

Department of Revenue

FY 2024-25

**Joint Technology Committee
Hearing**

December 12, 2023





MISSION, VISION, VALUES AND WIGS



Mission - To become a Trusted Partner to every Coloradan to help them navigate the complexities of government so they can thrive.

Vision - Empowering, Enhancing, and Enriching life in Colorado.

Values - Service, Teamwork, Accountability, Integrity, Respect

WIGS





ORGANIZATIONAL SYSTEMS OVERVIEW

TAXATION ■ DMV ■ SPECIALIZED BUSINESS GROUP ■ ALT SUBSTANCES ■ LOTTERY



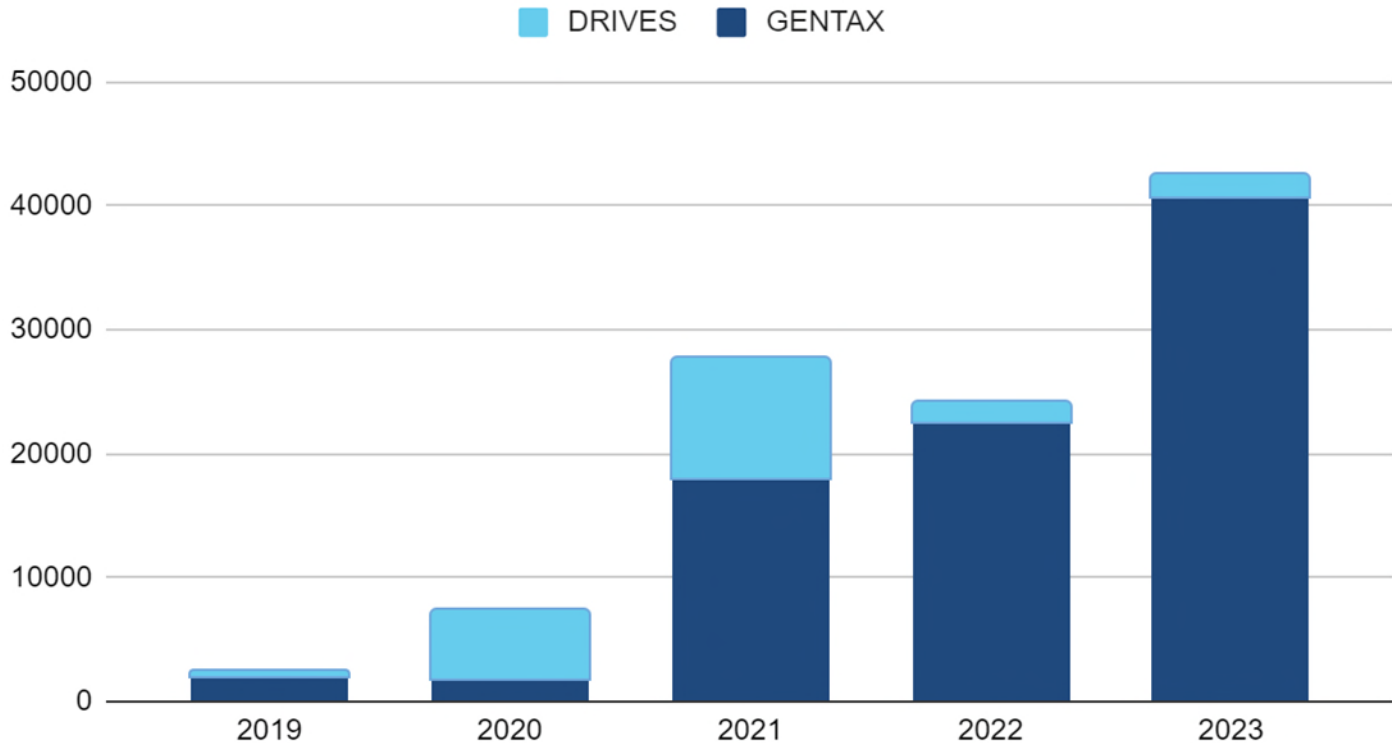


Department of Revenue Major Systems Overview

		Users	Milestones	Highlights & Application Health
1	Inventory Tracking <i>METRC</i>	27,495	Nov 2026	<ul style="list-style-type: none"> Regulatory Inventory Management reporting platform supporting over 3,000 businesses Key for industry regulatory compliance enablement
2	Licensing & Case Mgmt <i>My License Office (MLO)</i>	MLO: ~283 PSR: ~151	July 2025	<ul style="list-style-type: none"> Supports licensing for MED/NMD and SBG Divisions Case Management system for all DOR divisions Strategic enabler for customer engagement improvements
3	Sales & Use Tax System <i>Sales & Use Tax Simplification (SUTS)</i>	17,962	July 2024	<ul style="list-style-type: none"> Increase taxpayer usage with an easier-to-use experience. Drive system adoption and data to support stakeholders: DOR, Jurisdictions, Taxpayers, 3rd -Party Preparers
4	TAX Mgmt Platform <i>GenTAX</i>	617	July 2025	<ul style="list-style-type: none"> Improvements in operational processes are showing benefits in supporting Year End support No ability to support departmental improvement goals
5	DMV Mgmt Platform <i>DRIVES</i>	1,840	Feb 2026	<ul style="list-style-type: none"> DS-VS application tailored to CO's laws and processes FAST no longer supports development of V11 Upgrade planning exercises underway now



DRIVES & GENTAX Hours Supporting Legislation



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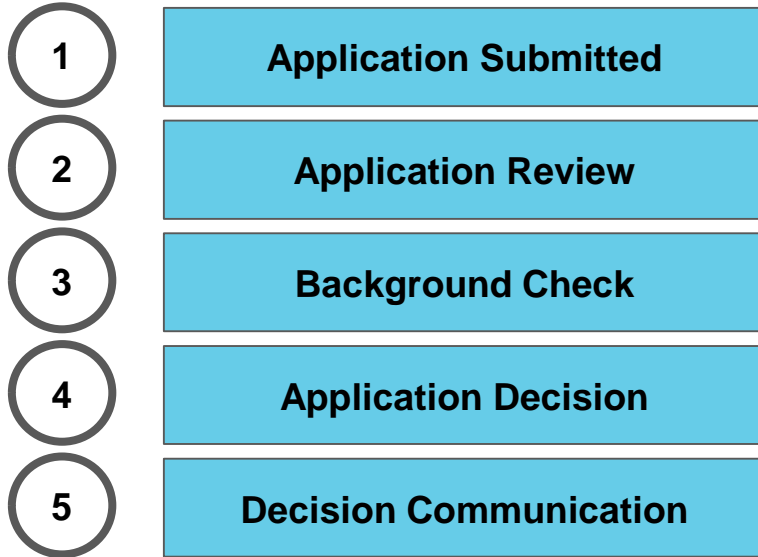


FY 2024-25 IT Capital Requests



Licensing & Case Management Software Request

Licensing Process

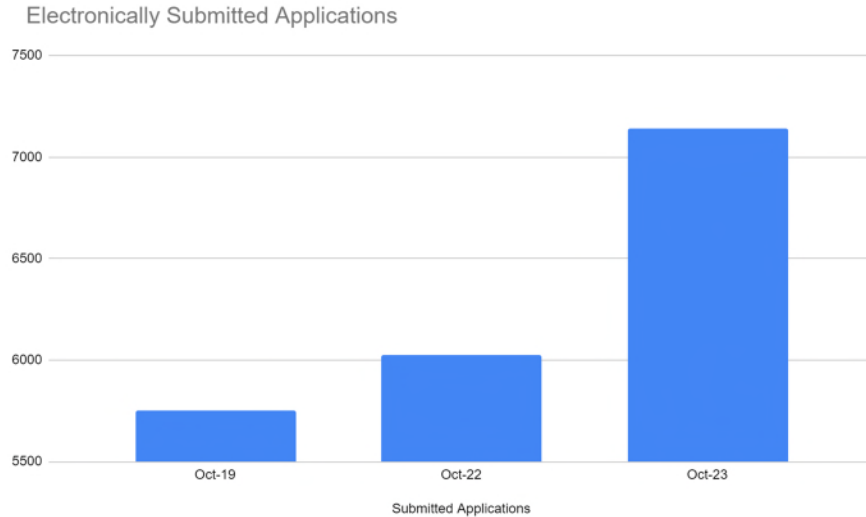


- Maximizing \$1M to prepare organization
- Partnered with SIPA to identify a team experienced and qualified to support License & Case Management software implementation planning
- Vendor is focused on supporting team in solicitation and organizational readiness
 - Requirements Validation
 - Reimagination Workshops
 - Reporting Goals
 - Project Staffing Models

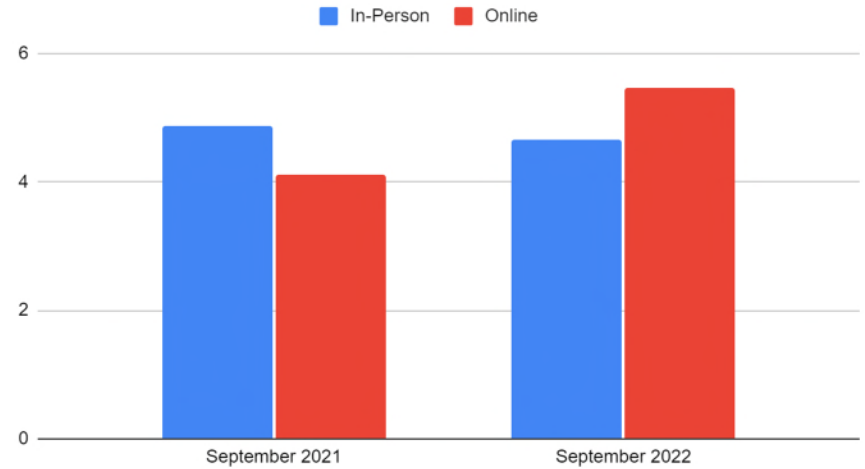


How does Licensing Software Benefit DOR

2019 - 38 licensing staff | 2023 - 41 licensing staff



Average In-Person and Online Licensing Processing (Days)





IT Capital Request

FY 2023-24 - DOR IT Capital Priority: #1
Specialized Business Group & Marijuana Enforcement Division
Licensing and Case Management Software

Summary of Request	Total Funds	CCF-IT	Cash Funds
FY 2023-24	\$1,000,000	\$1,000,000	\$0
FY 2024-25	\$9,000,000	\$9,000,000	\$0
FY 2025-26	\$150,000	\$0	\$150,000

This request is the continuation of last year's request that supports DOR's focus on modernizing our licensing and case management software so we can introduce process efficiencies and ensure regulatory compliance while bettering the services we provide to Coloradans



Inventory Tracking System

Provides MED the ability to identify and account for marijuana from “seed-to-sale” through a web-based interface coupled with radio frequency identification (RFID) technology. Required to be used by all licensees.

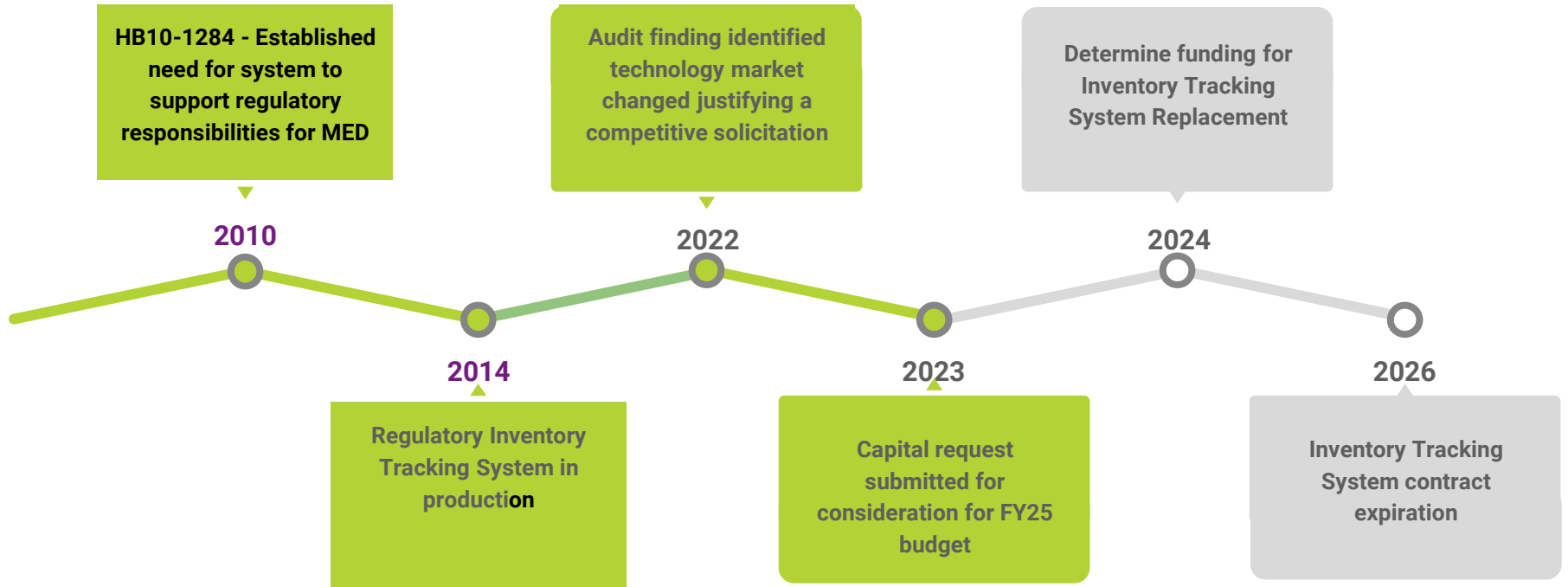
Data is catalogued per licensee by subject matter, which gives state regulators significant data, and allows for sophisticated data analysis.

Analytic tools and reporting functionality for on-the-spot analysis to assist in various regulatory capacities.





Inventory Tracking System Today





IT Capital Request

FY 2024-25 - DOR IT Capital Priority: #2
Specialized Business Group & Marijuana Enforcement Division
Mandatory Inventory Tracking System

Summary of Request	Total Funds	MTCF	Cash Funds
FY 2024-25	\$4,080,000	\$4,080,000	\$0
FY 2025-26	\$0	\$0	\$0
FY 2026-27	\$500,000	\$0	\$500,000
FY 2027-28	\$500,000	\$0	\$500,000
FY 2028-29	\$500,000	\$0	\$500,000

This request is a critical component to the successful regulation of the commercial marijuana industry to maintain regulatory compliance with procurement rules and guidelines as well as meet statutory requirements for the regulation of marijuana.



R-01 GenTax/DRIVES Support

R-01

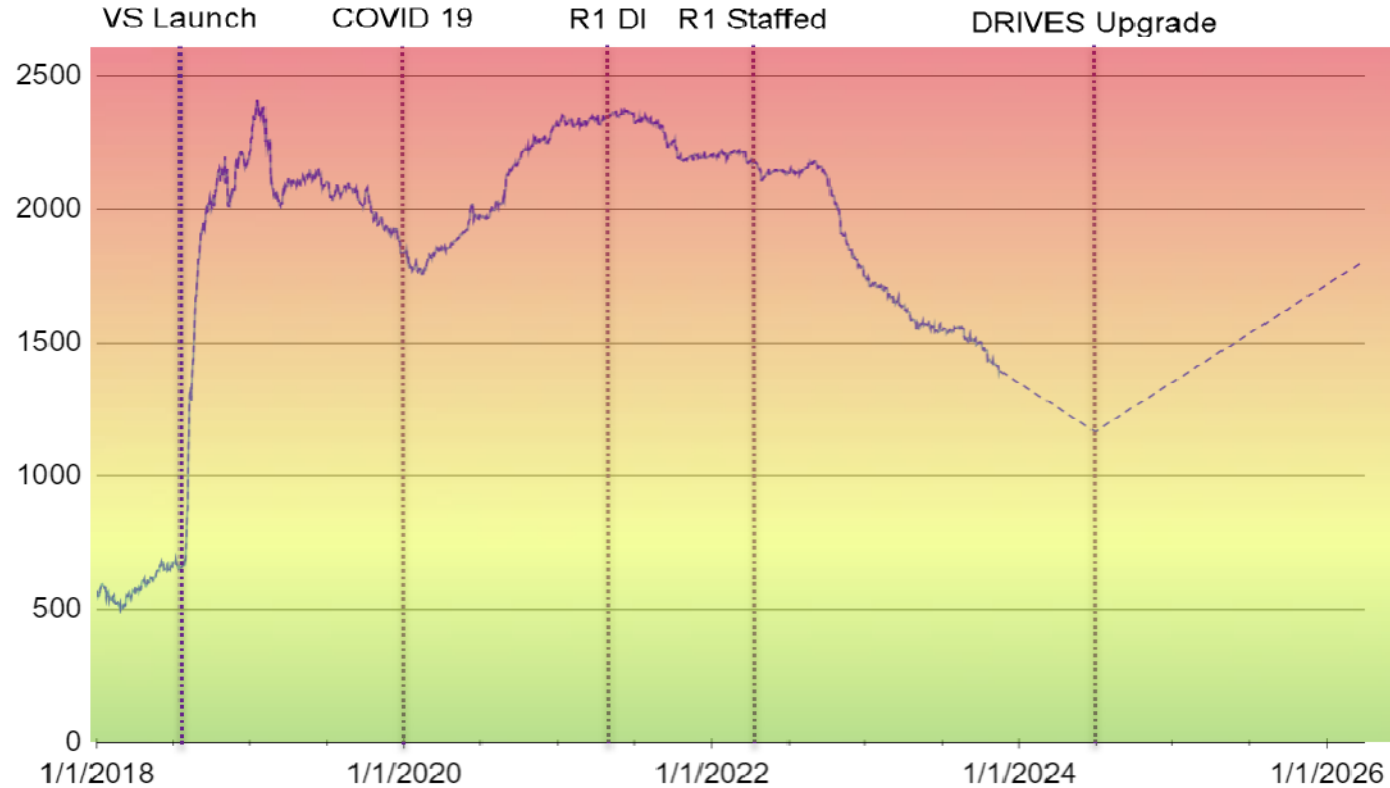
GenTax/DRIVES Support

\$547K GF/\$318K CF with 9.0 FTE

Goal: To address ongoing system demands related to annual maintenance, system optimization, and backlog of requests in addition to the legislative workload.



DRIVES SQR (Request) Volume

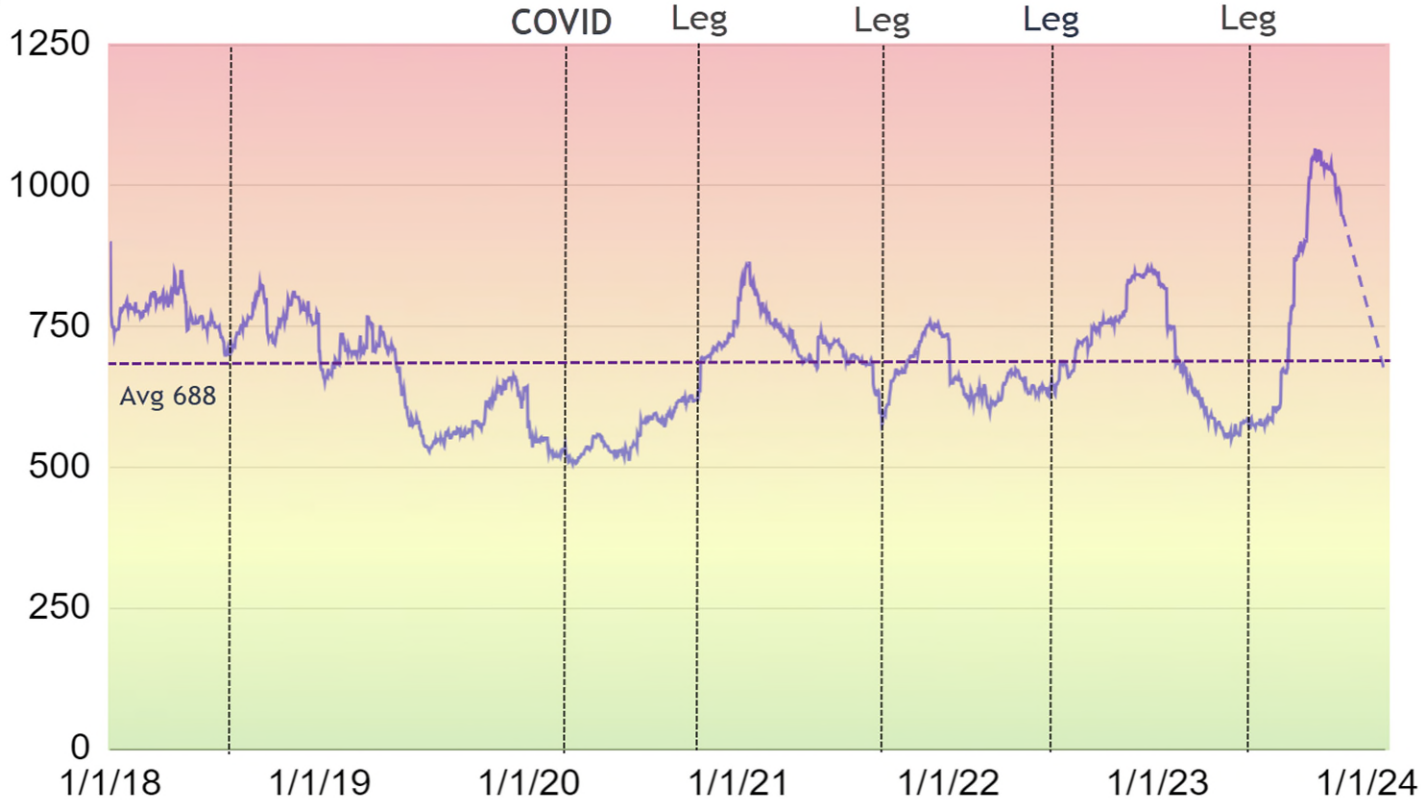


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GenTAX SQR (Request) Volume



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R-01 Overview

1

DRIVES Application Support

We continue to struggle to keep up with legislative and system maintenance demands. We have a major DRIVES upgrade that will span two fiscal years of FY 2024-25 and FY 2025-26. This elevated demand continues to place a burden on existing resources.

Fund three Business Analysts III, and one Business Analyst IV to support DMV and the DRIVES application via cash fund spending authority. Enables us to better support minimum software requirements of the vendor and take advantage of new features and functionality.

2

GenTAX Application Support

Another heavy legislative tax season coupled with the planned GenTax upgrade in FY 2024-25 continues to place a heavy burden on existing resources. The TAX organization is only able to introduce critical updates to the GenTAX platform in an attempt to keep up with the system impacts from passed legislation.

Fund three Business Analysts III, one Business Analyst IV, and one Business Analyst V to support the Tax Division, the GenTax application and be funded via the General Fund. This allows us to better support maintenance and optimization efforts in addition to just legislation.

3

TAX Translation Services

Fund live translation for first call resolution call center support for Coloradans on issues such as filing taxes, Revenue Online, and technical assistance with filing systems, while specific questions focus on issues related to payments, invoices, and refunds. DOR proposes to contract with a third party to perform live translation services for the taxation call center.

Provide live translation services to just over 2,000 taxpayers, while ensuring that other taxpayers are not negatively affected by the additional time needed to support callers who leverage the live translation option.



THANK YOU
QUESTIONS?