



Colorado General Assembly  
Joint Budget Committee

# Joint Budget Committee Staff

## FY 2014-15 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 41 boards, commissions, and advisory committees across more than 50 professions, occupations, programs, and institutions. The Department is organized in the following 10 predominantly cash-funded divisions: (1) Executive Director's Office; (2) Banking; (3) Civil Rights; (4) Consumer Counsel; (5) Financial Services; (6) Insurance; (7) Public Utilities Commission; (8) Real Estate; (9) Professions and Occupations; and (10) Securities. The Department's FY 2013-14 appropriation represents 0.4 percent of statewide operating appropriations and 0.02 percent of statewide General Fund appropriations.

### FY 2013-14 Appropriation and FY 2014-15 Request

Department of Regulatory Agencies						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2013-14 Appropriation</b>						
SB 13-230 (Long Bill)	\$80,850,194	\$1,703,494	\$73,318,346	\$4,504,371	\$1,323,983	\$560
Other Legislation	<u>334,518</u>	<u>0</u>	<u>334,518</u>	<u>0</u>	<u>0</u>	<u>12.8</u>
<b>TOTAL</b>	<b>\$81,184,712</b>	<b>\$1,703,494</b>	<b>\$73,652,864</b>	<b>\$4,504,371</b>	<b>\$1,323,983</b>	<b>572.7</b>
<b>FY 2014-15 Requested Appropriation</b>						
FY 2013-14 Appropriation	\$81,184,712	1,703,494	\$73,652,864	\$4,504,371	\$1,323,983	572.7
R1 New Vehicles for PUC	0	0	0	0	0	0.0
R2 Operating Expenses Reduction	(30,000)	0	(30,000)	0	0	0.0
Non-prioritized requested changes	239,775	9,498	230,277	0	0	0.0
Centrally appropriated line items	1,776,129	12,006	1,602,380	166,673	(4,930)	0.0
Statewide IT common policy adjustments	742,926	37,736	705,190	0	0	0.0
Annualize prior year funding	230,738	11,992	225,120	(1,719)	(4,655)	7.9
Indirect cost assessment	76,074	0	74,354	0	1,720	0.0
Fund source adjustments	<u>0</u>	<u>(380)</u>	<u>26,640</u>	<u>(26,260)</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$84,220,354</b>	<b>\$1,774,346</b>	<b>\$76,486,825</b>	<b>\$4,643,065</b>	<b>\$1,316,118</b>	<b>580.6</b>
<b>Increase/(Decrease)</b>	\$3,035,642	\$70,852	\$2,833,961	\$138,694	(\$7,865)	7.9
Percentage Change	3.7%	4.2%	3.8%	3.1%	(0.6%)	1.4%

## Summary of Issues Presented to the Joint Budget Committee

**Voluntary Licensure of Private Investigators Program:** The Department of Regulatory Agencies continues to experience an increasing negative fund balance for the Voluntary Licensure of Private Investigators Program due to the low number of licensees and particularly due to the voluntary nature of the licensing program.

**Insurance Premium Tax Diversions as a Revenue Source for Wildfire Funds:** Senate Bill 13-270 added a provision to allow appropriations by the General Assembly to the Wildfire Emergency Response Fund and the Wildfire Preparedness Fund in the Department of Public Safety from Insurance Premium Tax collections prior to their being credited to the General Fund. Discussions with staff from the Office of Legislative Legal Services and the Department suggest that the provision might be clarified to better delineate the budget mechanism intended for funding the Division of Insurance and the intended diversion to external program cash funds.

**An Assessment of the Colorado Health Benefit Exchange Sustainability Funding Model:** This issue brief presents an overview and assessment of the long-term sustainability plan for funding for the Colorado Health Benefit Exchange (Exchange). The Exchange's pricing model excludes information technology (IT) infrastructure depreciation which may underprice services and create the need for additional state-provided capital funding in the future.

## For More Information

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To read the entire briefing: [http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/2013-14/regbrf.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/2013-14/regbrf.pdf)