

AGENDA
FY 2007-08 Joint Budget Committee Hearing
Department of Regulatory Agencies

Monday, January 8, 2007
9:00 a.m. - 10:30 a.m.

General Issues

Please provide answers to the following questions regarding the Department's performance measures.

1. Do the goals and performance measures correspond to the program's directives provided in statute?
2. Are the performance measures meaningful to stakeholders, policymakers, and managers?
3. Does the Department use a variety of performance measures (including input, output, efficiency, quality, outcome)?
4. Do the performance measures cover all key areas of the budget?
5. Are the data collected for the performance measures valid, accurate, and reliable?
6. Are the performance measures linked to the proposed budget base?
7. Is there a change or consequence if the Department's performance targets are not met?

Please provide answers to the following questions regarding H.B. 06S-1023 and H.B. 06S-1009.

8. Provide a list of programs in your department that are subject to the provisions the two bills.
9. How has your department implemented the provisions of the two bills? What problems have been encountered in implementing them?
10. Provide an estimate of the costs your department will incur in FY 2006-07 to implement the bills. Are any additional costs anticipated in FY 2007-08? If so, please elaborate.
11. Provide a summary of anticipated savings in FY 2006-07 in your department as a result of not providing services to individuals who are in the country illegally. Are any additional savings anticipated in FY 2007-08? If so, please elaborate.

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Please provide an answer to the following question regarding the proposal to eliminate "Cash Funds Exempt" in the Long Bill.

12. Please provide the Joint Budget Committee with a summary of any potential concerns that your department may have regarding the proposed change to the Long Bill format. Please highlight potential issues such as: implementation challenges, workload issues, and other related concerns.

General Questions for the Department

13. Why is the Division of Civil Rights centralized in the Denver office? Is the state providing civil rights services to areas outside the Denver office effectively and efficiently? Where are civil rights issues most prevalent in frequency? Where are civil rights issues most prevalent based on population? Are citizens located outside of the greater-Denver vicinity being provided adequate protection by the division?
14. Why did the Division of Registrations restructure in August 2006? Did this reorganization result in a whole new level of bureaucracy? How does it meet the Department's organizational goals? Has the restructure been effective? In what way?
15. A November 2006 report conducted by Channel 9 News indicated that there were actions taken by a program director within the Division of Registrations which are a conflict of interest. Can the Department provide further clarification regarding this report? What has the Department done to ensure that actions of this will not occur in the future?

Department Overview

16. Please speak to how the Department interacts with the Department of Law with respect to billing practices for used for legal services.

Decision Items

17. Regarding Decision Item #1, the Document Imaging System, is this part of the e-mail consolidation initiative that has been requested by Department of Personnel?
18. Are *pay day loan* organizations regulated by the Division of Financial Services?
19. Regarding Decision Items #2 and #3, which request additional FTE, what will the time-lag be from when candidates are hired to getting them in the field? Where will the FTE be located – Denver, a satellite location, elsewhere? Also, what will the impact be if these FTE

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are not approved?

20. What are the Department's vacancy savings through December 31, 2006? How have vacancy savings been expended?
21. How can you add three cars to state fleet and have it be less expensive than using two? Who pays for gas and maintenance of car pool vehicles? Who pays for gas and maintenance of fleet vehicles within the departments? Does this request include additional funds to pay for the gas and maintenance of the requested vehicles? If not, how do these costs get billed to the department and how will the department pay for them?

Issue #1: Department of Regulatory Agencies Performance Measures

22. Regarding the Public Utilities Committee's meetings held throughout Colorado, does the PUC anticipate holding more of these meetings? Would holding 10 percent more meetings per year constitute an effective performance measure?

Issue #2: Document Imaging System (DI #1)

23. The decision item includes a request for 40 hours of consulting services as well as associated conversion consultant travel costs (estimated to be \$13,500). The Integrated Document Services (IDS) group, within the Department of Personnel and Administration, Division of Central Services possesses conversion services. Did the Department explore the possibility of utilizing IDS's conversion services in lieu of external consulting services? Please justify this request for these professional services.
24. Could the costs of the system be offset by revenue-generating opportunities such as providing document imaging assets to subscribers or online content sales?
25. What type of documents are converted to digital? Who, or what entities, would be interested in purchasing documents housed within the Document Imaging System? Does the department believe there is opportunity to cash fund this process? If so, how much revenue could be generated?

Issue #3: Office of Expedited Settlement Staffing Increase (DI #3)

26. What are the costs associated with those cases which are referred by the Office of Expedited Settlement (OES) to the Office of Attorney General (OAG) in terms of the overlapping costs of both the OES and the OAG when transferring the case from one office to the other?

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27. With regards to cases seen both by the OES and OAG, what is the nature of these cases which give cause to the various boards first recommending the case to the OES, but which are ultimately referred to the OAG? Are there any measures the Department can take to assist the various boards with more effective case assignment procedures?
28. The Division of Registrations has witnessed an increase in the complexity of cases requiring legal services. Does the Division recognize any trends within the respective industries which may account for the increase in the complexity of cases, and thus increased legal services expenditures?
29. Are all cases referred to the Office of Expedited Settlement handled equally? Are there any cases which are given preference over other cases? If so, what criteria are used to prioritize the order in which cases are addressed? Would it be feasible to implement a risk-based approach to handling cases which are processed through the OES?
30. Why did the number of cases referred by the Office of Expedited Settlement to the Office of the Attorney General more than double from 20 to 48 between fiscal years 2004-05 and 2004-05?
31. Can the public search files for past experiences (actions taken against them) for a professional they are dealing with?
32. Did creation of OES result in a reduction in legal services to DORA? Did creation of OES slow the growth of legal services cost in the department? If so, can the department estimate by how much the growth was slowed?
33. Does the Department have a projection of anticipated cases in FY 2007-08?