



Colorado General Assembly  
Joint Budget Committee

# Joint Budget Committee Staff

## FY 2016-17 Budget Briefing Summary

### Department of Regulatory Agencies

The Department of Regulatory Agencies is responsible for consumer protection carried out through regulatory programs that license, establish standards, approve rates, investigate complaints, and conduct enforcement through over 40 boards, commissions, and advisory committees across more than 50 professions, occupations, programs, and institutions. The Department is organized in the following 10 predominantly cash-funded divisions: (1) Executive Director's Office; (2) Banking; (3) Civil Rights; (4) Consumer Counsel; (5) Financial Services; (6) Insurance; (7) Public Utilities Commission; (8) Real Estate; (9) Professions and Occupations; and (10) Securities. The Department's FY 2015-16 appropriation represents 0.3 percent of statewide operating appropriations and 0.2 percent of statewide General Fund appropriations.

### FY 2015-16 Appropriation and FY 2016-17 Request

Department of Regulatory Agencies						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2015-16 Appropriation</b>						
S.B. 15-234 (Long Bill)	\$88,429,145	\$1,923,405	\$80,144,441	\$4,875,289	\$1,486,010	583.6
Other legislation	<u>148,422</u>	<u>0</u>	<u>148,422</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$88,577,567</b>	<b>\$1,923,405</b>	<b>\$80,292,863</b>	<b>\$4,875,289</b>	<b>\$1,486,010</b>	<b>583.6</b>
<b>FY 2016-17 Requested Appropriation</b>						
FY 2015-16 Appropriation	\$88,577,567	1,923,405	\$80,292,863	\$4,875,289	\$1,486,010	583.6
R1 Annualize terms of new lease agreement	(2,374,717)	(97,037)	(1,964,299)	(272,917)	(40,464)	0.0
NPI FY 2016-17 Secure Colorado	19,193	0	19,193	0	0	0.0
NPI Annual fleet vehicle request	17,980	0	17,980	0	0	0.0
NPI Resources for administrative courts	11,794	533	11,261	0	0	0.0
Annualize prior year legislation	24,419	0	24,419	0	0	1.9
Indirect cost assessment	8,198	0	22,066	0	(13,868)	0.0
Centrally appropriated line items	(1,107,781)	(53,828)	(1,055,690)	17,674	(15,937)	0.0
Annualize prior year funding	<u>(22,154)</u>	<u>4,446</u>	<u>(20,785)</u>	<u>(5,814)</u>	<u>(1)</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$85,154,499</b>	<b>\$1,777,519</b>	<b>\$77,347,008</b>	<b>\$4,614,232</b>	<b>\$1,415,740</b>	<b>585.5</b>
<b>Increase/(Decrease)</b>	<b>(\$3,423,068)</b>	<b>(\$145,886)</b>	<b>(\$2,945,855)</b>	<b>(\$261,057)</b>	<b>(\$70,270)</b>	<b>1.9</b>
Percentage Change	(3.9%)	(7.6%)	(3.7%)	(5.4%)	(4.7%)	0.3%

## Summary of Issues Presented to the Joint Budget Committee

**New Lease for Department:** The Department of Regulatory Agencies requests a reduction of \$2,374,171 total funds, including \$97,037 General Fund, \$1,964,299 Cash Funds, \$272,917 Reappropriated Funds, and \$40,464 Federal Funds for its Leased Space line item. The Department has signed a new 10-year lease from FY 2016-17 through FY 2026-27 at their current location of 1560 Broadway in Denver that includes significant cost savings in the first year of the lease.

**Broadband Deployment Board:** The Department of Regulatory Agencies' Broadband Deployment Board (Board) was created "to promote the state policy of providing universal access to broadband services...if competition for local exchange services fails to deliver broadband service throughout the state." (Section 40-15-509.5 (2), C.R.S.) The Board administers the Broadband Fund (Fund), created in Section 40-15-509.5 (4) (a), C.R.S., which is used to award grants for broadband development in unserved areas of Colorado.

**Colorado Health Insurance Cooperative Failure:** The Colorado Health Insurance Cooperative, also known as Colorado HealthOP, was created as a Consumer Operated and Oriented Plan (CO-OP) under the federal Patient Protection and Affordable Care Act (ACA). The Division of Insurance (DOI) will not allow Colorado HealthOP (HealthOP) to offer policies to consumers in 2016 because the insurance provider did not meet its statutorily required minimum capital and surplus levels to remain in operation. (Section 10-3-201 (1) (V), C.R.S.)

## For More Information

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**To read the entire briefing:** [http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/2015-16/REGbrf.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/2015-16/REGbrf.pdf)