,000,000		1,500,000		1,500,000
Vendor Fees		10,000,000		2,500,000		2,500,000
Responsible Gaming		300,000		300,000		300,000
TOTAL		\$14,591,731		\$5,091,824		\$6,043,923

→ R5 General Fund Reductions

Request

The request includes a budget-neutral General Fund reduction of \$586,292 and an equal increase of \$586,292 cash funds across multiple line items in the Division of Motor Vehicles. This request will reduce General Fund obligations in FY 2025-26, but will likely result in an increase in fees beyond FY 2025-26 that in a TABOR surplus environment will diminish statewide General Fund.

Recommendation

Staff recommends approval of the request.

Analysis

The Department of Revenue has requested the following net-zero adjustments for ongoing General Fund reductions beginning in FY 2025-26 totaling \$586,292. These reductions would be offset by an equivalent increase in cash fund spending authority. The request includes the following adjustments in the Department of Motor Vehicles and the Executive Director's Office.

- A General Fund reduction of \$247,800 from the Division of Motor Vehicles (DMV) - License Plate Ordering, and an accompanying increase of \$247,800 to the DMV - License Plate Ordering DRIVES cash fund spending authority;
- A General Fund reduction of \$200,000 from the DMV - Vehicle Services Personal Services, and an accompanying increase of \$200,000 to the DMV - Vehicle Services Personal Services DRIVES cash fund spending authority; and
- A General Fund reduction of \$138,492 from the Executive Director's Office (EDO) - Digital Trunk Radios, and an accompanying increase of \$138,492 to the EDO - Digital Trunk Radios cash fund spending authority.

The Department currently has sufficient balances in the relevant cash funds to support the refinance in FY 2025-26, however, the Department will need to adjust its fees to support the increased cash fund spending authority beyond FY 2025-26.

(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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$111,602,310	\$48,513,162	\$54,420,971	\$8,668,177	\$0	244.5
Other Legislation	\$442,869	\$389,052	\$53,817	\$0	\$0	0.0
S.B. 25-107 (Supplemental Bill)	-\$585,523	\$0	-\$585,523	\$0	\$0	0.0
Total FY 2024-25	\$111,459,656	\$48,902,214	\$53,889,265	\$8,668,177	\$0	244.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$111,459,656	\$48,902,214	\$53,889,265	\$8,668,177	\$0	244.5
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
R3 Lottery optimization	13,000	0	13,000	0	0	0.0
R5 DMV General Fund reductions	0	-138,492	138,492	0	0	0.0
Centrally appropriated line items	2,912,130	773,791	2,185,651	-47,312	0	0.0
Technical adjustments	202,746	178,408	24,338	0	0	0.0
Annualize prior year budget action	811,837	468,616	343,221	0	0	0.7
Non priority decision items	-148,688	140,947	-97,279	-192,356	0	0.0
Indirect cost assessment	44,186	-76,741	44,186	76,741	0	0.0
Annualize prior year legislation	-7,342	-397,635	390,293	0	0	-9.3
Total FY 2025-26	\$115,287,525	\$49,851,108	\$56,931,167	\$8,505,250	\$0	235.9
Changes from FY 2024-25	\$3,827,869	\$948,894	\$3,041,902	-\$162,927	\$0	-8.6
Percentage Change	3.4%	1.9%	5.6%	-1.9%	0.0%	-3.5%
FY 2025-26 Executive Request	\$116,028,349	\$50,165,916	\$57,357,183	\$8,505,250	\$0	235.9
Staff Rec. Above/-Below Request	-\$740,824	-\$314,808	-\$426,016	\$0	\$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, and R5 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. 24-016 Tax Credits for Contributions via Intermediaries
- S.B. 24-184 Support Surface Transportation Infrastructure
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-228 TABOR Refund Mechanism
- S.B. 24-230 Oil & Gas Production fees
- S.B. 23-016 Greenhouse Gas reduction measures
- H.B. 1008 Food Accessibility
- H.B. 24-1021 Motor Vehicle Minor Education
- H.B. 24-1052 Senior Housing Income Tax Credit
- H.B. 23-1112 Earned Income & Child Care Tax Credit
- H.B. 24-1142 Reduce Income Tax Social Security
- H.B. 24-1157 Employee Owned Business & Income
- H.B.23-1189 Employee Assistance for Home Purchase
- H.B. 24-1235 Reduce Aviation Impacts

Staff Working Document – Does Not Represent Committee Decision

- H.B. 24-1268 Financial Assistance for Certain
- H.B. 23B-1002 Increased Earned Income Tax Credit 2023
- H.B. 22-1414 Healthy Meals for all Public School

Recommendation: Staff recommends approval of the request, as outlined in the table below.

Executive Director's Office, Administration and Support, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$19,699,789	\$7,972,362	\$3,350,316	\$8,377,111	\$0	211.2
Other Legislation	\$170,590	\$152,215	\$18,375	\$0	\$0	0.0
Total FY 2024-25	\$19,870,379	\$8,124,577	\$3,368,691	\$8,377,111	\$0	211.2
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$19,870,379	\$8,124,577	\$3,368,691	\$8,377,111	\$0	211.2
Centrally appropriated line items	1,873,395	1,356,777	476,031	40,587	0	0.0
Annualize prior year budget action	56,899	37,383	19,516	0	0	0.7
Indirect cost assessment	0	-76,741	0	76,741	0	0.0
Non priority decision items	0	187,885	0	-187,885	0	0.0
Annualize prior year legislation	-630,732	-324,027	-306,705	0	0	-9.3
Total FY 2025-26	\$21,169,941	\$9,305,854	\$3,557,533	\$8,306,554	\$0	202.6
Changes from FY 2024-25	\$1,299,562	\$1,181,277	\$188,842	-\$70,557	\$0	-8.6
Percentage Change	6.5%	14.5%	5.6%	-0.8%	n/a	-4.1%
FY 2025-26 Executive Request	\$21,169,941	\$9,305,854	\$3,557,533	\$8,306,554	\$0	202.6
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Health, Life, and Dental

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

Statutory Authority: Sections 24-50-609, 24-50-611, and 24-50-104 (1) (a) (II), C.R.S.

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

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

Executive Director's Office, Administration and Support, Health, Life, and Dental						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$23,127,476	\$10,792,094	\$12,194,805	\$140,577	\$0	0.0
Total FY 2024-25	\$23,127,476	\$10,792,094	\$12,194,805	\$140,577	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Health, Life, and Dental						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$23,127,476	\$10,792,094	\$12,194,805	\$140,577	\$0	0.0
Centrally appropriated line items	2,335,036	660,427	1,712,318	-37,709	0	0.0
Annualize prior year budget action	151,195	61,274	89,921	0	0	0.0
Non priority decision items	11,178	11,178	0	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
R3 Lottery optimization	0	0	0	0	0	0.0
Annualize prior year legislation	-11,861	-11,861	0	0	0	0.0
Total FY 2025-26	\$25,613,024	\$11,513,112	\$13,997,044	\$102,868	\$0	0.0
Changes from FY 2024-25	\$2,485,548	\$721,018	\$1,802,239	-\$37,709	\$0	0.0
Percentage Change	10.7%	6.7%	14.8%	-26.8%	n/a	n/a
FY 2025-26 Executive Request	\$25,909,295	\$11,615,797	\$14,190,630	\$102,868	\$0	0.0
Staff Rec. Above/-Below Request	-\$296,271	-\$102,685	-\$193,586	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$184,224	\$86,768	\$96,476	\$980	\$0	0.0
Total FY 2024-25	\$184,224	\$86,768	\$96,476	\$980	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$184,224	\$86,768	\$96,476	\$980	\$0	0.0
Centrally appropriated line items	9,378	1,494	8,075	-191	0	0.0
Annualize prior year budget action	1,499	553	946	0	0	0.0
R3 Lottery optimization	1,145	0	1,145	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
Non priority decision items	-103,183	-47,001	-55,761	-421	0	0.0
Total FY 2025-26	\$93,063	\$41,814	\$50,881	\$368	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Short-term Disability						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	-\$91,161	-\$44,954	-\$45,595	-\$612	\$0	0.0
Percentage Change	-49.5%	-51.8%	-47.3%	-62.4%	n/a	n/a
FY 2025-26 Executive Request	\$93,896	\$42,647	\$50,881	\$368	\$0	0.0
Staff Rec. Above/-Below Request	-\$833	-\$833	\$0	\$0	\$0	0.0

Unfunded Liability Amortization Equalization Disbursement Payments

This line item provides funding for amortization and supplemental amortization payments to increase the funded states 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: 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$12,281,590	\$5,784,562	\$6,431,726	\$65,302	\$0	0.0
Total FY 2024-25	\$12,281,590	\$5,784,562	\$6,431,726	\$65,302	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$12,281,590	\$5,784,562	\$6,431,726	\$65,302	\$0	0.0
Centrally appropriated line items	625,213	99,588	538,317	-12,692	0	0.0
Annualize prior year budget action	79,910	32,310	47,600	0	0	0.0
Non priority decision items	4,804	4,804	0	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
R3 Lottery optimization	0	0	0	0	0	0.0
Total FY 2025-26	\$12,991,517	\$5,921,264	\$7,017,643	\$52,610	\$0	0.0
Changes from FY 2024-25	\$709,927	\$136,702	\$585,917	-\$12,692	\$0	0.0
Percentage Change	5.8%	2.4%	9.1%	-19.4%	n/a	n/a
FY 2025-26 Executive Request	\$13,123,375	\$5,976,783	\$7,093,982	\$52,610	\$0	0.0
Staff Rec. Above/-Below Request	-\$131,858	-\$55,519	-\$76,339	\$0	\$0	0.0

PERA Direct Distribution

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

Statutory Authority: Section 24-51-414, (2) C.R.S.

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

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

Executive Director's Office, Administration and Support, PERA Direct Distribution						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$2,403,687	\$1,132,123	\$1,258,783	\$12,781	\$0	0.0
Total FY 2024-25	\$2,403,687	\$1,132,123	\$1,258,783	\$12,781	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,403,687	\$1,132,123	\$1,258,783	\$12,781	\$0	0.0
Centrally appropriated line items	-44,779	205	-32,203	-12,781	0	0.0
Total FY 2025-26	\$2,358,908	\$1,132,328	\$1,226,580	\$0	\$0	0.0
Changes from FY 2024-25	-\$44,779	\$205	-\$32,203	-\$12,781	\$0	0.0
Percentage Change	-1.9%	0.0%	-2.6%	-100.0%	n/a	n/a
FY 2025-26 Executive Request	\$2,358,908	\$1,132,328	\$1,226,580	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Salary Survey

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

Statutory Authority: Section 24-50-104, C.R.S.

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

Recommendation: The staff recommendation is shown in the table below and reflects Committee common policy. 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$4,371,299	\$2,057,564	\$2,290,436	\$23,299	\$0	0.0
Total FY 2024-25	\$4,371,299	\$2,057,564	\$2,290,436	\$23,299	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Salary Survey						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,371,299	\$2,057,564	\$2,290,436	\$23,299	\$0	0.0
Centrally appropriated line items	-832,903	-442,677	-381,397	-8,829	0	0.0
Total FY 2025-26	\$3,538,396	\$1,614,887	\$1,909,039	\$14,470	\$0	0.0
Changes from FY 2024-25						
Percentage Change	-19.1%	-21.5%	-16.7%	-37.9%	n/a	n/a
FY 2025-26 Executive Request						
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,417,466	\$1,702,775	\$1,697,403	\$17,288	\$0	0.0
Total FY 2024-25	\$3,417,466	\$1,702,775	\$1,697,403	\$17,288	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,417,466	\$1,702,775	\$1,697,403	\$17,288	\$0	0.0
Centrally appropriated line items	-2,554,339	-1,374,615	-1,164,599	-15,125	0	0.0
Total FY 2025-26	\$863,127	\$328,160	\$532,804	\$2,163	\$0	0.0
Changes from FY 2024-25						
Percentage Change	-74.7%	-80.7%	-68.6%	-87.5%	n/a	n/a
FY 2025-26 Executive Request						
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Shift Differential

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

Statutory Authority: Section 24-50-104, C.R.S.

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

Recommendation: Staff recommends appropriating \$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$139,234	\$0	\$139,234	\$0	\$0	0.0
Total FY 2024-25	\$139,234	\$0	\$139,234	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$139,234	\$0	\$139,234	\$0	\$0	0.0
Centrally appropriated line items	55,204	0	55,204	0	0	0.0
Total FY 2025-26	\$194,438	\$0	\$194,438	\$0	\$0	0.0
Changes from FY 2024-25	\$55,204	\$0	\$55,204	\$0	\$0	0.0
Percentage Change	39.6%	n/a	39.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$194,438	\$0	\$194,438	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$530,460	\$202,310	\$328,150	\$0	\$0	0.0
Total FY 2024-25	\$530,460	\$202,310	\$328,150	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						

Executive Director's Office, Administration and Support, Workers' Compensation						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation	\$530,460	\$202,310	\$328,150	\$0	\$0	0.0
Non priority decision items	0	0	0	0	0	0.0
Centrally appropriated line items	-90,852	-34,650	-56,202	0	0	0.0
Total FY 2025-26	\$439,608	\$167,660	\$271,948	\$0	\$0	0.0
Changes from FY 2024-25	-\$90,852	-\$34,650	-\$56,202	\$0	\$0	0.0
Percentage Change	-17.1%	-17.1%	-17.1%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$440,250	\$167,905	\$272,345	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$642	-\$245	-\$397	\$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. 24-016 Tax Credits for Contributions via Intermediaries
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-222 Funding to Relocate State Entities
- H.B. 23-1008 Food Accessibility
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 24-1277 Reporting Adjustments to Taxable Income

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

Executive Director's Office, Administration and Support, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,595,152	\$2,306,461	\$1,260,791	\$27,900	\$0	0.0
Total FY 2024-25	\$3,595,152	\$2,306,461	\$1,260,791	\$27,900	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,595,152	\$2,306,461	\$1,260,791	\$27,900	\$0	0.0
Annualize prior year legislation	315,435	378,074	-62,639	0	0	0.0
Technical adjustments	97,333	24,654	72,679	0	0	0.0
Non priority decision items	0	4,050	0	-4,050	0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Annualize prior year budget action	-62,472	-34,838	-27,634	0	0	0.0
Total FY 2025-26	\$3,945,448	\$2,678,401	\$1,243,197	\$23,850	\$0	0.0
Changes from FY 2024-25	\$350,296	\$371,940	-\$17,594	-\$4,050	\$0	0.0
Percentage Change	9.7%	16.1%	-1.4%	-14.5%	n/a	n/a
FY 2025-26 Executive Request	\$3,945,448	\$2,678,401	\$1,243,197	\$23,850	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$304,708	\$158,854	\$145,854	\$0	\$0	0.0
Total FY 2024-25	\$304,708	\$158,854	\$145,854	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$304,708	\$158,854	\$145,854	\$0	\$0	0.0
Technical adjustments	153,694	124,492	29,202	0	0	0.0
Total FY 2025-26	\$458,402	\$283,346	\$175,056	\$0	\$0	0.0
Changes from FY 2024-25	\$153,694	\$124,492	\$29,202	\$0	\$0	0.0
Percentage Change	50.4%	78.4%	20.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$458,402	\$283,346	\$175,056	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$5,083,471	\$2,683,191	\$2,400,280	\$0	\$0	0.0
Other Legislation	\$236,837	\$236,837	\$0	\$0	\$0	0.0
Total FY 2024-25	\$5,320,308	\$2,920,028	\$2,400,280	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$5,320,308	\$2,920,028	\$2,400,280	\$0	\$0	0.0
Centrally appropriated line items	416,450	233,149	183,301	0	0	0.0
Annualize prior year legislation	133,006	-39,821	172,827	0	0	0.0
Total FY 2025-26	\$5,869,764	\$3,113,356	\$2,756,408	\$0	\$0	0.0
Changes from FY 2024-25	\$549,456	\$193,328	\$356,128	\$0	\$0	0.0
Percentage Change	10.3%	6.6%	14.8%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$5,869,764	\$3,113,356	\$2,756,408	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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: 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, Administrative Law Judge Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,565	\$0	\$1,565	\$0	\$0	0.0
Total FY 2024-25	\$1,565	\$0	\$1,565	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,565	\$0	\$1,565	\$0	\$0	0.0

Executive Director's Office, Administration and Support, Administrative Law Judge Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Centrally appropriated line items	9,515	0	9,515	0	0	0.0
Non priority decision items	293	0	293	0	0	0.0
Total FY 2025-26	\$11,373	\$0	\$11,373	\$0	\$0	0.0
Changes from FY 2024-25	\$9,808	\$0	\$9,808	\$0	\$0	0.0
Percentage Change	626.7%	n/a	626.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$11,382	\$0	\$11,382	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$9	\$0	-\$9	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$560,631	\$213,162	\$347,469	\$0	\$0	0.0
S.B. 25-107 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$560,631	\$213,162	\$347,469	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$560,631	\$213,162	\$347,469	\$0	\$0	0.0
Centrally appropriated line items	259,647	98,722	160,925	0	0	0.0
Non priority decision items	0	0	0	0	0	0.0
Total FY 2025-26	\$820,278	\$311,884	\$508,394	\$0	\$0	0.0
Changes from FY 2024-25	\$259,647	\$98,722	\$160,925	\$0	\$0	0.0
Percentage Change	46.3%	46.3%	46.3%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$576,665	\$219,259	\$357,406	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$243,613	\$92,625	\$150,988	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$939,111	\$131,717	\$807,394	\$0	\$0	0.0
S.B. 25-107 (Supplemental Bill)	\$0	\$0	\$0	\$0	\$0	0.0
Total FY 2024-25	\$939,111	\$131,717	\$807,394	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$939,111	\$131,717	\$807,394	\$0	\$0	0.0
Centrally appropriated line items	69,398	9,734	59,664	0	0	0.0
R3 Lottery optimization	13,000	0	13,000	0	0	0.0
Non priority decision items	0	0	0	0	0	0.0
Total FY 2025-26	\$1,021,509	\$141,451	\$880,058	\$0	\$0	0.0
Changes from FY 2024-25	\$82,398	\$9,734	\$72,664	\$0	\$0	0.0
Percentage Change	8.8%	7.4%	9.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$1,057,212	\$191,714	\$865,498	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$35,703	-\$50,263	\$14,560	\$0	\$0	0.0

Leased Space

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

Statutory Authority: Section 24-35-105, C.R.S.

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

Recommendation: Staff recommend approving the request.

Executive Director's Office, Administration and Support, Leased Space						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$7,078,845	\$909,738	\$6,169,107	\$0	\$0	0.0
Total FY 2024-25	\$7,078,845	\$909,738	\$6,169,107	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$7,078,845	\$909,738	\$6,169,107	\$0	\$0	0.0
Annualize prior year budget action	581,238	370,496	210,742	0	0	0.0
Technical adjustments	29,262	29,262	0	0	0	0.0
Annualize prior year legislation	-400,000	-400,000	0	0	0	0.0
Total FY 2025-26	\$7,289,345	\$909,496	\$6,379,849	\$0	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Leased Space

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$210,500	-\$242	\$210,742	\$0	\$0	0.0
Percentage Change	3.0%	0.0%	3.4%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$7,289,345	\$909,496	\$6,379,849	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Capitol Complex Leased Space

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

Statutory Authority: Section 24-30-1104 (4), C.R.S.

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

Recommendation: Staff recommends approving the request.

Executive Director's Office, Administration and Support, Capitol Complex Leased Space

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$961,905	\$402,284	\$559,621	\$0	\$0	0.0
Total FY 2024-25	\$961,905	\$402,284	\$559,621	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$961,905	\$402,284	\$559,621	\$0	\$0	0.0
Centrally appropriated line items	-887,984	-371,369	-516,615	0	0	0.0
Total FY 2025-26	\$73,921	\$30,915	\$43,006	\$0	\$0	0.0
Changes from FY 2024-25	-\$887,984	-\$371,369	-\$516,615	\$0	\$0	0.0
Percentage Change	-92.3%	-92.3%	-92.3%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$75,194	\$31,447	\$43,747	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$1,273	-\$532	-\$741	\$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.

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Payments to OIT						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$22,016,901	\$11,476,686	\$10,540,215	\$0	\$0	0.0
Other Legislation	\$35,442	\$0	\$35,442	\$0	\$0	0.0
S.B. 25-107 (Supplemental Bill)	-585,523	0	-585,523	0	0	0.0
Total FY 2024-25	\$21,466,820	\$11,476,686	\$9,990,134	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$21,466,820	\$11,476,686	\$9,990,134	\$0	\$0	0.0
Centrally appropriated line items	1,501,197	532,524	968,673	0	0	0.0
Annualize prior year legislation	586,810	0	586,810	0	0	0.0
Total FY 2025-26	\$23,554,827	\$12,009,210	\$11,545,617	\$0	\$0	0.0
Changes from FY 2024-25	\$2,088,007	\$532,524	\$1,555,483	\$0	\$0	0.0
Percentage Change	9.7%	4.6%	15.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$23,554,827	\$12,009,210	\$11,545,617	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$138,492	\$138,492	\$0	\$0	\$0	0.0
Total FY 2024-25	\$138,492	\$138,492	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$138,492	\$138,492	\$0	\$0	\$0	0.0
Non priority decision items	5,604	5,604	0	0	0	0.0
R5 DMV General Fund reductions	0	-138,492	138,492	0	0	0.0

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Administration and Support, Digital Trunk Radio Payments						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2025-26	\$144,096	\$5,604	\$138,492	\$0	\$0	0.0
Changes from FY 2024-25	\$5,604	-\$132,888	\$138,492	\$0	\$0	0.0
Percentage Change	4.0%	-96.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$144,096	\$5,604	\$138,492	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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.

Recommendation: Staff recommendation is outlined in the table below.

Executive Director's Office, Administration and Support, CORE Operations						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$266,618	\$101,714	\$164,904	\$0	\$0	0.0
Total FY 2024-25	\$266,618	\$101,714	\$164,904	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$266,618	\$101,714	\$164,904	\$0	\$0	0.0
Non priority decision items	-67,600	-25,789	-41,811	0	0	0.0
Total FY 2025-26	\$199,018	\$75,925	\$123,093	\$0	\$0	0.0
Changes from FY 2024-25	-\$67,600	-\$25,789	-\$41,811	\$0	\$0	0.0
Percentage Change	-25.4%	-25.4%	-25.4%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$709,787	\$270,782	\$439,005	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$510,769	-\$194,857	-\$315,912	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Total FY 2024-25	\$83,703	\$0	\$83,703	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Total FY 2025-26	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(B) Hearings Division

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

Personal Services

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

Statutory Authority: Sections 42-2-132, and 12-6-123, C.R.S.

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

Recommendation: Staff recommends approving the request.

Executive Director's Office, Hearings Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,501,207	\$0	\$3,501,207	\$0	\$0	33.3
Total FY 2024-25	\$3,501,207	\$0	\$3,501,207	\$0	\$0	33.3
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,501,207	\$0	\$3,501,207	\$0	\$0	33.3
Centrally appropriated line items	140,420	0	140,420	0	0	0.0
Total FY 2025-26	\$3,641,627	\$0	\$3,641,627	\$0	\$0	33.3

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Hearings Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$140,420	\$0	\$140,420	\$0	\$0	0.0
Percentage Change	4.0%	#VALUE!	4.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$3,641,627	\$0	\$3,641,627	\$0	\$0	33.3
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Total FY 2024-25	\$110,412	\$0	\$110,412	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Total FY 2025-26	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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.

Staff Working Document – Does Not Represent Committee Decision

Executive Director's Office, Hearings Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$251,692	\$0	\$251,692	\$0	\$0	0.0
Total FY 2024-25	\$251,692	\$0	\$251,692	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$251,692	\$0	\$251,692	\$0	\$0	0.0
Indirect cost assessment	44,186	0	44,186	0	0	0.0
Technical adjustments	-77,543	0	-77,543	0	0	0.0
Total FY 2025-26	\$218,335	\$0	\$218,335	\$0	\$0	0.0
Changes from FY 2024-25	-\$33,357	\$0	-\$33,357	\$0	\$0	0.0
Percentage Change	-13.3%	n/a	-13.3%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$218,335	\$0	\$218,335	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$106,193,472	\$100,967,917	\$3,956,055	\$417,368	\$852,132	447.7
Other Legislation	\$852,556	\$852,556	\$0	\$0	\$0	3.8
Total FY 2024-25	\$107,046,028	\$101,820,473	\$3,956,055	\$417,368	\$852,132	451.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$107,046,028	\$101,820,473	\$3,956,055	\$417,368	\$852,132	451.5
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
Centrally appropriated line items	1,949,276	1,949,276	0	0	0	0.0
Technical adjustments	1,324,491	1,332,081	-7,590	0	0	0.0
Non priority decision items	161,925	161,925	0	0	0	0.9
Annualize prior year legislation	-1,036,156	-36,733	-999,423	0	0	8.6
Staff-initiated GenTax funding reduction	-450,000	-450,000	0	0	0	0.0
Total FY 2025-26	\$108,995,564	\$104,777,022	\$2,949,042	\$417,368	\$852,132	461.0
Changes from FY 2024-25	\$1,949,536	\$2,956,549	-\$1,007,013	\$0	\$0	9.5
Percentage Change	1.8%	2.9%	-25.5%	0.0%	0.0%	2.1%
FY 2025-26 Executive Request	\$110,552,645	\$106,334,103	\$2,949,042	\$417,368	\$852,132	468.3
Staff Rec. Above/-Below Request	-\$1,557,081	-\$1,557,081	\$0	\$0	\$0	-7.3

Decision Items – The Taxation Business Group

→ Staff Initiated: GenTax Funding Reduction

Recommendation

For budget balancing, staff recommends reducing the General Fund appropriation to the GenTax line by \$450,000. This would make total appropriations to this line item \$7,968,539 total funds, including \$7,848,553 General Fund.

Analysis

The GenTax budgetary line item provides funding for the managed services contract that supports and maintains the Department's GenTax software tax collection and administration system with the vendor, Fast Enterprises. The GenTax software is the culmination of the Colorado Integrated Tax Architecture (CITA) project. The Department states that this funding is available for discretionary work that the Taxation Division does not have the capacity to accomplish. The Department states that with this reduction, the Taxation Division would not be able to pursue Task Orders for system fixes or upgrades. *This is the only ongoing reduction the Department identified as a manageable reduction, that was not a common policy or IT Capital.*

JBC staff recommends this ongoing \$450,000 General Fund reduction as a budget balancing measure.

The FY 2024-25 GenTax appropriation as well as the FY 2025-26 recommendation and adjustments are shown in the table below.

Taxation Business Group, Administration, Tax Administration IT System (GenTax) Support						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$8,977,497	\$8,128,657	\$848,840	\$0	\$0	0.0
Other Legislation	\$441,948	\$441,948	\$0	\$0	\$0	0.0
Total FY 2024-25	\$9,419,445	\$8,570,605	\$848,840	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$9,419,445	\$8,570,605	\$848,840	\$0	\$0	0.0
Technical adjustments	237,110	237,110	0	0	0	0.0
Non priority decision items	100,000	100,000	0	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
Annualize prior year legislation	-1,338,016	-609,162	-728,854	0	0	0.0
Staff-initiated GenTax funding reduction	-450,000	-450,000	0	0	0	0.0
Total FY 2025-26	\$7,968,539	\$7,848,553	\$119,986	\$0	\$0	0.0

Taxation Business Group, Administration, Tax Administration IT System (GenTax) Support						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	-\$1,450,906	-\$722,052	-\$728,854	\$0	\$0	0.0
Percentage Change	-15.4%	-8.4%	-85.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$8,836,539	\$8,716,553	\$119,986	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$868,000	-\$868,000	\$0	\$0	\$0	0.0

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$613,930	\$593,579	\$20,351	\$0	\$0	5.0
Total FY 2024-25	\$613,930	\$593,579	\$20,351	\$0	\$0	5.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$613,930	\$593,579	\$20,351	\$0	\$0	5.0
Centrally appropriated line items	21,678	21,678	0	0	0	0.0
Total FY 2025-26	\$635,608	\$615,257	\$20,351	\$0	\$0	5.0
Changes from FY 2024-25	\$21,678	\$21,678	\$0	\$0	\$0	0.0
Percentage Change	3.5%	3.7%	0.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$635,608	\$615,257	\$20,351	\$0	\$0	5.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

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

Statutory Authority: Section 24-35-105, C.R.S.

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

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

Taxation Business Group, Administration, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Total FY 2024-25	\$12,543	\$12,543	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Total FY 2025-26	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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. 24-016 Tax Credits for Contributions via Intermediaries
- S.B. 24-184 Support Surface Transportation Infrastructure
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-228 TABOR Refund Mechanisms
- S.B. 24-230 Oil & Gas Production Fees
- S.B. 23-016 Greenhouse Gas Reduction Measures
- S.B. 23-290 Natural Medicine Regulation

- H.B. 24-1041 Streamline Filing Sales & Use Tax Returns
- H.B. 24-1052 Senior Housing Income Tax Credit
- H.B. 23-1112 Earned Income and Child Care Tax Credit
- H.B. 24-1142 Reduce Income Tax Social Security
- H.B. 24-1157 Employee Owned Business & Income
- H.B. 23-1189 Employer Assistance for Home Purchase Tax Credit
- H.B. 24-1235 Reduce Aviation Impacts
- H.B. 24-1268 Financial Assistance for Certain
- H.B. 24-1277 Reporting Adjustments Taxable Income
- H.B. 24-1288 Earned Income Tax Credit Data Sharing
- H.B. 24-1312 State Income Tax Credit Care
- H.B. 24-1316 Middle Income Housing Tax Credit
- H.B. 24-1340 Incentives for Post-Secondary Ed
- H.B. 24-1349 Firearms & Ammunition Excise Tax
- H.B. 24-1439 Financial Incentives Expand Apprenticeship Programs
- H.B. 23-1281 Advance use of Clean Hydrogen

Recommendation: Staff recommends approving the request.

Taxation Business Group, Administration, Tax Administration IT System (GenTax) Support						
Item	Total Funds	General Fund	Cash Funds	Reappropri. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$8,977,497	\$8,128,657	\$848,840	\$0	\$0	0.0
Other Legislation	\$441,948	\$441,948	\$0	\$0	\$0	0.0
Total FY 2024-25	\$9,419,445	\$8,570,605	\$848,840	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$9,419,445	\$8,570,605	\$848,840	\$0	\$0	0.0
Technical adjustments	237,110	237,110	0	0	0	0.0
Non priority decision items	100,000	100,000	0	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
Annualize prior year legislation	-1,338,016	-609,162	-728,854	0	0	0.0
Staff-initiated GenTax funding reduction	-450,000	-450,000	0	0	0	0.0
Total FY 2025-26	\$7,968,539	\$7,848,553	\$119,986	\$0	\$0	0.0
Changes from FY 2024-25	-\$1,450,906	-\$722,052	-\$728,854	\$0	\$0	0.0
Percentage Change	-15.4%	-8.4%	-85.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$8,836,539	\$8,716,553	\$119,986	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$868,000	-\$868,000	\$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. The appropriation to this line item is set by the Document Solutions Group (DSG) Common Policy established by the Department of Personnel.

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

Taxation Business Group, Administration, IDS Print Production						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$6,031,318	\$5,984,539	\$46,779	\$0	\$0	0.0
Other Legislation	\$2,591	\$2,591	\$0	\$0	\$0	0.0
Total FY 2024-25	\$6,033,909	\$5,987,130	\$46,779	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$6,033,909	\$5,987,130	\$46,779	\$0	\$0	0.0
Technical adjustments	164,838	164,838	0	0	0	0.0
Annualize prior year legislation	71,284	71,284	0	0	0	0.0
Total FY 2025-26	\$6,270,031	\$6,223,252	\$46,779	\$0	\$0	0.0
Changes from FY 2024-25	\$236,122	\$236,122	\$0	\$0	\$0	0.0
Percentage Change	3.9%	3.9%	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$6,270,031	\$6,223,252	\$46,779	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(B) Taxation Services

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

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

The Taxpayer Service Division (TPS) administers the State’s tax programs and provides assistance and information to Colorado taxpayers. The Division maintains five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, as well as a tax information call center. The Division produces public information campaigns, administers tax classes to

promote voluntary compliance, and distributes information to the public to explain the State's tax laws and policies. TPS also issues licenses and permits, processes tax forms and requests for refunds, resolves taxpayer problems, and intercepts income tax refunds for payment of debts owed to other State agencies and the Internal Revenue Service.

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

Personal Services

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

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

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

- S.B. 24-016 Tax Credits for Contributions via Intermediaries
- S.B. 24-184 Support Surface Transportation Infrastructure
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-228 TABOR Refund Mechanism
- S.B. 24-230 Oil & Gas Production Fees
- S.B. 23-016 Greenhouse Gas Reduction Measures
- S.B. 22-051 Policies to Reduce Emissions from Build Environment
- S.B. 23-290 Natural Medicine Regulation
- H.B. 23-1008 Food Accessibility
- H.B. 24-1041 Streamline Filing Sales & Use Tax Returns
- H.B. 24-1050 Simplify Processes Regarding Certain Local Government Taxes
- H.B. 24-1052 Senior Housing Income Tax Credit
- H.B. 23-1112 Earned Income and Child Tax Credits
- H.B. 24-1142 Reduce Income Tax Social Security
- H.B. 24-1157 Employee Owned Business & Income
- H.B. 23-1189 Employer Assistance for Home Purchase
- H.B. 24-1235 Reduce Aviation Impacts
- H.B. 23-1268 Financial Assistance for Certain Low-Income Individuals
- H.B. 24-1277 Reporting Adjustments Taxable Income
- H.B. 24-1288 Earned Income Tax Credit Data Sharing
- H.B. 23-1309 Film Industry Tax Credit
- H.B. 24-1311 Family Affordability Tax Credit

- H.B. 24-1312 State Income Tax Credit Care
- H.B. 24-1316 Middle Income Housing Tax Credit
- H.B. 24-1340 Incentives for Post-Secondary Education
- H.B. 24-1439 Financial Incentives Expand Apprenticeship Program
- H.B. 22-1414 Healthy meals for all Public School Students
- H.B. 23-1091 Continue Child Care Contribution Credit
- H.B. 23-1240 Sales Use Tax Exempt Wildfire
- H.B. 23-1281 Advance Use of Clean Hydrogen

Recommendation: Staff recommendation is reflected in the table below.

Taxation Business Group, Taxation Services, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$34,732,189	\$32,495,093	\$1,983,011	\$254,085	\$0	418.9
Other Legislation	\$335,835	\$335,835	\$0	\$0	\$0	3.8
Total FY 2024-25	\$35,068,024	\$32,830,928	\$1,983,011	\$254,085	\$0	422.7
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$35,068,024	\$32,830,928	\$1,983,011	\$254,085	\$0	422.7
Centrally appropriated line items	1,848,350	1,848,350	0	0	0	0.0
Annualize prior year legislation	218,318	458,783	-240,465	0	0	8.6
Non priority decision items	54,263	54,263	0	0	0	0.9
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
Total FY 2025-26	\$37,188,955	\$35,192,324	\$1,742,546	\$254,085	\$0	432.2
Changes from FY 2024-25	\$2,120,931	\$2,361,396	-\$240,465	\$0	\$0	9.5
Percentage Change	6.0%	7.2%	-12.1%	0.0%	n/a	2.2%
FY 2025-26 Executive Request	\$37,816,656	\$35,820,025	\$1,742,546	\$254,085	\$0	439.5
Staff Rec. Above/-Below Request	-\$627,701	-\$627,701	\$0	\$0	\$0	-7.3

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. 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 the following annualization adjustments:

- S.B. 24-214 Implement State Climate Goals
- S.B. 23-016 Greenhouse Gas Reduction Measures
- H.B. 23-1008 Food Accessibility

- H.B. 24-1041 Streamline Filing Sales & Use Tax Returns
- H.B. 24-1050 Simplify Processes Regarding Certain
- H.B. 24-1268 Financial Assistance for Certain Low Income Individuals
- H.B. 24-1311 Family Affordability Tax Credit
- H.B. 24-1312 State Income Tax Credit Care
- H.B. 24-1340 Incentives for Post-Secondary Education
- H.B. 24-1439 Firearms & Ammunition Excise Tax
- H.B. 22-1414 Healthy Meals for all Public School Students
- H.B. 23-1091 Continuation of Child Care Contribution Tax Credit

Recommendation: Staff recommendation is reflected in the table below.

Taxation Business Group, Taxation Services, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$4,777,323	\$4,721,465	\$55,858	\$0	\$0	0.0
Other Legislation	\$36,879	\$36,879	\$0	\$0	\$0	0.0
Total FY 2024-25	\$4,814,202	\$4,758,344	\$55,858	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,814,202	\$4,758,344	\$55,858	\$0	\$0	0.0
Annualize prior year legislation	27,207	59,918	-32,711	0	0	0.0
Non priority decision items	7,662	7,662	0	0	0	0.0
R1 IRS Direct file implementation resources	0	0	0	0	0	0.0
R2 Division of taxation auditors	0	0	0	0	0	0.0
Total FY 2025-26	\$4,849,071	\$4,825,924	\$23,147	\$0	\$0	0.0
Changes from FY 2024-25	\$34,869	\$67,580	-\$32,711	\$0	\$0	0.0
Percentage Change	0.7%	1.4%	-58.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$4,910,451	\$4,887,304	\$23,147	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$61,380	-\$61,380	\$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 \$352,259 General Fund.

Recommendation: Staff recommends appropriating \$352,259 General Fund.

Taxation Business Group, Taxation Services, Joint Audit Program						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$131,244	\$131,244	\$0	\$0	\$0	0.0
Total FY 2024-25	\$131,244	\$131,244	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$131,244	\$131,244	\$0	\$0	\$0	0.0
Technical adjustments	221,015	221,015	0	0	0	0.0
Total FY 2025-26	\$352,259	\$352,259	\$0	\$0	\$0	0.0
Changes from FY 2024-25	\$221,015	\$221,015	\$0	\$0	\$0	0.0
Percentage Change	168.4%	168.4%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$352,259	\$352,259	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$4,957,923	\$4,950,333	\$7,590	\$0	\$0	0.0
Other Legislation	\$35,303	\$35,303	\$0	\$0	\$0	0.0
Total FY 2024-25	\$4,993,226	\$4,985,636	\$7,590	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$4,993,226	\$4,985,636	\$7,590	\$0	\$0	0.0
Technical adjustments	701,528	709,118	-7,590	0	0	0.0
Annualize prior year legislation	-14,949	-17,556	2,607	0	0	0.0
Total FY 2025-26	\$5,679,805	\$5,677,198	\$2,607	\$0	\$0	0.0
Changes from FY 2024-25	\$686,579	\$691,562	-\$4,983	\$0	\$0	0.0
Percentage Change	13.8%	13.9%	-65.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$5,679,805	\$5,677,198	\$2,607	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Tax Conferee

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

Personal Services

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

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

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

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

Taxation Business Group, Tax Conferee, Personal Services

Staff Working Document – Does Not Represent Committee Decision

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,680,753	\$1,583,470	\$0	\$97,283	\$0	13.6
Total FY 2024-25	\$1,680,753	\$1,583,470	\$0	\$97,283	\$0	13.6
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,680,753	\$1,583,470	\$0	\$97,283	\$0	13.6
Centrally appropriated line items	79,248	79,248	0	0	0	0.0
Total FY 2025-26	\$1,760,001	\$1,662,718	\$0	\$97,283	\$0	13.6
Changes from FY 2024-25	\$79,248	\$79,248	\$0	\$0	\$0	0.0
Percentage Change	4.7%	5.0%	n/a	0.0%	n/a	0.0%
FY 2025-26 Executive Request	\$1,760,001	\$1,662,718	\$0	\$97,283	\$0	13.6
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

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

Statutory Authority: Sections 39-21-103, 39-21-104, 29-2-106.1, and 24-35-105, C.R.S.

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

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

Taxation Business Group, Tax Conferee, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Total FY 2024-25	\$60,905	\$60,905	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Total FY 2025-26	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 2025 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 \$873,102 cash funds from the Tobacco Tax Cash Fund.

Recommendation: Staff recommends reflecting an appropriation of \$873,102 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 \$10,493,500 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 2025 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$10,493,500	\$10,493,500	\$0	\$0	\$0	0.0
Total FY 2024-25	\$10,493,500	\$10,493,500	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$10,493,500	\$10,493,500	\$0	\$0	\$0	0.0
Total FY 2025-26	\$10,493,500	\$10,493,500	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$10,493,500	\$10,493,500	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 2025 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					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
FY 2024-25 Appropriation					
HB24-1430 (Long Bill)	\$78,533,715	\$5,363,455	\$72,981,932	\$188,328	544.6
Other Legislation	\$857,127	\$0	\$857,127	\$0	0.0
Total FY 2024-25	\$79,390,842	\$5,363,455	\$73,839,059	\$188,328	544.6
FY 2025-26 Recommended Appropriation					
FY 2024-25 Appropriation	\$79,390,842	\$5,363,455	\$73,839,059	\$188,328	544.6
R4 DMV Efficiency consolidation	0	0	0	0	0.0
R5 DMV General Fund reductions	0	-447,800	447,800	0	0.0
R6 Restructure license plate payment	-13,482,782	0	-13,482,782	0	0.0
Centrally appropriated line items	2,218,964	449,046	1,769,918	0	0.0
Technical adjustments	416,765	0	416,765	0	0.0
Annualize prior year budget action	-218	0	-218	0	0.3
Indirect cost assessment	9,667	0	9,667	0	0.0
Annualize prior year legislation	-395,580	0	-395,580	0	0.7
Total FY 2025-26	\$68,157,658	\$5,364,701	\$62,604,629	\$188,328	545.6

Division of Motor Vehicles					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
Changes from FY 2024-25	\$11,233,184	\$1,246	\$11,234,430	\$0	1.0
Percentage Change	-14.1%	0.0%	-15.2%	0.0%	0.2%
FY 2025-26 Executive Request	\$68,157,658	\$5,364,701	\$62,604,629	\$188,328	545.6
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	0.0

Decision Items - Division of Motor Vehicles

→ R4 DMV Efficiency Consolidation

Request

The Department requests a Long Bill restructuring that they state will better align the budget with the current operational structure of the Division of Motor Vehicles (DMV). The Department states that this will streamline administration, enhance budgetary planning, and finalize ongoing efforts to align the budget with the existing DMV IT system and cash fund.

This request, upon approval, would result in consolidations in the DMV section of the Long Bill, and includes rename (3) *Division of Motor Vehicles (B) Driver Services* to become (3) *Division of Motor Vehicles (B) Driver and Vehicle Services* and to shift a portion of (A) *Administration* and the entirety of (C) *Vehicle Services* appropriations in the amounts listed above into this newly renamed section. This request results in no change to the existing appropriations. The current fourth Long Bill section, (D) *County Support Services*, would be re-lettered and become the new section (C) *County Support Services*.

Recommendation

Staff recommends denial of the request. Staff strongly feel that any **net-zero** operational benefits realized by the Department in this request are vastly outweighed by the loss of transparency in the Long Bill. This lack of transparency diminishes the ability of Staff, Legislators, and outside stakeholders to analyze trends within the DMV over time effectively.

Analysis

The Division of Motor Vehicles within the Long Bill is currently structured into four sub-divisions including:

- A. Administration;
- B. Driver Services;
- C. Vehicle Services; and
- D. County Support Services.

In recent years there has been consolidation of both the IT system and the cash funds which support Driver services and Vehicle services. Prior to the merger, the Division of Motor Vehicles utilized two separate IT systems that independently supported Driver services and Vehicle services respectively. The legacy system, Colorado State Titling and Registration System (CSTAR) supported vehicle services, and the Driver License System (DLS) supported driver services. Through an IT capital appropriation in FY 2018-19 these two systems were integrated and today both sub-divisions utilize the DRIVES system for their operations.

According to the Department, the current Long Bill funding structure still reflects a system designed for two separate IT systems that were funded by two different cash funds. The Vehicle Services section of the Long Bill allocated funds for title and registration activities performed in the old CSTAR system, which was financed by the CSTAR cash fund. Similarly, the Drivers Services section of the Long Bill provided funding for driver license activities carried out in the old DLS system, which was supported by the License Services cash fund.

Staff are opposed to the consolidation of these two subdivisions. Although the cash fund and IT systems have been merged, Driver Services and Vehicle Services remain distinct operations managed by the state and counties, respectively. Consolidation would lead to a decrease in budget transparency. While staff acknowledge that the Department may achieve some net zero budget efficiencies through this request, staff believe these benefits are outweighed by the loss of transparency in the Long Bill and the reduced ability for staff, legislators, and stakeholders to provide meaningful oversight and analyze trends within the DMV over time.

→ R6 Restructure License Plate Payment

Request

[Legislation Required]: The request seeks JBC-sponsored legislation to reduce TABOR revenue by moving certain fee revenue to a TABOR-exempt enterprise cash fund. Fees for producing and distributing license plates, decals, and validating tabs are currently credited to the non-TABOR exempt License Plate Cash Fund managed by the Department of Revenue. The requested legislation would credit these fees to a TABOR-exempt enterprise fund belonging to Colorado Correctional Industries in the Department of Corrections. This change would reduce revenue subject to TABOR by about \$12.0 million in FY 2025-26.

Recommendation

Staff recommends approval of the request.

Analysis

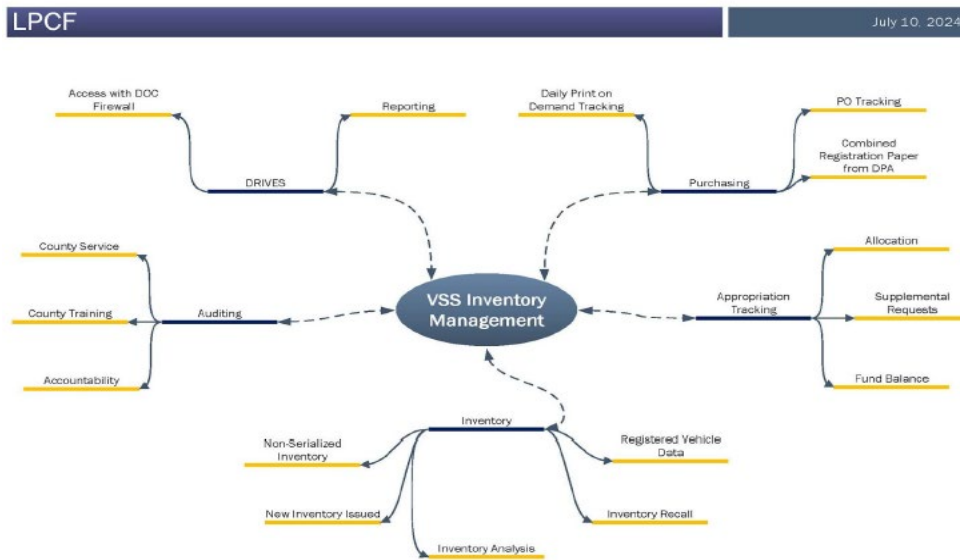
The Department requests that starting in fiscal year 2025-26, the revenue generated from material fees for producing and distributing license plates, decals, and validating tabs be redirected to the Correctional Industries (CCi) within the DOC. Currently, this revenue is credited to the DOR and the Division of Motor Vehicles (DMV).

Under the new structure, the DOR would continue to collect the material fee revenue through the DRIVES system, but the funds would be distributed to CCI's Enterprise Fund rather than the License Plate Cash Fund (LPCF). This change would end DOR's role as a passthrough for these CCI costs, which would reduce cash-funded spending authority from the LPCF and shift it to CCI, along with the associated revenue.

Though this request appears relatively straightforward due to the connection between the LPCF and inventory auditing and management, separating the financial aspects requires addressing certain provisions within statute and fiscal rules. For instance, moving forward, inventory would need to be recorded in the CCI cash fund, but the responsibility for inventory management will remain with the Department of Revenue (DOR). This creates a conflict with fiscal rules and the usual structure, which dictates that the responsibility, management, and oversight of inventories should reside with the department that holds the cash fund where the inventory is reported.

Under this proposal the Department of Revenue would retain its current authority around inventory management, including but not limited to managing inventory levels for the county offices, warehousing and storage of inventory, conducting the annual inventory audits as required under the Fiscal Procedures for consumable inventory, and placing production orders with CCI several times during the fiscal year.

The graphic below was provided with the request, and illustrates some of the complexities involved with the request.



Statutory changes are necessary in several areas to both redirect revenue and clarify the roles and responsibilities of the DOR and the DOC regarding the inventory management of license plates. Additionally, these changes would authorize the DOR to retain the costs associated with administering the license plate program from the revenue generated.

Some of the required statutory changes may include revisions to 17-24-104, C.R.S, which outlines the duties of the Division of Correctional Industries Advisory Committee. There will

also need to be statutory language to establish the closure of the License Plate Cash Fund. The DOR and the CCI are working together to assess the inventory and cash balance that will be transferred to CCI, with the remaining funds going to the DRIVES system.

The Department has indicated in their request that the proposal to separate revenue from the management of the program is feasible; however, several details still need to be addressed. As of February 12, 2025, many of these details are still under discussion and are being sorted out among OSPB, the Department of Revenue, and the Department of Corrections. The Department is fairly confident that these issues can be resolved before the end of FY 2024-25

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 request is summarized in the table below.

Recommendation: Staff recommendation outlined in the following table.

Division of Motor Vehicles, Administration, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,679,920	\$647,247	\$2,980,887	\$51,786	\$0	40.6
Total FY 2024-25	\$3,679,920	\$647,247	\$2,980,887	\$51,786	\$0	40.6
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,679,920	\$647,247	\$2,980,887	\$51,786	\$0	40.6
Centrally appropriated line items	221,135	79,900	141,235	0	0	0.0
Annualize prior year budget action	27,547	0	27,547	0	0	0.3
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0

Division of Motor Vehicles, Administration, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2025-26	\$3,928,602	\$727,147	\$3,149,669	\$51,786	\$0	40.9
Changes from FY 2024-25	\$248,682	\$79,900	\$168,782	\$0	\$0	0.3
Percentage Change	6.8%	12.3%	5.7%	0.0%	n/a	0.7%
FY 2025-26 Executive Request	\$3,928,602	\$727,147	\$3,149,669	\$51,786	\$0	40.9
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

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

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

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

Recommendation: Staff recommendation outlined in the following table.

Division of Motor Vehicles, Administration, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$558,433	\$63,731	\$491,312	\$3,390	\$0	0.0
Total FY 2024-25	\$558,433	\$63,731	\$491,312	\$3,390	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$558,433	\$63,731	\$491,312	\$3,390	\$0	0.0
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0
Annualize prior year budget action	-27,765	0	-27,765	0	0	0.0
Total FY 2025-26	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
Changes from FY 2024-25	-\$27,765	\$0	-\$27,765	\$0	\$0	0.0
Percentage Change	-5.0%	0.0%	-5.7%	0.0%	n/a	n/a
FY 2025-26 Executive Request	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

DRIVES Maintenance and Support

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

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

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

- H.B. 24-1021 Motor Vehicle Minor Education
- H.B. 24-1089 Vehicle Electric Notifications
- H.B. 24-1105 Chicano License Plate
- H.B. 24-1135 Offenses Related to Operating a Vehicle
- H.B. 24-1269 Modifications of Recording Fees
- H.B. 24-1319 Firefighters License Plate
- H.B. 24-1369 Colorado Agriculture License Plate
- S.B. 24-065 Mobile Electronic Devices
- S.B. 24-100 Commercial Vehicle Highway Safety
- S.B. 24-182 Immigration Identification Document Issuance
- S.B. 24-192 Motor Vehicle Lemon Law
- S.B. 24-210 Modifications to Laws Regulating Elections
- S.B. 24-019 Remuneration Exempt Identifying Placards

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Administration, DRIVES Maintenance and Support						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$9,317,558	\$18,000	\$9,299,558	\$0	\$0	0.0
Other Legislation	\$819,127	\$0	\$819,127	\$0	\$0	0.0
Total FY 2024-25	\$10,136,685	\$18,000	\$10,118,685	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$10,136,685	\$18,000	\$10,118,685	\$0	\$0	0.0
Technical adjustments	430,748	0	430,748	0	0	0.0
Annualize prior year legislation	-498,107	0	-498,107	0	0	0.0
Total FY 2025-26	\$10,069,326	\$18,000	\$10,051,326	\$0	\$0	0.0
Changes from FY 2024-25	-\$67,359	\$0	-\$67,359	\$0	\$0	0.0
Percentage Change	-0.7%	0.0%	-0.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$10,069,326	\$18,000	\$10,051,326	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 request is provided in the table below.

Recommendation: Staff recommendation is summarized in the following table.

Division of Motor Vehicles, Driver Services, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$27,258,120	\$3,228,433	\$23,906,705	\$122,982	\$0	426.9
Other Legislation	\$2,816	\$0	\$2,816	\$0	\$0	0.0
Total FY 2024-25	\$27,260,936	\$3,228,433	\$23,909,521	\$122,982	\$0	426.9
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$27,260,936	\$3,228,433	\$23,909,521	\$122,982	\$0	426.9
Centrally appropriated line items	1,737,757	322,358	1,415,399	0	0	0.0
Annualize prior year legislation	14,656	0	14,656	0	0	0.0
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
Total FY 2025-26	\$29,013,349	\$3,550,791	\$25,339,576	\$122,982	\$0	426.9

Staff Working Document – Does Not Represent Committee Decision

Division of Motor Vehicles, Driver Services, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$1,752,413	\$322,358	\$1,430,055	\$0	\$0	0.0
Percentage Change	6.4%	10.0%	6.0%	0.0%	n/a	0.0%
FY 2025-26 Executive Request	\$29,013,349	\$3,550,791	\$25,339,576	\$122,982	\$0	426.9
Staff Rec. Above/-Below Request	\$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. The request includes the following annualization adjustments:

- H.B. 24-1021 Motor Vehicle Minor Education

Recommendation: Staff recommendation is summarized in the following table.

Division of Motor Vehicles, Driver Services, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$2,534,299	\$414,260	\$2,109,869	\$10,170	\$0	0.0
Total FY 2024-25	\$2,534,299	\$414,260	\$2,109,869	\$10,170	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,534,299	\$414,260	\$2,109,869	\$10,170	\$0	0.0
Annualize prior year legislation	120,660	0	120,660	0	0	0.0
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0
Total FY 2025-26	\$2,654,959	\$414,260	\$2,230,529	\$10,170	\$0	0.0
Changes from FY 2024-25	\$120,660	\$0	\$120,660	\$0	\$0	0.0
Percentage Change	4.8%	0.0%	5.7%	0.0%	n/a	n/a
FY 2025-26 Executive Request	\$2,654,959	\$414,260	\$2,230,529	\$10,170	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Total FY 2024-25	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Total FY 2025-26	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Driver Services, Ignition Interlock Program						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$728,379	\$0	\$728,379	\$0	\$0	6.9
Total FY 2024-25	\$728,379	\$0	\$728,379	\$0	\$0	6.9
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$728,379	\$0	\$728,379	\$0	\$0	6.9

Staff Working Document – Does Not Represent Committee Decision

Centrally appropriated line items	14,581	0	14,581	0	0	0.0
Total FY 2025-26	\$742,960	\$0	\$742,960	\$0	\$0	6.9
Changes from FY 2024-25	\$14,581	\$0	\$14,581	\$0	\$0	0.0
Percentage Change	2.0%	n/a	2.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$742,960	\$0	\$742,960	\$0	\$0	6.9
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

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

Statutory Authority: Sections 42-2-114.2, 42-2-132, and 24-75-1401, C.R.S.

C.R.S.

Request: The Department requests an appropriation of \$3,585,708 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,617,569	\$0	\$3,617,569	\$0	\$0	0.0
Total FY 2024-25	\$3,617,569	\$0	\$3,617,569	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,617,569	\$0	\$3,617,569	\$0	\$0	0.0
Indirect cost assessment	-17,878	0	-17,878	0	0	0.0
Technical adjustments	-13,983	0	-13,983	0	0	0.0
Total FY 2025-26	\$3,585,708	\$0	\$3,585,708	\$0	\$0	0.0
Changes from FY 2024-25	-\$31,861	\$0	-\$31,861	\$0	\$0	0.0
Percentage Change	-0.9%	n/a	-0.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$3,585,708	\$0	\$3,585,708	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 recommendation is outlined in the following table.

Division of Motor Vehicles, Vehicle Services, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,482,267	\$711,899	\$2,770,368	\$0	\$0	54.2
Other Legislation	\$9,856	\$0	\$9,856	\$0	\$0	0.0
Total FY 2024-25	\$3,492,123	\$711,899	\$2,780,224	\$0	\$0	54.2
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,492,123	\$711,899	\$2,780,224	\$0	\$0	54.2
Centrally appropriated line items	211,681	46,788	164,893	0	0	0.0
Annualize prior year legislation	33,088	0	33,088	0	0	0.7
R4 DMV Efficiency consolidation	0	0	0	0	0	0.0
R5 DMV General Fund reductions	0	-200,000	200,000	0	0	0.0
Total FY 2025-26	\$3,736,892	\$558,687	\$3,178,205	\$0	\$0	54.9
Changes from FY 2024-25	\$244,769	-\$153,212	\$397,981	\$0	\$0	0.7
Percentage Change	7.0%	-21.5%	14.3%	n/a	n/a	1.3%
FY 2025-26 Executive Request	\$3,736,892	\$558,687	\$3,178,205	\$0	\$0	54.9
Staff Rec. Above/-Below Request	\$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 recommendation is outlined in the following table.

Staff Working Document – Does Not Represent Committee Decision

Division of Motor Vehicles, Vehicle Services, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$394,712	\$28,587	\$366,125	\$0	\$0	0.0
Total FY 2024-25	\$394,712	\$28,587	\$366,125	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$394,712	\$28,587	\$366,125	\$0	\$0	0.0
Annualize prior year legislation	14,208	0	14,208	0	0	0.0
Total FY 2025-26	\$408,920	\$28,587	\$380,333	\$0	\$0	0.0
Changes from FY 2024-25	\$14,208	\$0	\$14,208	\$0	\$0	0.0
Percentage Change	3.6%	0.0%	3.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$408,920	\$28,587	\$380,333	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 recommendation is outlined in the following table.

Division of Motor Vehicles, Vehicle Services, License Plate Ordering						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$13,730,582	\$247,800	\$13,482,782	\$0	\$0	0.0
Other Legislation	\$25,328	\$0	\$25,328	\$0	\$0	0.0
Total FY 2024-25	\$13,755,910	\$247,800	\$13,508,110	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$13,755,910	\$247,800	\$13,508,110	\$0	\$0	0.0
R5 DMV General Fund reductions	0	-247,800	247,800	0	0	0.0
R6 Restructure license plate payment	-13,482,782	0	-13,482,782	0	0	0.0
Annualize prior year legislation	-40,845	0	-40,845	0	0	0.0
Total FY 2025-26	\$232,283	\$0	\$232,283	\$0	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Changes from FY 2024-25	-\$13,523,627	-\$247,800	-\$13,275,827	\$0	\$0	0.0
Percentage Change	-98.3%	-100.0%	-98.3%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$232,283	\$0	\$232,283	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$354,702	\$0	\$354,702	\$0	\$0	1.0
Total FY 2024-25	\$354,702	\$0	\$354,702	\$0	\$0	1.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$354,702	\$0	\$354,702	\$0	\$0	1.0
Centrally appropriated line items	4,226	0	4,226	0	0	0.0
Total FY 2025-26	\$358,928	\$0	\$358,928	\$0	\$0	1.0
Changes from FY 2024-25	\$4,226	\$0	\$4,226	\$0	\$0	0.0
Percentage Change	1.2%	n/a	1.2%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$358,928	\$0	\$358,928	\$0	\$0	1.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,283,266	\$0	\$1,283,266	\$0	\$0	15.0
Total FY 2024-25	\$1,283,266	\$0	\$1,283,266	\$0	\$0	15.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,283,266	\$0	\$1,283,266	\$0	\$0	15.0
Centrally appropriated line items	29,584	0	29,584	0	0	0.0
Total FY 2025-26	\$1,312,850	\$0	\$1,312,850	\$0	\$0	15.0
Changes from FY 2024-25	\$29,584	\$0	\$29,584	\$0	\$0	0.0
Percentage Change	2.3%	n/a	2.3%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$1,312,850	\$0	\$1,312,850	\$0	\$0	15.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$546,204	\$0	\$546,204	\$0	\$0	0.0
Total FY 2024-25	\$546,204	\$0	\$546,204	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$546,204	\$0	\$546,204	\$0	\$0	0.0
Indirect cost assessment	27,545	0	27,545	0	0	0.0
Total FY 2025-26	\$573,749	\$0	\$573,749	\$0	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

Changes from FY 2024-25	\$27,545	\$0	\$27,545	\$0	\$0	0.0
Percentage Change	5.0%	n/a	5.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$573,749	\$0	\$573,749	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$2,317,295 cash funds.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, County Support Services, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$2,356,535	\$0	\$2,356,535	\$0	\$0	0.0
Total FY 2024-25	\$2,356,535	\$0	\$2,356,535	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,356,535	\$0	\$2,356,535	\$0	\$0	0.0
Annualize prior year legislation	-39,240	0	-39,240	0	0	0.0
Total FY 2025-26	\$2,317,295	\$0	\$2,317,295	\$0	\$0	0.0

Division of Motor Vehicles, County Support Services, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	-\$39,240	\$0	-\$39,240	\$0	\$0	0.0
Percentage Change	-1.7%	n/a	-1.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$2,317,295	\$0	\$2,317,295	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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					
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE

FY 2024-25 Appropriation					
HB24-1430 (Long Bill)	\$79,015,626	\$1,624,248	\$77,056,811	\$334,567	400.5
Other Legislation	\$597,943	\$554,963	\$42,980	\$0	5.7
Total FY 2024-25	\$79,613,569	\$2,179,211	\$77,099,791	\$334,567	406.2
FY 2025-26 Recommended Appropriation					
FY 2024-25 Appropriation	\$79,613,569	\$2,179,211	\$77,099,791	\$334,567	406.2
Centrally appropriated line items	1,163,075	5,240	1,157,835	0	0.0
Division of Gaming True-Up	5,964,460	0	5,964,460	0	32.0
Technical adjustments	91,526	0	91,526	0	0.0
Responsible Gaming Grant Program	1,020,000	0	1,020,000	0	0.0
Indirect cost assessment	6,435	0	6,435	0	0.0
Annualize prior year legislation	1,825,802	76,149	1,749,653	0	21.5
Total FY 2025-26	\$89,684,867	\$2,260,600	\$87,089,700	\$334,567	459.7
Changes from FY 2024-25	\$10,071,298	\$81,389	\$9,989,909	\$0	53.5
Percentage Change	12.7%	3.7%	13.0%	0.0%	13.2%
FY 2025-26 Executive Request	\$89,684,867	\$2,260,600	\$87,089,700	\$334,567	459.7
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	0.0

Decision Items - Specialized Business Group (None)

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,176,030	\$8,427	\$837,974	\$329,629	\$0	11.0
Total FY 2024-25	\$1,176,030	\$8,427	\$837,974	\$329,629	\$0	11.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,176,030	\$8,427	\$837,974	\$329,629	\$0	11.0
Centrally appropriated line items	37,968	0	37,968	0	0	0.0
Total FY 2025-26	\$1,213,998	\$8,427	\$875,942	\$329,629	\$0	11.0
Changes from FY 2024-25	\$37,968	\$0	\$37,968	\$0	\$0	0.0
Percentage Change	3.2%	0.0%	4.5%	0.0%	n/a	0.0%
FY 2025-26 Executive Request	\$1,213,998	\$8,427	\$875,942	\$329,629	\$0	11.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Total FY 2024-25	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Total FY 2025-26	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	n/a	n/a
FY 2025-26 Executive Request	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$14,052,041 cash funds and 138.0 FTE.

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

Specialized Business Group, Limited Gaming Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$9,604,145	\$0	\$9,604,145	\$0	\$0	106.0
Total FY 2024-25	\$9,604,145	\$0	\$9,604,145	\$0	\$0	106.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$9,604,145	\$0	\$9,604,145	\$0	\$0	106.0
Division of Gaming True-Up	4,134,493	0	4,134,493	0	0	32.0
Centrally appropriated line items	313,403	0	313,403	0	0	0.0
Total FY 2025-26	\$14,052,041	\$0	\$14,052,041	\$0	\$0	138.0
Changes from FY 2024-25	\$4,447,896	\$0	\$4,447,896	\$0	\$0	32.0
Percentage Change	46.3%	n/a	46.3%	n/a	n/a	30.2%
FY 2025-26 Executive Request	\$14,052,041	\$0	\$14,052,041	\$0	\$0	138.0
Staff Rec. Above/-Below Request	\$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 \$1,996,196 cash funds.

Recommendation: Staff recommends approval of the request.

Specialized Business Group, Limited Gaming Division, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,129,997	\$0	\$1,129,997	\$0	\$0	0.0
Total FY 2024-25	\$1,129,997	\$0	\$1,129,997	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,129,997	\$0	\$1,129,997	\$0	\$0	0.0
Division of Gaming True-Up	866,199	0	866,199	0	0	0.0
Total FY 2025-26	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Changes from FY 2024-25	\$866,199	\$0	\$866,199	\$0	\$0	0.0
Percentage Change	76.7%	n/a	76.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 an informational appropriation of \$5,030,021 cash funds.

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

Specialized Business Group, Limited Gaming Division, Payments to Other State Agencies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$4,066,253	\$0	\$4,066,253	\$0	\$0	0.0
Total FY 2024-25	\$4,066,253	\$0	\$4,066,253	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						

Specialized Business Group, Limited Gaming Division, Payments to Other State Agencies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation	\$4,066,253	\$0	\$4,066,253	\$0	\$0	0.0
Division of Gaming True-Up	963,768	0	963,768	0	0	0.0
Total FY 2025-26	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Changes from FY 2024-25	\$963,768	\$0	\$963,768	\$0	\$0	0.0
Percentage Change	23.7%	n/a	23.7%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 an informational appropriation of \$26,035,153 cash funds.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Limited Gaming Division, Distribution to Gaming Cities and Counties						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Total FY 2024-25	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Total FY 2025-26	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0

Specialized Business Group, Limited Gaming Division, Distribution to Gaming Cities and Counties						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$4.2 million cash funds.

Recommendation Staff recommends approval of the request.

Specialized Business Group, Limited Gaming Division, Responsible Gaming Grant Program						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$3,200,000	\$0	\$3,200,000	\$0	\$0	0.0
Total FY 2024-25	\$3,200,000	\$0	\$3,200,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$3,200,000	\$0	\$3,200,000	\$0	\$0	0.0
Responsible Gaming Grant Program	1,020,000	0	1,020,000	0	0	0.0
Total FY 2025-26	\$4,220,000	\$0	\$4,220,000	\$0	\$0	0.0
Changes from FY 2024-25	\$1,020,000	\$0	\$1,020,000	\$0	\$0	0.0
Percentage Change	31.9%	n/a	31.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$4,220,000	\$0	\$4,220,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$944,512	\$0	\$944,512	\$0	\$0	0.0
Total FY 2024-25	\$944,512	\$0	\$944,512	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$944,512	\$0	\$944,512	\$0	\$0	0.0
Indirect cost assessment	17,205	0	17,205	0	0	0.0
Total FY 2025-26	\$961,717	\$0	\$961,717	\$0	\$0	0.0
Changes from FY 2024-25	\$17,205	\$0	\$17,205	\$0	\$0	0.0
Percentage Change	1.8%	n/a	1.8%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$961,717	\$0	\$961,717	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$5,480,060 total funds, including \$205,030 General Fund and \$5,275,030 cash funds, and 65.4 FTE.

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

Specialized Business Group, Liquor and Tobacco Enforcement Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						

Staff Working Document – Does Not Represent Committee Decision

Specialized Business Group, Liquor and Tobacco Enforcement Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
HB24-1430 (Long Bill)	\$5,286,470	\$199,790	\$5,086,680	\$0	\$0	65.4
Other Legislation	\$30,798	\$0	\$30,798	\$0	\$0	0.4
Total FY 2024-25	\$5,317,268	\$199,790	\$5,117,478	\$0	\$0	65.8
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$5,317,268	\$199,790	\$5,117,478	\$0	\$0	65.8
Centrally appropriated line items	193,590	5,240	188,350	0	0	0.0
Annualize prior year legislation	-30,798	0	-30,798	0	0	-0.4
Total FY 2025-26	\$5,480,060	\$205,030	\$5,275,030	\$0	\$0	65.4
Changes from FY 2024-25	\$162,792	\$5,240	\$157,552	\$0	\$0	-0.4
Percentage Change	3.1%	2.6%	3.1%	n/a	n/a	-0.6%
FY 2025-26 Executive Request	\$5,480,060	\$205,030	\$5,275,030	\$0	\$0	65.4
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Other Legislation	\$12,182	\$0	\$12,182	\$0	\$0	0.0
Total FY 2024-25	\$552,038	\$6,965	\$545,073	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$552,038	\$6,965	\$545,073	\$0	\$0	0.0
Annualize prior year legislation	-12,182	0	-12,182	0	0	0.0
Total FY 2025-26	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Changes from FY 2024-25	-\$12,182	\$0	-\$12,182	\$0	\$0	0.0
Percentage Change	-2.2%	0.0%	-2.2%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$599,797 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$506,368	\$0	\$506,368	\$0	\$0	0.0
Total FY 2024-25	\$506,368	\$0	\$506,368	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$506,368	\$0	\$506,368	\$0	\$0	0.0
Indirect cost assessment	61,813	0	61,813	0	0	0.0
Technical adjustments	31,616	0	31,616	0	0	0.0
Total FY 2025-26	\$599,797	\$0	\$599,797	\$0	\$0	0.0
Changes from FY 2024-25	\$93,429	\$0	\$93,429	\$0	\$0	0.0
Percentage Change	18.5%	n/a	18.5%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$599,797	\$0	\$599,797	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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.

Staff Working Document – Does Not Represent Committee Decision

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

Request: The Department requests an appropriation of \$1,480,809 cash funds and 11.7 FTE.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Division of Racing Events, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,452,119	\$0	\$1,452,119	\$0	\$0	11.7
Total FY 2024-25	\$1,452,119	\$0	\$1,452,119	\$0	\$0	11.7
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,452,119	\$0	\$1,452,119	\$0	\$0	11.7
Centrally appropriated line items	28,690	0	28,690	0	0	0.0
Total FY 2025-26	\$1,480,809	\$0	\$1,480,809	\$0	\$0	11.7
Changes from FY 2024-25	\$28,690	\$0	\$28,690	\$0	\$0	0.0
Percentage Change	2.0%	n/a	2.0%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$1,480,809	\$0	\$1,480,809	\$0	\$0	11.7
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Total FY 2024-25	\$505,026	\$0	\$505,026	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Total FY 2025-26	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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.

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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$84,897	\$0	\$84,897	\$0	\$0	0.0
Total FY 2024-25	\$84,897	\$0	\$84,897	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$84,897	\$0	\$84,897	\$0	\$0	0.0
Indirect cost assessment	21,254	0	21,254	0	0	0.0
Total FY 2025-26	\$106,151	\$0	\$106,151	\$0	\$0	0.0

Specialized Business Group, Division of Racing Events, Indirect Cost Assessment						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$21,254	\$0	\$21,254	\$0	\$0	0.0
Percentage Change	25.0%	n/a	25.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$106,151	\$0	\$106,151	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(E) Auto Industry Division

The Auto Industry Division 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, Auto Industry Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$2,905,640	\$0	\$2,905,640	\$0	\$0	32.3
Total FY 2024-25	\$2,905,640	\$0	\$2,905,640	\$0	\$0	32.3
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$2,905,640	\$0	\$2,905,640	\$0	\$0	32.3
Centrally appropriated line items	296,081	0	296,081	0	0	0.0
Total FY 2025-26	\$3,201,721	\$0	\$3,201,721	\$0	\$0	32.3
Changes from FY 2024-25	\$296,081	\$0	\$296,081	\$0	\$0	0.0
Percentage Change	10.2%	n/a	10.2%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$3,201,721	\$0	\$3,201,721	\$0	\$0	32.3
Staff Rec. Above/-Below Request	\$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, Auto Industry Division, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Total FY 2024-25	\$325,446	\$0	\$325,446	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Total FY 2025-26	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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, Auto Industry Division, Indirect Cost Assessment						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$287,347	\$0	\$287,347	\$0	\$0	0.0
Total FY 2024-25	\$287,347	\$0	\$287,347	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$287,347	\$0	\$287,347	\$0	\$0	0.0
Technical adjustments	31,529	0	31,529	0	0	0.0
Indirect cost assessment	5,705	0	5,705	0	0	0.0
Total FY 2025-26	\$324,581	\$0	\$324,581	\$0	\$0	0.0
Changes from FY 2024-25	\$37,234	\$0	\$37,234	\$0	\$0	0.0

Specialized Business Group, Auto Industry Division, Indirect Cost Assessment						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	13.0%	n/a	13.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$324,581	\$0	\$324,581	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(F) Marijuana Enforcement

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

Marijuana Enforcement

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

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

Request: The Department requests an appropriation of \$16,897,960 total funds and 158.6 FTE details of the request are provided in the table below.

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

Specialized Business Group, Marijuana Enforcement, Marijuana Enforcement						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$16,604,617	\$0	\$16,604,617	\$0	\$0	158.6
Total FY 2024-25	\$16,604,617	\$0	\$16,604,617	\$0	\$0	158.6
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$16,604,617	\$0	\$16,604,617	\$0	\$0	158.6
Centrally appropriated line items	293,343	0	293,343	0	0	0.0
Total FY 2025-26	\$16,897,960	\$0	\$16,897,960	\$0	\$0	158.6
Changes from FY 2024-25	\$293,343	\$0	\$293,343	\$0	\$0	0.0
Percentage Change	1.8%	n/a	1.8%	n/a	n/a	0.0%
FY 2025-26 Executive Request	\$16,897,960	\$0	\$16,897,960	\$0	\$0	158.6
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,538,861	\$0	\$1,538,861	\$0	\$0	0.0
Total FY 2024-25	\$1,538,861	\$0	\$1,538,861	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,538,861	\$0	\$1,538,861	\$0	\$0	0.0
Technical adjustments	28,381	0	28,381	0	0	0.0
Indirect cost assessment	-99,542	0	-99,542	0	0	0.0
Total FY 2025-26	\$1,467,700	\$0	\$1,467,700	\$0	\$0	0.0
Changes from FY 2024-25	-\$71,161	\$0	-\$71,161	\$0	\$0	0.0
Percentage Change	-4.6%	n/a	-4.6%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$1,467,700	\$0	\$1,467,700	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Natural Medicines

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 \$1,584,633 cash funds. Details of the request are provided in the table below.

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

Specialized Business Group, Marijuana Enforcement, Natural Medicines

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,408,955	\$1,408,955	\$0	\$0	\$0	15.5
Total FY 2024-25	\$1,408,955	\$1,408,955	\$0	\$0	\$0	15.5
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,408,955	\$1,408,955	\$0	\$0	\$0	15.5
Annualize prior year legislation	175,678	-1,408,955	1,584,633	0	0	3.5
Total FY 2025-26	\$1,584,633	\$0	\$1,584,633	\$0	\$0	19.0
Changes from FY 2024-25	\$175,678	-\$1,408,955	\$1,584,633	\$0	\$0	3.5
Percentage Change	12.5%	-100.0%	n/a	n/a	n/a	22.6%
FY 2025-26 Executive Request	\$1,584,633	\$0	\$1,584,633	\$0	\$0	19.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(G) Firearms Dealers Division

H.B. 24-1353 (Firearms Dealer Requirement and Permit) established regulations for firearms dealers conducting business in Colorado. The legislation created the Firearms Division within the Department of Revenue to oversee these dealers and ensure compliance with the newly implemented laws pertaining to firearms sales by licenses dealers.

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 18-12-111, C.R.S.

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

Recommendation: Staff recommends approving the request.

Specialized Business Group, Firearms Dealers Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
Other Legislation	\$469,819	\$469,819	\$0	\$0	\$0	5.3
Total FY 2024-25	\$469,819	\$469,819	\$0	\$0	\$0	5.3
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$469,819	\$469,819	\$0	\$0	\$0	5.3
Annualize prior year legislation	1,538,312	1,330,312	208,000	0	0	18.4
Total FY 2025-26	\$2,008,131	\$1,800,131	\$208,000	\$0	\$0	23.7

Staff Working Document – Does Not Represent Committee Decision

Specialized Business Group, Firearms Dealers Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2024-25	\$1,538,312	\$1,330,312	\$208,000	\$0	\$0	18.4
Percentage Change	327.4%	283.2%	n/a	n/a	n/a	347.2%
FY 2025-26 Executive Request	\$2,008,131	\$1,800,131	\$208,000	\$0	\$0	23.7
Staff Rec. Above/-Below Request	\$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 18-12-111, C.R.S.

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

Recommendation: Staff recommends approving the request.

Specialized Business Group, Firearms Dealers Division, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
Other Legislation	\$85,144	\$85,144	\$0	\$0	\$0	0.0
Total FY 2024-25	\$85,144	\$85,144	\$0	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$85,144	\$85,144	\$0	\$0	\$0	0.0
Annualize prior year legislation	154,792	154,792	0	0	0	0.0
Total FY 2025-26	\$239,936	\$239,936	\$0	\$0	\$0	0.0
Changes from FY 2024-25	\$154,792	\$154,792	\$0	\$0	\$0	0.0
Percentage Change	181.8%	181.8%	n/a	n/a	n/a	n/a
FY 2025-26 Executive Request	\$239,936	\$239,936	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$150,024,177	\$0	\$150,024,177	\$0	\$0	102.1
Total FY 2024-25	\$150,024,177	\$0	\$150,024,177	\$0	\$0	102.1
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$150,024,177	\$0	\$150,024,177	\$0	\$0	102.1
R3 Lottery optimization	5,078,824	0	5,078,824	0	0	10.9
Centrally appropriated line items	443,635	0	443,635	0	0	0.0
Lottery Vendor fees	4,587,044	0	4,587,044	0	0	0.0
Indirect cost assessment	16,453	0	16,453	0	0	0.0
Total FY 2025-26	\$160,150,133	\$0	\$160,150,133	\$0	\$0	113.0
Changes from FY 2024-25	\$10,125,956	\$0	\$10,125,956	\$0	\$0	10.9
Percentage Change	6.7%	0.0%	6.7%	0.0%	0.0%	10.7%
FY 2025-26 Executive Request	\$169,349,535	\$0	\$169,349,535	\$0	\$0	115.9
Staff Rec. Above/-Below Request	-\$9,199,402	\$0	-\$9,199,402	\$0	\$0	-2.9

Decision Items - State Lottery Division (None)

The Department did not submit any decision items solely affecting this division. Changes requested in R3 (Lottery Optimization) are discussed under decision items impacting multiple divisions.

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 request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Personal Services						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$9,726,496	\$0	\$9,726,496	\$0	\$0	102.1
Total FY 2024-25	\$9,726,496	\$0	\$9,726,496	\$0	\$0	102.1
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$9,726,496	\$0	\$9,726,496	\$0	\$0	102.1
R3 Lottery optimization	684,832	0	684,832	0	0	10.9
Centrally appropriated line items	443,635	0	443,635	0	0	0.0
Total FY 2025-26	\$10,854,963	\$0	\$10,854,963	\$0	\$0	113.0
Changes from FY 2024-25	\$1,128,467	\$0	\$1,128,467	\$0	\$0	10.9
Percentage Change	11.6%	n/a	11.6%	n/a	n/a	10.7%
FY 2025-26 Executive Request	\$11,033,214	\$0	\$11,033,214	\$0	\$0	115.9
Staff Rec. Above/-Below Request	-\$178,251	\$0	-\$178,251	\$0	\$0	-2.9

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 request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
Total FY 2024-25	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0

Staff Working Document – Does Not Represent Committee Decision

State Lottery Division, Operating Expenses						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$1,540,533	\$0	\$1,540,533	\$0	\$0	0.0
R3 Lottery optimization	93,992	0	93,992	0	0	0.0
Total FY 2025-26	\$1,634,525	\$0	\$1,634,525	\$0	\$0	0.0
Changes from FY 2024-25						
Changes from FY 2024-25	\$93,992	\$0	\$93,992	\$0	\$0	0.0
Percentage Change	6.1%	n/a	6.1%	n/a	n/a	n/a
FY 2025-26 Executive Request						
FY 2025-26 Executive Request	\$1,655,676	\$0	\$1,655,676	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$21,151	\$0	-\$21,151	\$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 request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Payments to Other State Agencies						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Total FY 2024-25	\$239,410	\$0	\$239,410	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Total FY 2025-26	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Percentage Change						
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request						
FY 2025-26 Executive Request	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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 request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Marketing and Communications						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
Total FY 2024-25	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$14,900,000	\$0	\$14,900,000	\$0	\$0	0.0
R3 Lottery optimization	1,800,000	0	1,800,000	0	0	0.0
Total FY 2025-26	\$16,700,000	\$0	\$16,700,000	\$0	\$0	0.0
Changes from FY 2024-25	\$1,800,000	\$0	\$1,800,000	\$0	\$0	0.0
Percentage Change	12.1%	n/a	12.1%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$1,500,000	\$0	-\$1,500,000	\$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.

State Lottery Division, Multi-State Lottery Fees						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Total FY 2024-25	\$177,433	\$0	\$177,433	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Total FY 2025-26	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a

State Lottery Division, Multi-State Lottery Fees

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Executive Request	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

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 request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Vendor Fees

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$37,549,578	\$0	\$37,549,578	\$0	\$0	0.0
Total FY 2024-25	\$37,549,578	\$0	\$37,549,578	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$37,549,578	\$0	\$37,549,578	\$0	\$0	0.0
Lottery Vendor fees	4,587,044	0	4,587,044	0	0	0.0
R3 Lottery optimization	2,500,000	0	2,500,000	0	0	0.0
Total FY 2025-26	\$44,636,622	\$0	\$44,636,622	\$0	\$0	0.0
Changes from FY 2024-25	\$7,087,044	\$0	\$7,087,044	\$0	\$0	0.0
Percentage Change	18.9%	n/a	18.9%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$7,500,000	\$0	-\$7,500,000	\$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 Mega Millions 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Total FY 2024-25	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Total FY 2025-26	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2025-26 Executive Request	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$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 \$907,180 cash funds including an increase of \$16,453 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						
Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2024-25 Appropriation						
HB24-1430 (Long Bill)	\$890,727	\$0	\$890,727	\$0	\$0	0.0
Total FY 2024-25	\$890,727	\$0	\$890,727	\$0	\$0	0.0
FY 2025-26 Recommended Appropriation						
FY 2024-25 Appropriation	\$890,727	\$0	\$890,727	\$0	\$0	0.0
Indirect cost assessment	16,453	0	16,453	0	0	0.0
Total FY 2025-26	\$907,180	\$0	\$907,180	\$0	\$0	0.0
Changes from FY 2024-25	\$16,453	\$0	\$16,453	\$0	\$0	0.0
Percentage Change	1.8%	n/a	1.8%	n/a	n/a	n/a

Staff Working Document – Does Not Represent Committee Decision

State Lottery Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Executive Request	\$907,180	\$0	\$907,180	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Long Bill Footnotes

The 2024 Long Bill includes no footnotes specific to the Department of Revenue. Staff recommends no footnotes for the Department of Revenue for the 2025 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 2025-26, 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.

Division	Request
Executive Director's Office	\$14,160,414
FY 2025-26 Indirect Cost Pool	\$14,160,414

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.

Division and Line Item	Request
(1) EDO (A) Admin, Personal Services	\$1,450,515
(1) EDO, (B) Hearings, Personal Services	303,226
(2) TBG, (A) Admin., Personal Services	45,529
(2) TBG, (B) Taxation Services, Personal Services	3,913,711
(2) TBG, (B) Taxation Services, Mineral Audit	92,880
(2) TBG, (C) Tax Conferee, Personal Services	123,840
(3) DMV, (A) Admin., Personal Services	68,439
(3) DMV, (B) Driver & Vehicle Services, Personal Services	4,633,586
(3) DMV, (B) D&VS, Ignition Interlock	67,024
(3) DMV, (B) D&VS, MIIDB	9,714
(3) DMV, (B) D&VS, Emissions	145,703
(4) SBG, (A) Admin., Personal Services	28,793
(4) SBG, (B) Gaming, Personal Services	985,601
(4) SBG, (C) Liquor & Tobacco, Personal Services	604,832
(4) SBG, (D) Racing, Personal Services	108,788
(4) SBG, (E) Dealer Board, Personal Services	300,329
(4) SBG, (F) Marijuana, Personal Services	1,522,042
(4) SBG, (G) Firearms Dealers Division, Personal Services	48,261
(5) Lottery, Personal Services	929,711
Total	\$15,382,524

Indirect Cost Request

For FY 2025-26 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 2025-26 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	\$1,450,515	\$0	\$1,450,515
(1) EDO, (B) Hearings, Personal Services	0	303,226	\$303,226
(2) TBG, (A) Admin., Personal Services	45,529	0	\$45,529
(2) TBG, (B) Taxation Services, Personal Services	3,913,711	0	\$3,913,711
(2) TBG, (B) Taxation Services, Mineral Audit	92,880	0	\$92,880
(2) TBG, (C) Tax Conferee, Personal Services	123,840	0	\$123,840
(3) DMV, (A) Admin., Personal Services	68,439	0	\$68,439
(3) DMV, (B) Driver & Vehicle Services, Personal Services	578,934	4,054,652	\$4,633,586
(3) DMV, (B) DS&VS, Ignition Interlock	0	67,024	\$67,024
(3) DMV, (B) DS&VS, MIIDB	0	9,714	\$9,714
(3) DMV, (B) DS&VS, Emissions	0	145,703	\$145,703
(4) SBG, (A) Admin., Personal Services	28,793	0	\$28,793
(4) SBG, (B) Gaming, Personal Services	0	985,601	\$985,601
(4) SBG, (C) Liquor & Tobacco, Personal Services	22,540	582,292	\$604,832
(4) SBG, (D) Racing, Personal Services	0	108,788	\$108,788
(4) SBG, (E) Dealer Board, Personal Services	0	300,329	\$300,329
(4) SBG, (F) Marijuana, Personal Services	46975	1,475,067	\$1,522,042
(4) SBG, (G) Firearms Dealers Division, Personal Services	48261	0	\$48,261
(5) Lottery, Personal Services	0	929,711	\$929,711
Total	\$6,420,417	\$8,962,107	\$15,382,524

Recommended Balancing Options

The table below shows all proposed General Fund reductions proposed by Staff or included in the Department’s submission. These General Fund reductions and revenue enhancements would lead to ongoing General Fund relief netting \$13,036,292, which represents approximately 8.5 percent of the Department’s FY 2024-25 General Fund appropriation, after Supplemental adjustments.

Recommended General Fund Relief				
Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
R6 Restructure License Plate Payments	\$12,000,000	0	Y	The state could reduce TABOR revenue by changing Colorado statutes to direct the material fee revenue generated from the production and distribution of license plates, decals, and validation tabs to an existing TABOR-exempt Enterprise Fund under Colorado Correctional Industries, instead of allocating this revenue to the License Plate Cash Fund managed by the Department of Revenue. Approval of this request would lead to an ongoing impact of approximately \$12 million on General Fund revenue, according to the Department's estimates.
Subtotal - Revenue	\$12,000,000	\$0		
Expenditure Reductions				
R5: General Fund Reductions	-586,292	586,292	N	The Departments R5 decision item shifts GF to CF spending authority for various lines in the DMV and EdO, including: \$247,800 from the DMV - License Plate Ordering \$200,000 from the DMV - Vehicle Services Personal Services \$138,492 from the Executive Director’s Office - Digital Trunk Radios
Staff Initiated: GenTax Support Reduction	-450,000	0	N	These funds in the GenTax line item within Taxation Services, Admin are available for discretionary work that the Taxation Division does not have the capacity to accomplish. The Department also states that with this reduction, the Taxation Division may not be able to pursue Task Orders for system fixes or upgrades.
Subtotal - Expenditures	-1,036,292	586,292		
Net General Fund Relief	\$13,036,292	-\$586,292		

Additional Balancing Options

As part of staff budget briefings in November and December 2024, staff identified budget reduction options for each department that the JBC could consider in addition to or instead of the options presented in the budget request. **Items staff recommends and items that agencies have requested formally are addressed earlier in this packet.** Other items that could be considered, if needed to bring the budget into balance, are listed below.

A General Fund reduction of 5.0 percent to the sections of the budget covered in this figure setting packet equates to a reduction of approximately \$7.9 million. The staff recommendations included in this figure setting packet, if adopted by the JBC, provide budget reductions and revenue enhancements totaling \$13.4 million. Options from the table below, if adopted, increase that amount.

Items in the table are ordered from lowest impact on program operations to highest, based on staff’s understanding of the impact of the change.

Additional Options for General Fund Relief				
Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
AID Cash Fund Transfer	\$400,000	-400,000	Y	Sweep AID excess fund balance to meet 16.5% limit. This is a one-time impact.
Electronic Transactions Cash Fund Transfer to GF	400,000	-\$400,000	Y	This cash fund was created to maintain and administer a system that allows the electronic transmission of registration, lien, titling info, etc for motor vehicles, off-highway vehicles, etc. It is currently projected to end FY 2024-25 with a balance of \$411,027, which is anticipated to grow to \$1.1 MM in FY 2025-26 and \$2.1 MM in FY 2026-27. A one-time transfer of \$400,000 should not affect program operations.
Colorado DRIVES Cash Fund Transfer to GF	3,500,000	-3,500,000	Y	This cash fund is supported with Driver’s License Fees, Vehicle Title Fees, Personal License Plate Fees, Specific Ownership Taxes, Motor Vehicle Registration Fees, etc. It received a cash fund waiver from the JBC for FY 23-24 through FY 25-26. This transfer would likely have out year implications for fee setting as it is currently operating at a loss to draw down the balance and come into compliance.
Subtotal - Revenue	\$4,300,000	-\$4,300,000		
Expenditure Reductions				
Delay annualization of FY24 R1 GenTax & DRIVES support funding	-158,291	0	N	The JBC approved the Department’s FY24 R1 request for additional ongoing support of the DRIVES and GenTax system. The request included \$866,221 total funds comprised of \$547,734 GF and \$318,487 cash funds. This budget balancing measure reduces (or eliminates) the FY 25-26 annualization of the request and provides \$158,291 GF relief.
Restructure financing of FY24 R2 Space Planning	-210,742	\$210,742	N	The JBC approved the Department’s FY24 request to co-locate with CDOT on a lease at the Auraria Higher Education Campus in FY 2024-25. The FY24 request included a net cash fund reduction of \$210,742. This budget neutral balancing measure would refinance \$210,742 General Fund and replace it with the cash funds that were previously reduced.
Taxation Business Group, Taxation Services, Personal	-1,052,041	0	N	The Taxation Services, Personal Services has grown significantly in recent years. Increasing from approximately \$31.5 million in FY 2023-24 to \$35.1 million in FY 2024-25, an increase of over 11.8 percent. Up

Staff Working Document – Does Not Represent Committee Decision

Additional Options for General Fund Relief

Option	General Fund	Other Funds	Bill? Y/N	Description
Services line: 3% General Fund reduction				until FY 23-24 the Department had reverted a significant amount of this appropriation.
Restructure H.B. 24-1353 (Firearms Dealer Requirements & Permit)	-390,000	0	N	This option would delay (or eliminate) the onboarding of 3 FTE in FY 2025-26, and firearm dealer inspectors would be reduced by 25% from 12 inspectors to 9 inspectors in FY 2025-26.
Subtotal - Expenditures	-1,811,074	210,742		
Net General Fund Relief	\$6,111,074	-\$4,510,742		

Appendix A: Numbers Pages

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

DEPARTMENT OF REVENUE
Mark Ferrandino, Executive Director

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) Administration and Support

Personal Services	<u>15,480,799</u>	<u>17,471,217</u>	<u>19,870,379</u>	<u>21,169,941</u>	<u>21,169,941</u> *
FTE	176.7	190.9	211.2	202.6	202.6
General Fund	6,628,542	8,436,921	8,124,577	9,305,854	9,305,854
Cash Funds	1,312,185	2,324,334	3,368,691	3,557,533	3,557,533
Reappropriated Funds	7,540,072	6,709,962	8,377,111	8,306,554	8,306,554
Federal Funds	0	0	0	0	0
Health, Life, and Dental	<u>19,145,346</u>	<u>20,475,351</u>	<u>23,127,476</u>	<u>25,909,295</u>	<u>25,613,024</u> *
General Fund	8,514,392	9,035,999	10,792,094	11,615,797	11,513,112
Cash Funds	10,626,881	11,333,648	12,194,805	14,190,630	13,997,044
Reappropriated Funds	4,073	105,704	140,577	102,868	102,868
Federal Funds	0	0	0	0	0
Short-term Disability	<u>162,852</u>	<u>161,755</u>	<u>184,224</u>	<u>93,896</u>	<u>91,918</u> *
General Fund	74,569	71,051	86,768	42,647	41,814
Cash Funds	88,239	89,768	96,476	50,881	49,736
Reappropriated Funds	44	936	980	368	368
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>5,128,566</u>	<u>5,472,650</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,344,687	2,396,407	0	0	0
Cash Funds	2,782,485	3,044,623	0	0	0
Reappropriated Funds	1,394	31,620	0	0	0
Federal Funds	0	0	0	0	0
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>5,128,566</u>	<u>5,472,650</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,344,687	2,396,407	0	0	0
Cash Funds	2,782,485	3,044,623	0	0	0
Reappropriated Funds	1,394	31,620	0	0	0
Federal Funds	0	0	0	0	0
AED/SAED Unfunded PERA Liability	<u>0</u>	<u>0</u>	<u>12,281,590</u>	<u>13,123,375</u>	<u>12,991,517</u> *
General Fund	0	0	5,784,562	5,976,783	5,921,264
Cash Funds	0	0	6,431,726	7,093,982	7,017,643
Reappropriated Funds	0	0	65,302	52,610	52,610
Federal Funds	0	0	0	0	0
PERA Direct Distribution	<u>1,193,374</u>	<u>341,946</u>	<u>2,403,687</u>	<u>2,358,908</u>	<u>2,358,908</u>
General Fund	0	150,048	1,132,123	1,132,328	1,132,328
Cash Funds	1,192,776	189,918	1,258,783	1,226,580	1,226,580
Reappropriated Funds	598	1,980	12,781	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Salary Survey	<u>3,511,891</u>	<u>6,261,244</u>	<u>4,371,299</u>	<u>3,538,396</u>	<u>3,538,396</u>
General Fund	1,571,176	2,629,467	2,057,564	1,614,887	1,614,887
Cash Funds	1,939,792	3,595,929	2,290,436	1,909,039	1,909,039
Reappropriated Funds	923	35,848	23,299	14,470	14,470
Federal Funds	0	0	0	0	0
Step Plan	<u>0</u>	<u>0</u>	<u>3,417,466</u>	<u>863,127</u>	<u>863,127</u>
General Fund	0	0	1,702,775	328,160	328,160
Cash Funds	0	0	1,697,403	532,804	532,804
Reappropriated Funds	0	0	17,288	2,163	2,163
Federal Funds	0	0	0	0	0
Shift Differential	<u>123,194</u>	<u>115,151</u>	<u>139,234</u>	<u>194,438</u>	<u>194,438</u>
General Fund	0	0	0	0	0
Cash Funds	123,194	115,151	139,234	194,438	194,438
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>0</u>	<u>211,363</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	211,363	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Paid Family Medical Leave Initiative	<u>0</u>	<u>0</u>	<u>552,672</u>	<u>590,524</u>	<u>584,590</u> *
General Fund	0	0	260,305	268,940	266,441
Cash Funds	0	0	289,428	319,217	315,782
Reappropriated Funds	0	0	2,939	2,367	2,367
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Workers' Compensation	<u>487,490</u>	<u>487,491</u>	<u>530,460</u>	<u>440,250</u>	<u>439,608</u>
General Fund	185,922	185,922	202,310	167,905	167,660
Cash Funds	301,568	301,569	328,150	272,345	271,948
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>2,669,062</u>	<u>2,888,863</u>	<u>3,595,152</u>	<u>3,945,448</u>	<u>3,945,448</u>
General Fund	2,150,506	2,249,664	2,306,461	2,678,401	2,678,401
Cash Funds	515,772	639,199	1,260,791	1,243,197	1,243,197
Reappropriated Funds	2,784	0	27,900	23,850	23,850
Federal Funds	0	0	0	0	0
Postage	<u>149,579</u>	<u>151,863</u>	<u>304,708</u>	<u>458,402</u>	<u>458,402</u>
General Fund	52,165	95,458	158,854	283,346	283,346
Cash Funds	97,414	56,405	145,854	175,056	175,056
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>5,846,609</u>	<u>5,738,927</u>	<u>5,320,308</u>	<u>5,869,764</u>	<u>5,869,764</u>
General Fund	2,896,468	2,937,593	2,920,028	3,113,356	3,113,356
Cash Funds	2,950,141	2,744,234	2,400,280	2,756,408	2,756,408
Reappropriated Funds	0	57,100	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>322</u>	<u>1,196</u>	<u>1,565</u>	<u>11,382</u>	<u>11,373</u> *
General Fund	0	0	0	0	0
Cash Funds	322	1,196	1,565	11,382	11,373
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Payment to Risk Management and Property Funds	<u>749,074</u>	<u>1,577,359</u>	<u>560,631</u>	<u>576,665</u>	<u>820,278</u>
General Fund	285,671	1,125,218	213,162	219,259	311,884
Cash Funds	463,403	452,141	347,469	357,406	508,394
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vehicle Lease Payments	<u>624,642</u>	<u>685,098</u>	<u>939,111</u>	<u>1,057,212</u>	<u>1,021,509</u> *
General Fund	95,379	121,336	131,717	191,714	141,451
Cash Funds	529,263	563,762	807,394	865,498	880,058
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>4,194,639</u>	<u>4,362,760</u>	<u>7,078,845</u>	<u>7,289,345</u>	<u>7,289,345</u>
General Fund	407,567	432,593	909,738	909,496	909,496
Cash Funds	3,787,072	3,930,167	6,169,107	6,379,849	6,379,849
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>866,374</u>	<u>894,833</u>	<u>961,905</u>	<u>75,194</u>	<u>73,921</u>
General Fund	322,906	370,488	402,284	31,447	30,915
Cash Funds	543,468	524,345	559,621	43,747	43,006
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>8,513,982</u>	<u>21,256,465</u>	<u>21,466,820</u>	<u>23,554,827</u>	<u>23,554,827</u>
General Fund	7,977,684	12,387,950	11,476,686	12,009,210	12,009,210
Cash Funds	536,298	8,868,515	9,990,134	11,545,617	11,545,617
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
IT Accessibility	0	<u>223,055</u>	0	0	0
General Fund	0	223,055	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Digital Trunk Radio Payments	0	<u>140,874</u>	<u>138,492</u>	<u>144,096</u>	<u>144,096</u>
General Fund	0	140,874	138,492	5,604	5,604
Cash Funds	0	0	0	138,492	138,492
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>1,680,683</u>	<u>804,958</u>	<u>266,618</u>	<u>709,787</u>	<u>199,018</u>
General Fund	640,985	307,090	101,714	270,782	75,925
Cash Funds	1,039,698	497,868	164,904	439,005	123,093
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Utilities	<u>83,678</u>	<u>80,918</u>	<u>83,703</u>	<u>83,703</u>	<u>83,703</u>
General Fund	0	0	0	0	0
Cash Funds	83,678	80,918	83,703	83,703	83,703
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
DPA Administration Services	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Statewide training	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
SUBTOTAL - (A) Administration and Support	75,740,722	95,277,987	107,596,345	112,057,975	111,317,151
<i>FTE</i>	<u>176.7</u>	<u>190.9</u>	<u>211.2</u>	<u>202.6</u>	<u>202.6</u>
General Fund	36,493,306	45,904,904	48,902,214	50,165,916	49,851,108
Cash Funds	31,696,134	42,398,313	50,025,954	53,386,809	52,960,793
Reappropriated Funds	7,551,282	6,974,770	8,668,177	8,505,250	8,505,250
Federal Funds	0	0	0	0	0

(B) Hearings Division

Personal Services	<u>2,683,496</u>	<u>2,768,880</u>	<u>3,501,207</u>	<u>3,641,627</u>	<u>3,641,627</u>
<i>FTE</i>	33.3	33.3	33.3	33.3	33.3
General Fund	0	0	0	0	0
Cash Funds	2,683,496	2,768,880	3,501,207	3,641,627	3,641,627
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>90,946</u>	<u>85,432</u>	<u>110,412</u>	<u>110,412</u>	<u>110,412</u>
General Fund	0	0	0	0	0
Cash Funds	90,946	85,432	110,412	110,412	110,412
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	<u>246,130</u>	<u>240,603</u>	<u>251,692</u>	<u>218,335</u>	<u>218,335</u>
General Fund	0	0	0	0	0
Cash Funds	246,130	240,603	251,692	218,335	218,335
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Hearings Division	3,020,572	3,094,915	3,863,311	3,970,374	3,970,374
<i>FTE</i>	<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	3,020,572	3,094,915	3,863,311	3,970,374	3,970,374
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (1) Executive Director's Office	78,761,294	98,372,902	111,459,656	116,028,349	115,287,525
<i>FTE</i>	<u>210.0</u>	<u>224.2</u>	<u>244.5</u>	<u>235.9</u>	<u>235.9</u>
General Fund	36,493,306	45,904,904	48,902,214	50,165,916	49,851,108
Cash Funds	34,716,706	45,493,228	53,889,265	57,357,183	56,931,167
Reappropriated Funds	7,551,282	6,974,770	8,668,177	8,505,250	8,505,250
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
(3) TAXATION BUSINESS GROUP					
(A) Administration					
Personal Services	<u>470,378</u>	<u>600,427</u>	<u>613,930</u>	<u>635,608</u>	<u>635,608</u>
FTE	5.0	5.0	5.0	5.0	5.0
General Fund	454,257	580,634	593,579	615,257	615,257
Cash Funds	16,121	19,793	20,351	20,351	20,351
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>12,360</u>	<u>12,543</u>	<u>12,543</u>	<u>12,543</u>	<u>12,543</u>
General Fund	12,360	12,543	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>6,781,476</u>	<u>6,907,198</u>	<u>9,419,445</u>	<u>8,836,539</u>	<u>7,968,539</u> *
General Fund	6,781,476	6,832,184	8,570,605	8,716,553	7,848,553
Cash Funds	0	75,014	848,840	119,986	119,986
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IDS Print Production	<u>6,997,973</u>	<u>5,185,900</u>	<u>6,033,909</u>	<u>6,270,031</u>	<u>6,270,031</u>
General Fund	6,997,973	5,185,900	5,987,130	6,223,252	6,223,252
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 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (A) Administration	14,262,187	12,706,068	16,079,827	15,754,721	14,886,721
<i>FTE</i>	5.0	5.0	5.0	5.0	5.0
General Fund	14,246,066	12,611,261	15,163,857	15,567,605	14,699,605
Cash Funds	16,121	94,807	915,970	187,116	187,116
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(B) Taxation Services

Personal Services	<u>29,863,523</u>	<u>32,934,331</u>	<u>35,068,024</u>	<u>37,816,656</u>	<u>37,188,955</u> *
<i>FTE</i>	424.7	429.8	422.7	439.5	432.2
General Fund	28,881,583	31,471,456	32,830,928	35,820,025	35,192,324
Cash Funds	827,855	1,262,349	1,983,011	1,742,546	1,742,546
Reappropriated Funds	154,085	200,526	254,085	254,085	254,085
Federal Funds	0	0	0	0	0
Operating Expenses	<u>3,505,045</u>	<u>7,174,942</u>	<u>4,814,202</u>	<u>4,910,451</u>	<u>4,849,071</u> *
General Fund	3,496,236	7,156,009	4,758,344	4,887,304	4,825,924
Cash Funds	8,809	18,933	55,858	23,147	23,147
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>352,259</u>	<u>352,259</u>
General Fund	131,244	131,244	131,244	352,259	352,259
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 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Mineral Audit Program	0	0	<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>4,714,433</u>	<u>4,262,345</u>	<u>4,993,226</u>	<u>5,679,805</u>	<u>5,679,805</u>
General Fund	4,714,433	4,262,345	4,985,636	5,677,198	5,677,198
Cash Funds	0	0	7,590	2,607	2,607
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>74,361</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.5	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	74,361	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>11,228</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	11,228	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (B) Taxation Services	38,299,834	44,502,862	45,924,828	49,677,303	48,988,222
<i>FTE</i>	<u>436.4</u>	<u>440.0</u>	<u>432.9</u>	<u>449.7</u>	<u>442.4</u>
General Fund	37,223,496	43,021,054	42,706,152	46,736,786	46,047,705
Cash Funds	922,253	1,281,282	2,046,459	1,768,300	1,768,300
Reappropriated Funds	154,085	200,526	320,085	320,085	320,085
Federal Funds	0	0	852,132	852,132	852,132
(C) Tax Conferee					
Personal Services	<u>1,385,778</u>	<u>1,539,647</u>	<u>1,680,753</u>	<u>1,760,001</u>	<u>1,760,001</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	1,385,778	1,539,647	1,583,470	1,662,718	1,662,718
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>43,149</u>	<u>60,905</u>	<u>60,905</u>	<u>60,905</u>	<u>60,905</u>
General Fund	43,149	60,905	60,905	60,905	60,905
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (C) Tax Conferee	1,428,927	1,600,552	1,741,658	1,820,906	1,820,906
<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	1,428,927	1,600,552	1,644,375	1,723,623	1,723,623
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
(D) Special Purpose					
Cigarette Tax Rebate	<u>7,651,146</u>	<u>6,818,600</u>	<u>6,092,171</u>	<u>6,092,171</u>	<u>6,092,171</u>
General Fund	7,651,146	6,818,600	6,092,171	6,092,171	6,092,171
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>965,329</u>	<u>980,876</u>	<u>873,102</u>	<u>873,102</u>	<u>873,102</u>
General Fund	0	0	0	0	0
Cash Funds	965,329	980,876	873,102	873,102	873,102
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Old Age Heat and Fuel and Property Tax Assistance	<u>12,004,423</u>	<u>12,131,699</u>	<u>10,493,500</u>	<u>10,493,500</u>	<u>10,493,500</u>
General Fund	12,004,423	12,131,699	10,493,500	10,493,500	10,493,500
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>31,053</u>	<u>132,649</u>	<u>120,524</u>	<u>120,524</u>	<u>120,524</u>
General Fund	0	0	0	0	0
Cash Funds	31,053	132,649	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 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Retail Marijuana Sales Tax Distribution to Local Governments	<u>21,916,172</u>	<u>19,449,917</u>	<u>25,720,418</u>	<u>25,720,418</u>	<u>25,720,418</u>
General Fund	21,916,172	19,449,917	25,720,418	25,720,418	25,720,418
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (D) Special Purpose	42,568,123	39,513,741	43,299,715	43,299,715	43,299,715
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	41,571,741	38,400,216	42,306,089	42,306,089	42,306,089
Cash Funds	996,382	1,113,525	993,626	993,626	993,626
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(E) Taxation and Compliance 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
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

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	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
SUBTOTAL - (F) Taxpayer Service Division	0	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	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (3) Taxation Business Group	96,559,071	98,323,223	107,046,028	110,552,645	108,995,564
<i>FTE</i>	<u>455.0</u>	<u>458.6</u>	<u>451.5</u>	<u>468.3</u>	<u>461.0</u>
General Fund	94,470,230	95,633,083	101,820,473	106,334,103	104,777,022
Cash Funds	1,934,756	2,489,614	3,956,055	2,949,042	2,949,042
Reappropriated Funds	154,085	200,526	417,368	417,368	417,368
Federal Funds	0	0	852,132	852,132	852,132

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
(4) DIVISION OF MOTOR VEHICLES					
(A) Administration					
Personal Services	<u>2,910,648</u>	<u>3,211,806</u>	<u>3,679,920</u>	<u>3,928,602</u>	<u>3,928,602</u>
FTE	42.9	36.9	40.6	40.9	40.9
General Fund	584,878	617,237	647,247	727,147	727,147
Cash Funds	2,274,260	2,542,783	2,980,887	3,149,669	3,149,669
Reappropriated Funds	51,510	51,786	51,786	51,786	51,786
Federal Funds	0	0	0	0	0
Operating Expenses	<u>390,736</u>	<u>389,101</u>	<u>558,433</u>	<u>530,668</u>	<u>530,668</u>
General Fund	63,731	63,731	63,731	63,731	63,731
Cash Funds	323,615	321,980	491,312	463,547	463,547
Reappropriated Funds	3,390	3,390	3,390	3,390	3,390
Federal Funds	0	0	0	0	0
DRIVES Maintenance and Support	<u>7,614,051</u>	<u>6,242,661</u>	<u>10,136,685</u>	<u>10,069,326</u>	<u>10,069,326</u>
General Fund	735,356	22,293	18,000	18,000	18,000
Cash Funds	6,770,495	6,220,368	10,118,685	10,051,326	10,051,326
Reappropriated Funds	108,200	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration	10,915,435	9,843,568	14,375,038	14,528,596	14,528,596
FTE	<u>42.9</u>	<u>36.9</u>	<u>40.6</u>	<u>40.9</u>	<u>40.9</u>
General Fund	1,383,965	703,261	728,978	808,878	808,878
Cash Funds	9,368,370	9,085,131	13,590,884	13,664,542	13,664,542
Reappropriated Funds	163,100	55,176	55,176	55,176	55,176
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
(B) Driver Services					
Personal Services	<u>24,450,299</u>	<u>24,228,754</u>	<u>27,260,936</u>	<u>29,013,349</u>	<u>29,013,349</u>
FTE	426.9	426.9	426.9	426.9	426.9
General Fund	2,900,377	3,030,850	3,228,433	3,550,791	3,550,791
Cash Funds	21,427,587	21,074,922	23,909,521	25,339,576	25,339,576
Reappropriated Funds	122,335	122,982	122,982	122,982	122,982
Federal Funds	0	0	0	0	0
Operating Expenses	<u>2,427,751</u>	<u>1,874,303</u>	<u>2,534,299</u>	<u>2,654,959</u>	<u>2,654,959</u>
General Fund	414,260	414,260	414,260	414,260	414,260
Cash Funds	2,003,321	1,449,873	2,109,869	2,230,529	2,230,529
Reappropriated Funds	10,170	10,170	10,170	10,170	10,170
Federal Funds	0	0	0	0	0
Drivers License Documents	<u>6,242,357</u>	<u>5,907,525</u>	<u>8,143,739</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	6,238,859	5,904,027	8,140,241	8,140,241	8,140,241
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ignition Interlock Program	<u>599,144</u>	<u>582,672</u>	<u>728,379</u>	<u>742,960</u>	<u>742,960</u>
FTE	6.9	6.9	6.9	6.9	6.9
General Fund	0	0	0	0	0
Cash Funds	599,144	582,672	728,379	742,960	742,960
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	<u>3,127,093</u>	<u>2,695,177</u>	<u>3,617,569</u>	<u>3,585,708</u>	<u>3,585,708</u>
General Fund	0	0	0	0	0
Cash Funds	3,127,093	2,695,177	3,617,569	3,585,708	3,585,708
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Driver Services	36,846,644	35,288,431	42,284,922	44,140,715	44,140,715
<i>FTE</i>	<u>433.8</u>	<u>433.8</u>	<u>433.8</u>	<u>433.8</u>	<u>433.8</u>
General Fund	3,318,135	3,448,608	3,646,191	3,968,549	3,968,549
Cash Funds	33,396,004	31,706,671	38,505,579	40,039,014	40,039,014
Reappropriated Funds	132,505	133,152	133,152	133,152	133,152
Federal Funds	0	0	0	0	0

(C) Vehicle Services

Personal Services	<u>2,925,140</u>	<u>2,714,806</u>	<u>3,492,123</u>	<u>3,736,892</u>	<u>3,736,892</u>
FTE	52.1	54.1	54.2	54.9	54.9
General Fund	656,752	662,406	711,899	558,687	558,687
Cash Funds	2,268,388	2,052,400	2,780,224	3,178,205	3,178,205
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>339,834</u>	<u>211,159</u>	<u>394,712</u>	<u>408,920</u>	<u>408,920</u>
General Fund	50,362	28,587	28,587	28,587	28,587
Cash Funds	289,472	182,572	366,125	380,333	380,333
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
License Plate Ordering	<u>7,618,115</u>	<u>7,900,472</u>	<u>13,755,910</u>	<u>232,283</u>	<u>232,283</u>
General Fund	216,315	236,000	247,800	0	0
Cash Funds	7,401,800	7,664,472	13,508,110	232,283	232,283
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Motorist Insurance Identification Database Program	<u>244,323</u>	<u>192,415</u>	<u>354,702</u>	<u>358,928</u>	<u>358,928</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	244,323	192,415	354,702	358,928	358,928
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emissions Program	<u>1,074,031</u>	<u>1,230,606</u>	<u>1,283,266</u>	<u>1,312,850</u>	<u>1,312,850</u>
FTE	15.0	15.0	15.0	15.0	15.0
General Fund	0	0	0	0	0
Cash Funds	1,074,031	1,230,606	1,283,266	1,312,850	1,312,850
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>430,805</u>	<u>426,142</u>	<u>546,204</u>	<u>573,749</u>	<u>573,749</u>
General Fund	0	0	0	0	0
Cash Funds	430,805	426,142	546,204	573,749	573,749
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (C) Vehicle Services	12,632,248	12,675,600	19,826,917	6,623,622	6,623,622
<i>FTE</i>	<u>68.1</u>	<u>70.1</u>	<u>70.2</u>	<u>70.9</u>	<u>70.9</u>
General Fund	923,429	926,993	988,286	587,274	587,274
Cash Funds	11,708,819	11,748,607	18,838,631	6,036,348	6,036,348
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(D) County Support Services

Operating Expenses	<u>2,017,757</u>	<u>2,025,160</u>	<u>2,356,535</u>	<u>2,317,295</u>	<u>2,317,295</u>
General Fund	0	0	0	0	0
Cash Funds	2,017,757	2,025,160	2,356,535	2,317,295	2,317,295
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Asset Maintenance	<u>511,430</u>	<u>505,833</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>
General Fund	0	0	0	0	0
Cash Funds	511,430	505,833	511,430	511,430	511,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Improvements	<u>26,129</u>	<u>31,069</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>
General Fund	0	0	0	0	0
Cash Funds	26,129	31,069	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 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (D) County Support Services	2,555,316	2,562,062	2,903,965	2,864,725	2,864,725
<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	2,555,316	2,562,062	2,903,965	2,864,725	2,864,725
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (4) Division of Motor Vehicles	62,949,643	60,369,661	79,390,842	68,157,658	68,157,658
<i>FTE</i>	<u>544.8</u>	<u>540.8</u>	<u>544.6</u>	<u>545.6</u>	<u>545.6</u>
General Fund	5,625,529	5,078,862	5,363,455	5,364,701	5,364,701
Cash Funds	57,028,509	55,102,471	73,839,059	62,604,629	62,604,629
Reappropriated Funds	295,605	188,328	188,328	188,328	188,328
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(5) SPECIALIZED BUSINESS GROUP

(G) Firearms Dealers Division

Personal Services	<u>469,819</u>	<u>2,008,131</u>	<u>2,008,131</u>		
FTE	5.3	23.7	23.7		
General Fund	469,819	1,800,131	1,800,131		
Cash Funds	0	208,000	208,000		
Operating Expenses	<u>85,144</u>	<u>239,936</u>	<u>239,936</u>		
General Fund	85,144	239,936	239,936		

SUBTOTAL - (G) Firearms Dealers Division	554,963	2,248,067	2,248,067		
<i>FTE</i>	<u>5.3</u>	<u>23.7</u>	<u>23.7</u>		
General Fund	554,963	2,040,067	2,040,067		
Cash Funds	0	208,000	208,000		

(A) Administration

Personal Services	<u>733,685</u>	<u>1,041,964</u>	<u>1,176,030</u>	<u>1,213,998</u>	<u>1,213,998</u>
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	7,871	8,121	8,427	8,427	8,427
Cash Funds	508,416	714,084	837,974	875,942	875,942
Reappropriated Funds	217,398	319,759	329,629	329,629	329,629
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Operating Expenses	<u>13,253</u>	<u>13,934</u>	<u>13,934</u>	<u>13,934</u>	<u>13,934</u>
General Fund	111	111	111	111	111
Cash Funds	8,447	8,885	8,885	8,885	8,885
Reappropriated Funds	4,695	4,938	4,938	4,938	4,938
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration	746,938	1,055,898	1,189,964	1,227,932	1,227,932
FTE	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>
General Fund	7,982	8,232	8,538	8,538	8,538
Cash Funds	516,863	722,969	846,859	884,827	884,827
Reappropriated Funds	222,093	324,697	334,567	334,567	334,567
Federal Funds	0	0	0	0	0

(B) Limited Gaming Division

Personal Services	<u>9,946,497</u>	<u>10,394,362</u>	<u>9,604,145</u>	<u>14,052,041</u>	<u>14,052,041</u>
FTE	106.0	106.0	106.0	138.0	138.0
General Fund	0	0	0	0	0
Cash Funds	9,946,497	10,394,362	9,604,145	14,052,041	14,052,041
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>857,237</u>	<u>925,455</u>	<u>1,129,997</u>	<u>1,996,196</u>	<u>1,996,196</u>
General Fund	0	0	0	0	0
Cash Funds	857,237	925,455	1,129,997	1,996,196	1,996,196
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Payments to Other State Agencies	<u>3,691,143</u>	<u>3,931,236</u>	<u>4,066,253</u>	<u>5,030,021</u>	<u>5,030,021</u>
General Fund	0	0	0	0	0
Cash Funds	3,691,143	3,931,236	4,066,253	5,030,021	5,030,021
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Distribution to Gaming Cities and Counties	<u>156,570,957</u>	<u>160,831,150</u>	<u>26,035,153</u>	<u>26,035,153</u>	<u>26,035,153</u>
General Fund	1,250,000	0	0	0	0
Cash Funds	155,320,957	160,831,150	26,035,153	26,035,153	26,035,153
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Responsible Gaming Grant Program	<u>2,499,816</u>	<u>2,034,529</u>	<u>3,200,000</u>	<u>4,220,000</u>	<u>4,220,000</u>
General Fund	0	0	0	0	0
Cash Funds	2,499,816	2,034,529	3,200,000	4,220,000	4,220,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>1,024,730</u>	<u>1,114,565</u>	<u>944,512</u>	<u>961,717</u>	<u>961,717</u>
General Fund	0	0	0	0	0
Cash Funds	1,024,730	1,114,565	944,512	961,717	961,717
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (B) Limited Gaming Division	174,590,380	179,231,297	44,980,060	52,295,128	52,295,128
<i>FTE</i>	<u>106.0</u>	<u>106.0</u>	<u>106.0</u>	<u>138.0</u>	<u>138.0</u>
General Fund	1,250,000	0	0	0	0
Cash Funds	173,340,380	179,231,297	44,980,060	52,295,128	52,295,128
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(C) Liquor and Tobacco Enforcement Division

Personal Services	<u>3,411,889</u>	<u>4,173,893</u>	<u>5,317,268</u>	<u>5,480,060</u>	<u>5,480,060</u>
FTE	63.7	65.1	65.8	65.4	65.4
General Fund	185,187	191,363	199,790	205,030	205,030
Cash Funds	3,226,702	3,982,530	5,117,478	5,275,030	5,275,030
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>458,722</u>	<u>549,182</u>	<u>552,038</u>	<u>539,856</u>	<u>539,856</u>
General Fund	6,965	6,965	6,965	6,965	6,965
Cash Funds	451,757	542,217	545,073	532,891	532,891
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>473,590</u>	<u>459,608</u>	<u>506,368</u>	<u>599,797</u>	<u>599,797</u>
General Fund	0	0	0	0	0
Cash Funds	473,590	459,608	506,368	599,797	599,797
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (C) Liquor and Tobacco Enforcement					
Division	4,344,201	5,182,683	6,375,674	6,619,713	6,619,713
<i>FTE</i>	<u>63.7</u>	<u>65.1</u>	<u>65.8</u>	<u>65.4</u>	<u>65.4</u>
General Fund	192,152	198,328	206,755	211,995	211,995
Cash Funds	4,152,049	4,984,355	6,168,919	6,407,718	6,407,718
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(D) Division of Racing Events

Personal Services	<u>1,017,565</u>	<u>888,733</u>	<u>1,452,119</u>	<u>1,480,809</u>	<u>1,480,809</u>
<i>FTE</i>	10.7	11.7	11.7	11.7	11.7
General Fund	0	0	0	0	0
Cash Funds	1,017,565	888,733	1,452,119	1,480,809	1,480,809
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>309,629</u>	<u>258,592</u>	<u>505,026</u>	<u>505,026</u>	<u>505,026</u>
General Fund	0	0	0	0	0
Cash Funds	309,629	258,592	505,026	505,026	505,026
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Purses and Breeders Awards	<u>1,010,470</u>	<u>730,823</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	1,010,470	730,823	1,400,000	1,400,000	1,400,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	<u>58,305</u>	<u>56,682</u>	<u>84,897</u>	<u>106,151</u>	<u>106,151</u>
General Fund	0	0	0	0	0
Cash Funds	58,305	56,682	84,897	106,151	106,151
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (D) Division of Racing Events	2,395,969	1,934,830	3,442,042	3,491,986	3,491,986
FTE	<u>10.7</u>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>
General Fund	0	0	0	0	0
Cash Funds	2,395,969	1,934,830	3,442,042	3,491,986	3,491,986
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Hearings Division

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

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	0	0			
General Fund	0	0			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			
SUBTOTAL - Hearings Division	0	0			
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>			
General Fund	0	0			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			

(F) Motor Vehicle Dealer Licensing Board

Personal Services	<u>2,370,911</u>	<u>2,242,367</u>	<u>2,905,640</u>	<u>3,201,721</u>	<u>3,201,721</u>
FTE	32.3	32.3	32.3	32.3	32.3
General Fund	0	0	0	0	0
Cash Funds	2,370,911	2,242,367	2,905,640	3,201,721	3,201,721
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>292,893</u>	<u>156,559</u>	<u>325,446</u>	<u>325,446</u>	<u>325,446</u>
General Fund	0	0	0	0	0
Cash Funds	292,893	156,559	325,446	325,446	325,446
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Indirect Cost Assessment	<u>244,578</u>	<u>237,772</u>	<u>287,347</u>	<u>324,581</u>	<u>324,581</u>
General Fund	0	0	0	0	0
Cash Funds	244,578	237,772	287,347	324,581	324,581
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (F) Motor Vehicle Dealer Licensing					
Board	2,908,382	2,636,698	3,518,433	3,851,748	3,851,748
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	2,908,382	2,636,698	3,518,433	3,851,748	3,851,748
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(G) Marijuana Enforcement

Marijuana Enforcement	<u>8,612,671</u>	<u>10,023,467</u>	<u>16,604,617</u>	<u>16,897,960</u>	<u>16,897,960</u>
FTE	156.0	159.1	158.6	158.6	158.6
General Fund	0	295,024	0	0	0
Cash Funds	8,612,671	9,599,093	16,604,617	16,897,960	16,897,960
Reappropriated Funds	0	129,350	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>1,290,841</u>	<u>1,086,213</u>	<u>1,538,861</u>	<u>1,467,700</u>	<u>1,467,700</u>
General Fund	0	0	0	0	0
Cash Funds	1,290,841	1,086,213	1,538,861	1,467,700	1,467,700
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Natural Medicines	0	0	1,408,955	1,584,633	1,584,633
FTE	0.0	0.0	15.5	19.0	19.0
General Fund	0	0	1,408,955	0	0
Cash Funds	0	0	0	1,584,633	1,584,633
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Transfers to Other Departments	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
SUBTOTAL - (G) Marijuana Enforcement	9,903,512	11,109,680	19,552,433	19,950,293	19,950,293
FTE	<u>156.0</u>	<u>159.1</u>	<u>174.1</u>	<u>177.6</u>	<u>177.6</u>
General Fund	0	295,024	1,408,955	0	0
Cash Funds	9,903,512	10,685,306	18,143,478	19,950,293	19,950,293
Reappropriated Funds	0	129,350	0	0	0
Federal Funds	0	0	0	0	0

(G) Natural Medicine Division

Natural Medicine Division	0	<u>501,835 4.7</u>
General Fund	0	501,835
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
SUBTOTAL - (G) Natural Medicine Division	0	501,835			
<i>FTE</i>	<u>0.0</u>	<u>4.7</u>			
General Fund	0	501,835			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			
TOTAL - (5) Specialized Business Group	194,889,382	201,652,921	79,613,569	89,684,867	89,684,867
<i>FTE</i>	<u>379.7</u>	<u>389.9</u>	<u>406.2</u>	<u>459.7</u>	<u>459.7</u>
General Fund	1,450,134	1,003,419	2,179,211	2,260,600	2,260,600
Cash Funds	193,217,155	200,195,455	77,099,791	87,089,700	87,089,700
Reappropriated Funds	222,093	454,047	334,567	334,567	334,567
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
(6) STATE LOTTERY DIVISION					
Personal Services	<u>8,588,284</u>	<u>8,842,225</u>	<u>9,726,496</u>	<u>11,033,214</u>	<u>10,854,963</u>
FTE	102.1	102.1	102.1	115.9	113.0
General Fund	0	0	0	0	0
Cash Funds	8,588,284	8,842,225	9,726,496	11,033,214	10,854,963
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,123,203</u>	<u>1,096,736</u>	<u>1,540,533</u>	<u>1,655,676</u>	<u>1,634,525</u>
General Fund	0	0	0	0	0
Cash Funds	1,123,203	1,096,736	1,540,533	1,655,676	1,634,525
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>137,868</u>	<u>112,929</u>	<u>239,410</u>	<u>239,410</u>	<u>239,410</u>
General Fund	0	0	0	0	0
Cash Funds	137,868	112,929	239,410	239,410	239,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Marketing and Communications	<u>14,837,053</u>	<u>14,773,730</u>	<u>14,900,000</u>	<u>18,200,000</u>	<u>16,700,000</u>
General Fund	0	0	0	0	0
Cash Funds	14,837,053	14,773,730	14,900,000	18,200,000	16,700,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
Multi-State Lottery Fees	<u>119,622</u>	<u>42,897</u>	<u>177,433</u>	<u>177,433</u>	<u>177,433</u>
General Fund	0	0	0	0	0
Cash Funds	119,622	42,897	177,433	177,433	177,433
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vendor Fees	<u>27,887,826</u>	<u>34,842,330</u>	<u>37,549,578</u>	<u>52,136,622</u>	<u>44,636,622</u>
General Fund	0	0	0	0	0
Cash Funds	27,887,826	34,842,330	37,549,578	52,136,622	44,636,622
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retailer Compensation	<u>65,841,424</u>	<u>67,165,373</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	65,841,424	67,165,373	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>755,162</u>	<u>734,435</u>	<u>890,727</u>	<u>907,180</u>	<u>907,180</u>
General Fund	0	0	0	0	0
Cash Funds	755,162	734,435	890,727	907,180	907,180
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 2025-26
Staff Working Document - Does Not Represent Committee Decision

	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Appropriation	FY 2025-26 Request	FY 2025-26 Recommendation
TOTAL - (6) State Lottery Division	119,290,442	127,610,655	150,024,177	169,349,535	160,150,133
<i>FTE</i>	<u>102.1</u>	<u>102.1</u>	<u>102.1</u>	<u>115.9</u>	<u>113.0</u>
General Fund	0	0	0	0	0
Cash Funds	119,290,442	127,610,655	150,024,177	169,349,535	160,150,133
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - Department of Revenue	552,449,832	586,329,362	527,534,272	553,773,054	542,275,747
<i>FTE</i>	<u>1,691.6</u>	<u>1,715.6</u>	<u>1,748.9</u>	<u>1,825.4</u>	<u>1,815.2</u>
General Fund	138,039,199	147,620,268	158,265,353	164,125,320	162,253,431
Cash Funds	406,187,568	430,891,423	358,808,347	379,350,089	369,724,671
Reappropriated Funds	8,223,065	7,817,671	9,608,440	9,445,513	9,445,513
Federal Funds	0	0	852,132	852,132	852,132