

CHAPTER 333

APPROPRIATIONS

HOUSE BILL 98-1355

BY REPRESENTATIVES Grampas, Owen, and Romero;
also SENATORS Lacy, Blickensderfer, Rizzuto, and Hernandez.

AN ACT

CONCERNING A SUPPLEMENTAL APPROPRIATION TO THE DEPARTMENT OF REVENUE.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Part XIX of section 2 of chapter 310, Session Laws of Colorado 1997, is amended to read:

Section 2. **Appropriation.**

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

**PART XIX
DEPARTMENT OF REVENUE**

(1) EXECUTIVE DIRECTOR'S OFFICE^{171, 172}

Personal Services and Operating Expenses	5,420,973 (85.3 FTE)
System Design ¹⁷³	2,587,372 3,166,853
Health, Life, and Dental	2,713,006
Short-term Disability	130,113
Salary Survey, Anniversary Increases, and Shift Differential	1,807,056
Workers' Compensation	936,719
Legal Services for 9,373 hours	449,893

Payment to Risk Management and Property Funds	141,958				
Vehicle Lease Payments	395,268				
ADP Capital Outlay	319,510				
	205,173				
Leased Space	1,209,147				
	1,272,876				
Capitol Complex Leased Space	693,128				
Utilities	378,553				
Lease/Purchase -- 1881 Pierce Street	<u>796,517</u>				
		17,979,213	13,479,350	879,599 ^a	3,620,264 ^b
		18,508,086	14,145,455	879,274 ^a	3,483,357 ^b

^a Of this amount, \$33,369 shall be from the Liquor Enforcement Cash Fund for indirect cost recoveries, \$70,382 shall be from the Auto Dealers License Fund for indirect cost recoveries, \$33,864 shall be from the Ignition Interlock Fund, \$258,425(T) shall be from the State Lottery Fund FUND FOR INDIRECT COST RECOVERIES, and ~~\$483,559~~ \$483,234 shall be from various sources of cash.

^b Of this amount, ~~\$1,126,930~~ \$1,012,593 shall be from the Highway Users Tax Fund, for the Ports of Entry in the Motor Carrier Services Division, \$212,057 shall be from the Distributive Data Processing Account for indirect cost recoveries, \$261,187 shall be from the Drivers License Revocation Account, \$392,256(T) shall be from the Limited Gaming Fund, of which \$185,961 is for indirect cost recoveries, \$50,057 shall be from the Automotive Inspection and Readjustment Account for indirect cost recoveries, \$6,812(T) shall be from the Hazardous Materials Safety Fund, and ~~\$1,570,965~~ \$1,548,395 shall be from various sources of exempt cash funds.

(2) CASH AND DOCUMENT PROCESSING DIVISION¹⁷²

Program Costs 9,407,922
(155.0 FTE)

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		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
Lease/Purchase--Phone System	<u>77,714</u>	9,485,636	8,456,252	280,606 ^a	748,778 ^b	

^a Of this amount, \$156,311 shall be from the Trade Name Registration Fund FUND FOR INDIRECT COST RECOVERIES, \$68,453 shall be from the Auto Dealers License Fund for indirect cost recoveries, \$5,729 shall be from the Aviation Fund FUND FOR INDIRECT COST RECOVERIES, \$15,651 shall be from the Waste Tire Disposal Fund FUND FOR INDIRECT COST RECOVERIES, \$21,026(T) shall be from the State Lottery Fund for indirect cost recoveries, \$1,175 shall be from the Tax Lien Certification Fund FUND FOR INDIRECT COST RECOVERIES, and \$12,261 shall be from the Liquor Enforcement Cash Fund for indirect cost recoveries.

^b Of this amount, \$30,093 shall be from the Highway Users Tax Fund, \$538,140 shall be from the Distributive Data Processing Account for indirect cost recoveries, \$44,457 shall be from the Automotive Inspection and Readjustment Account for indirect cost recoveries, \$117,364(T) shall be from the Limited Gaming Fund for indirect cost recoveries, and \$18,724 shall be from the Outstanding Judgements and Warrants Account.

(3) INFORMATION TECHNOLOGY DIVISION^{172, 174}

Program Costs	7,950,174				
	(88.0) FTE				
Year 2000 Programming ¹⁴⁸	<u>1,081,510</u>				
	<u>1,541,175</u>	9,031,684	7,668,759	353,329 ^a	1,009,596 ^b
		9,491,349	8,128,424		

^a Of this amount, \$240,688 shall be from the Trade Name Registration Fund FUND FOR INDIRECT COST RECOVERIES, \$4,759 shall be from the Auto Dealers License Fund FUND FOR INDIRECT COST RECOVERIES, \$3,370 shall be from the Aviation Fund FUND FOR INDIRECT COST RECOVERIES, \$19,689 shall be from the Waste Tire Disposal Fund FUND FOR INDIRECT COST RECOVERIES, \$49,426 shall be from the Liquor Enforcement Cash Fund FUND FOR INDIRECT COST RECOVERIES, \$34,083(T) shall be from the State Lottery Fund FUND FOR INDIRECT COST RECOVERIES, and \$1,314 shall from the Colorado Municipal League.

^b Of this amount, \$396,260 shall be from the Distributive Data Processing Account ACCOUNT FOR INDIRECT COST RECOVERIES, \$3,397 shall be from the Automotive Inspection and Readjustment Account ACCOUNT FOR INDIRECT COST RECOVERIES, \$198,351 shall be from the Drivers License Revocation Account, \$50,670 shall be from the State Lottery Fund, \$282,479(T) shall be from the Limited Gaming Fund for indirect cost recoveries, and \$78,439 shall be from the Outstanding Judgements and Warrants Account.

(4) MOTOR VEHICLE DIVISION^{18, 172, 175}

Program Costs	13,679,328				
	13,361,440				
	(391.0 FTE)				
Drivers License Documents	892,731				
	1,210,619				
License Plate Ordering	5,216,960				
	7,114,714				
License Plate System	<u>348,000</u>				
		20,137,019	19,388,653	98,579 ^a	649,787 ^b
		22,034,773	21,286,407		

^a Of this amount, \$94,018 shall be from the Auto Dealers License Fund, and \$4,561 shall be from the Ignition Interlock Fund.

^b Of this amount, \$351,669 shall be from the Distributive Data Processing Account, \$154,977 shall be from the Drivers License Revocation Account, \$46,610 shall be from fees collected pursuant to Section 42-2-116(3)(c), C.R.S., \$56,298 shall be from the Automotive Inspection and Readjustment Account, and \$40,233 shall be from the Penalty Assessment Account.

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		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
(5) MOTOR CARRIER SERVICES DIVISION¹⁷²						
Program Costs	6,379,867					
	(145.0 FTE)					
MOBILE SCALES	172,877					
Computer Replacement	260,724					
	232,435					
Controlled Maintenance - Fixed and Mobile Ports	<u>55,335</u>					
	6,695,926	657,078			6,038,848 ^a	
	6,840,514				6,183,436 ^a	

^a This amount shall be from the Highway Users Tax Fund.

(6) SPECIAL PURPOSE¹⁷²

(A) Vehicle Emissions

Program Costs	1,034,438				1,034,438 ^a	
					(16.5 FTE)	

^a This amount shall be from the Automobile Inspection and Readjustment Account.

(B) Motor Vehicle Dealer Licensing Board

Program Costs	1,251,203	1,251,203 ^a
		(23.2 FTE)

^a This amount shall be from the Auto Dealers License Fund.

(C) Traffic Safety Program

100,000	100,000(T) ^a
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^a This amount shall be from federal funds appropriated in the Office of Transportation Safety, Colorado Department of Transportation.

(D) Data Processing Services

Distributive Data Processing	4,185,130	
	(27.5 FTE)	
Titles	1,362,897	
	(42.4 FTE)	
	<u>5,548,027</u>	5,548,027 ^a

^a Of this amount, \$5,148,683 shall be from the Distributive Data Processing Account, \$247,232 shall be from the Central Indexing Fund, and \$152,112(T) shall be from the Department of State.

(E) Motor Carrier Safety Assistance Program

292,123	292,123
	(8.5 FTE)

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			GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
	\$	\$	\$	\$	\$	\$	\$
(F) Hazardous Materials Permitting Program	142,394					142,394(T) ^a (4.0 FTE)	
(G) Mineral Audit Program	563,834 (10.0 FTE)					43,322(T) ^a	520,512 ^b
(H) Cigarette Tax Rebate	17,100,000		17,100,000 ^a				

^a This amount shall be from the Hazardous Materials Safety Fund.

^a Of this amount, \$1,546 shall be from the Oil and Gas Conservation Fund and \$41,776 shall be from the State Land Board Administration Fund.

^b Included in this amount is \$77,021 in indirect cost recoveries.

^a For purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution these moneys are included for informational purposes as they are continuously appropriated by a permanent statute or constitutional provision and, therefore, are not subject to the limitation of General Fund appropriations as set forth in Section 24-75-201.1, C.R.S.

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^b This amount shall be from the Debt Collection Fund.

(9) LIQUOR ENFORCEMENT DIVISION ¹⁷²

Personal Services and Operating Expenses	1,203,844 (20.5 FTE)	298,268		905,576 ^a		
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^a This amount shall be from the Liquor Enforcement Cash Fund.

(10) STATE LOTTERY DIVISION¹⁷²

Fixed Costs	9,890,819 (128.0 FTE)					
Travel	139,111					
Leased Space	399,128					
Capitol Complex Leased Space	4,768					
Indirect Cost Assessment	313,534					
Marketing and Communications	9,160,532					

Vendor Fees	8,632,560 ^a		
Prizes	148,014,000^a		
	215,000,000 ^a		
Retailer Compensation	15,293,940^a		
	27,362,700 ^a		
Ticket Costs	3,880,250		
	<u>4,109,525</u>		
	195,728,642		195,728,642^b
	275,012,677		275,012,677 ^b

^a For purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution these moneys are included for informational purposes as they are continuously appropriated by a permanent statute or constitutional provision.

^b This amount shall be from the State Lottery Fund.

(11) LIMITED GAMING DIVISION¹⁷²

Program Costs	24,701,162		24,701,162^a
	20,808,853		20,808,853 ^a
			(73.5 FTE)

^a This amount shall be from the Limited Gaming Fund. For purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution these moneys are included for informational purposes as they are continuously appropriated by a permanent statute or constitutional provision.

(12) DIVISION OF RACING EVENTS^{172, 172b}

Program Costs	2,261,482
	2,274,482
	(37.2 FTE)
Racetrack Applications	25,000
Purses and Breeders	810,000 ^a

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		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
Fair Circuit Race Days ¹⁷⁷	98,313					
	49,156					
	<u>(1.3 FTE)</u>					
	3,194,795	2,359,795		835,000 ^b		
	3,158,638	2,323,638				

^a For purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution these moneys are included for informational purposes as they are continuously appropriated by a permanent statute or constitutional provision.

^b Of this amount, \$25,000 shall be from racetrack applications and \$810,000 shall be from racing tax revenues for the Supplemental Purses and Breeders Awards program.

TOTALS PART XIX

(REVENUE)^{2,3,4}	\$340,412,943	\$95,016,522^a		\$29,591,378	\$214,992,408^b	\$812,635
	<u>\$418,799,392</u>	<u>\$98,003,889^a</u>		<u>\$25,698,744^b</u>	<u>\$294,284,124^b</u>	

^a Of this amount, \$27,500,000 is included as information for purposes of complying with the limitation on state fiscal year spending imposed by Article X, Section 20 of the State Constitution. As this amount is continuously appropriated by a permanent statute or constitutional provision it is not subject to the limitation of General Fund Appropriations as set forth in Section 24-75-201.1, C.R.S.

^b ~~Of this amount~~ THESE AMOUNTS, \$1,878,585 contains a (T) notation, and ~~\$7,195,871~~ \$7,226,122 is from the Highway Users Tax Fund subject to Section 43-4-201(3)(a), C.R.S.

FOOTNOTES -- The following statements are referenced to the numbered footnotes throughout section 2.

2 (Governor lined through this provision. See L. 97, p. 2263.)

3 All Departments, Totals -- The General Assembly requests that copies of all reports requested in other footnotes contained in this act be delivered to the Joint Budget Committee and the majority and minority leadership in each house of the General Assembly.

4 (Governor lined through this provision. See L. 97, p. 2263.)

18 Department of Corrections, Correctional Industries; and Department of Revenue, Motor Vehicle Division -- The Department of Corrections is requested to submit to the Joint Budget Committee quarterly reports which outline the license plate production level, by type, for the preceding quarter, as well as an estimate of the next quarter's anticipated production level as compared to actual orders received. The Department of Revenue is requested to submit to the Joint Budget Committee quarterly reports which outline the license plate inventory on hand, by county, as of the end of each quarter, as well as the estimated license plate demand of each county for the next quarter. The Joint Budget Committee requests that the Department of Revenue submit a quarterly report beginning September 30, 1998 detailing their progress in the development of a license plate production system, which adheres to their objective of reducing the inventory levels of license plates and tabs in the counties to an amount equal to one quarter's usage by June 30, 2000.

148 Department of Human Services, Office of Information Technology Services, Year 2000 Date Change; Department of Labor and Employment, Executive Director's Office, Year 2000 Date Change; Department of Law, Administration, Year 2000 Project; Department of Public Health and Environment, Information Technology Services, Year 2000 Projects; and Department of Revenue, Information Technology Division, Year 2000 Programming -- It is the intent of the General Assembly that moneys in this line be restricted by the State Controller until the Commission on Information Management has reviewed and approved the Department's Year 2000 implementation plan.

171 Department of Revenue, Executive Director's Office -- It is the intent of the General Assembly that the Department of Revenue submit a report to the Joint Budget Committee by November 1, 1997, detailing vacancy savings and POTS being

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utilized to provide funding in the Reinvestment Reserve.

172 Department of Revenue, All Sections -- The Department's line item appropriations have been based upon and are subject to the Memorandum of Understanding between the Department of Revenue and the Joint Budget Committee of the General Assembly, which memorandum was signed by the Executive Director of the Department and the Chairman of the Joint Budget Committee. The Memorandum of Understanding is on file at the office of the Joint Budget Committee. The intent of the Memorandum is to make the Department more cost-effective through new and continued line item consolidation in order to maximize productivity by using existing and reduced staff and funding levels to prioritize assignments and responsibly perform statutorily required functions. The Department will maintain accounting records which will delineate actual expenditures for the consolidated line items based on the FY 1988-89 appropriation line items.

172a Department of Revenue, Taxpayers Service Division -- The General Assembly and the Department of Revenue recognize that there is a need to improve taxpayer telephone service delivery. To this end the Department of Revenue will reallocate an equivalent of 5.0 FTE to improve telephone service delivery during FY 1997-98 and especially during income tax season in calendar year 1998. The Taxpayer Service Division has 3.0 FTE not funded through its vacancy savings rate and an additional 1.4 FTE held vacant to fund other operating costs. Through internal reallocation of resources in FY 97-98, the Department will fully fill all of these authorized FTE and will utilize temporary and contractual services to maximize telephone service delivery during peak workload periods. This reallocation will not diminish current service levels in other areas of the Taxpayer Service Division. The Department of Revenue will report its reallocation plan to the Joint Budget Committee by November 1, 1997. In addition, the Department of Revenue will submit a report to the Joint Budget Committee by November 1, 1997 outlining long-term recommendations to achieve optimum levels of telephone service

delivery. The report will address the issues of number of trunk lines carrying incoming traffic, number of additional agents needed, estimated queue wait times, and system configuration.

- 172b Department of Revenue, Division of Racing Events, Program Costs -- The travel expense and dues appropriation line items allocated to the Colorado Racing Commission within the Division of Racing Events has been reduced by \$19,080.
- 173 Department of Revenue, Executive Director's Office, System Design -- It is the intent of the General Assembly that the Department utilize contract labor and that no new FTE be hired for this project.
- 174 Department of Revenue, Information Technology Division -- It is the intent of the General Assembly that the Department submit a decision item to the Joint Budget Committee when an appropriation request reflects a 5% increase from the prior year's base appropriation for purchases of services from Computer Center-Pueblo and purchases of services from Computer Center-GGCC.
- 175 Department of Revenue, Motor Vehicle Division -- It is the intent of the General Assembly that the Department of Revenue, Motor Vehicle Division, submit a zero base budget request for FY 1998-99 to the Joint Budget Committee by November 1, 1997.
- 176 Department of Revenue, Special Purpose, Reinvestment Reserve -- It is the intent of the General Assembly that the Department be allowed to reduce other line item appropriations in order to fund the Reinvestment Reserve line item. To this end, and in accordance with the Memorandum of Understanding between the Department and the Joint Budget Committee, the Department shall submit a Reinvestment Reserve plan to the Committee, in conjunction with its report as required under paragraph 6(b)(1) of the Memorandum of Understanding. The plan shall identify the sources of funds proposed for transfer to the Reinvestment Reserve. It is the intent of the General Assembly that the Joint Budget Committee be briefed by the Department on past, current, and future uses of the Reinvestment Reserve and lump sum flexibility on a quarterly basis. Based on its agreement with the plan submitted by the Department, the Joint Budget Committee shall support a supplemental appropriation to implement the proposal. Any funds thus appropriated to the Reinvestment Reserve in FY 1997-98 shall remain available for expenditure through the fiscal year ending June 30, 1999.
- 177 Department of Revenue, Division of Racing Events, Fair Circuit Race Days -- These funds are appropriated to support the

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Fair Circuit Race program. The Division may transfer these funds and FTE to the Division's Program Cost line. The Division should report the expenditures on the Fair Circuit Program to the Joint Budget Committee by November 1, 1997.

SECTION 2. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: March 12, 1998