

JOINT BUDGET COMMITTEE

STAFF BUDGET BRIEFING SUMMARY



FY 2022-23

STATE OF COLORADO

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MEMORANDUM

TO: Members of the General Assembly

FROM: Joint Budget Committee

SUBJECT: FY 2022-23 Budget Briefing Summary

DATE: January 12, 2022

For the past two months, Joint Budget Committee (JBC) staff have been briefing the JBC on each executive and judicial department's budget request for FY 2022-23. The staff briefing is a written and oral presentation aimed at stimulating discussion about each department's operations and budget, issues of efficiency and effectiveness, and the budget-related policy issues. During the briefing, JBC members identify issues they want to discuss during a formal hearing with each department's executive director. This hearing allows the department to discuss its budget and policy priorities with the Committee. We thank all of you who joined us for these staff briefings and department hearings.

This report summarizes departments' operating budget requests for FY 2022-23, as well as the Governor's requests for capital projects. Individual sections for each department provide:

- an overview of the department's responsibilities;
- the department's FY 2022-23 operating budget request compared to FY 2021-22 appropriations, including a brief description of each requested incremental funding change; and
- a summary of issue briefs presented by JBC staff.

For more detailed information, you can access individual staff briefing documents online: <http://leg.colorado.gov/content/budget>

We have also included a JBC staff assignment list at the end of this report. JBC staff are available to help you with any questions you might have about department budgets and operations. We hope this budget briefing summary will help you become familiar with the FY 2022-23 budget requests and major issues that impact the State budget. We look forward to working with you over the next few months to craft the State budget for FY 2022-23.

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OVERVIEW OF FY 2022-23 BUDGET REQUESTS

SUBMISSION OF BUDGET REQUESTS

On Monday November 1, the Governor submitted his FY 2022-23 budget request. The Governor's annual request is a comprehensive plan that is comprised of several elements:

- Amounts requested by Executive Branch agencies for ongoing operations, to be appropriated through the annual general appropriation act (the "Long Bill");
- Placeholders for amounts that will be appropriated for ongoing operations of the Legislative Branch, the Judicial Branch, and those Executive Branch agencies that operate under another elected official (i.e., the Departments of Law, State, and Treasury);
- Amounts the Governor is requesting to fund state facilities and infrastructure;
- Amounts that will be distributed or transferred pursuant to existing constitutional or statutory requirements; and
- Place holders for amounts that the Governor is proposing be appropriated or transferred through separate legislation.

The Governor's FY 2022-23 budget request is based on the most recent revenue forecast prepared by the Office of State Planning and Budgeting (September 2021).

Each of the eight Judicial Branch agencies, the Attorney General, the Secretary of State, and the State Treasurer all submit their own budget requests for the ongoing operations of their respective agencies. These requests are not reviewed by OSPB, and they typically differ from the place holder amounts that are included in the Governor's budget request.

DEPARTMENT REQUESTS FOR ONGOING OPERATIONS

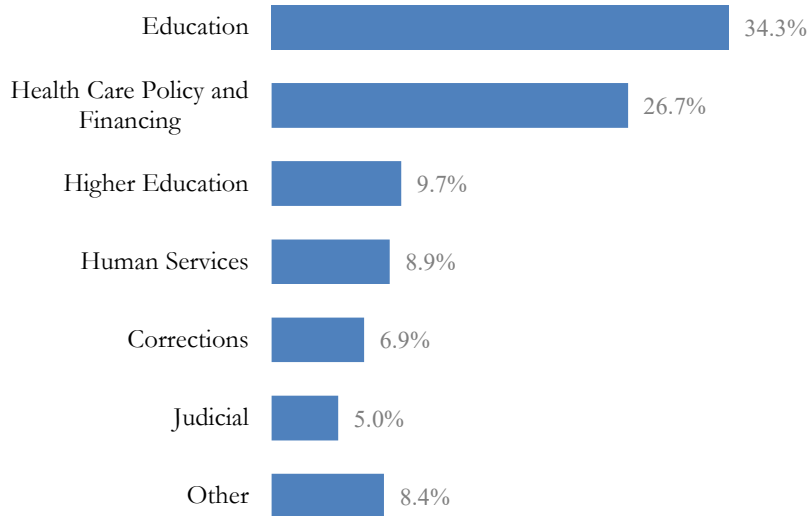
BASELINE: EXISTING FY 2021-22 OPERATING APPROPRIATIONS

The existing *FY 2021-22* budget that supports state government operations includes General Fund appropriations totaling \$12.5 billion. As illustrated in the first graphic on the next page, over 90 percent of General Fund appropriations are concentrated in six departments.

However, when all fund sources that are reflected in the State budget are included, the distribution changes due to other sources of state funding and federal funding available to some departments.

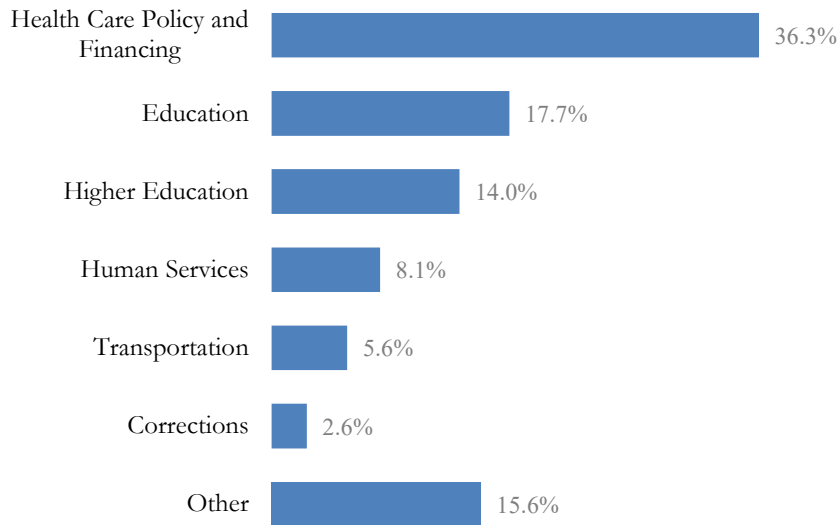
- The two departments with the largest share of appropriations change places due to the significant amount of federal funds that support the Medicaid program, which is administered by the Department of Health Care Policy and Financing (HCPF). Thus, HCPF is ranked first in total appropriations. However, please note that local tax revenues provide significant support for public schools, and these funds are not reflected in the State budget. For example, the FY 2021-22 appropriation for the State Share of Districts' Total Program Funding was predicated on \$3.1 billion in local tax revenues being available for public school operations.
- The Department of Transportation ranks fifth in total appropriations, and the Judicial Branch ranks seventh.

Distribution of General Fund by Department



Based on the FY 2021-22 appropriation.

Distribution of Total Funds by Department



Based on the FY 2021-22 appropriation.

MID-YEAR CHANGES TO FY 2021-22 BUDGET

The Governor's budget request reflects a \$96.8 million decrease in General Fund appropriations, expenditures, and transfers for FY 2021-22. This is comprised of two types of mid-year adjustments:

- A decrease of \$100.9 million General Fund for anticipated supplemental operating requests. This includes: (a) \$112.1 million decrease in appropriations to HCPF based on revised projections of Medicaid program expenses; and (b) an increase of \$11.2 million for other potential mid-year appropriation adjustments.
- An additional transfer of \$4.1 million General Fund to the Capital Construction Fund for an interim capital request from the Department of Human Services for suicide mitigation at the Colorado Mental Health Institute at Pueblo; this request was approved by the Capital Development Committee and the Joint Budget Committee in September 2021.

REQUESTS FOR FY 2022-23 FOR ONGOING OPERATIONS

Table 1 summarizes the current operating budget for FY 2021-22, and the incremental changes requested by each department for FY 2022-23. The table is sorted by the General Fund changes requested by each agency, with those agencies requesting the largest dollar increases listed first.

	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
TOTAL	\$36,561,535,496	\$12,512,320,709	\$10,403,762,530	\$2,212,370,469	\$11,433,081,788	62,016.8
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$36,561,535,496	\$12,512,320,709	\$10,403,762,530	\$2,212,370,469	\$11,433,081,788	62,016.8
Health Care Policy and Financing	266,305,199	648,815,165	40,151,241	4,910,011	(427,571,218)	71.5
Treasury	100,787,392	100,787,639	(6,903)	6,656	0	7.0
Governor	144,800,583	85,320,321	(7,119,849)	16,519,744	50,080,367	76.5
Higher Education	41,970,161	60,038,677	(64,998,172)	46,643,437	286,219	20.1
Judicial	58,487,597	49,447,188	(1,419,566)	1,918,112	8,541,863	154.5
Public Health and Environment	31,794,900	40,853,897	(18,257,441)	673,782	8,524,662	103.1
Corrections	22,151,446	22,979,901	(1,118,025)	(179,538)	469,108	(10.0)
Public Safety	17,020,813	11,014,248	3,943,857	(4,570,457)	6,633,165	120.8
Education	344,506,180	8,894,569	330,911,158	3,729,403	971,050	11.4
Human Services	(410,755,841)	7,581,882	(89,030,157)	(8,682,516)	(320,625,050)	100.8
Personnel	9,273,333	5,766,737	(1,933,116)	5,439,712	0	15.9
Law	8,219,578	4,185,589	(16,164)	3,319,288	730,865	18.6
Labor and Employment	(34,911,537)	2,140,385	(42,662,223)	87,303	5,522,998	6.0
Revenue	18,792,356	2,101,695	16,677,704	(85,641)	98,598	34.9
State	4,592,801	1,836,451	2,299,001	457,349	0	(0.7)
Agriculture	8,324,746	1,195,949	7,089,349	42,633	(3,185)	5.4
Military and Veterans Affairs	1,742,086	1,182,527	5,536	0	554,023	1.0
Natural Resources	19,149,717	385,810	18,174,857	385,580	203,470	27.1
Regulatory Agencies	7,584,406	138,613	7,168,136	554,939	(277,282)	19.5
Legislature	0	0	0	0	0	0.0
Transportation	(576,944,187)	0	(579,665,679)	50,000	2,671,492	(2.0)
Local Affairs	(154,705,607)	(14,245,045)	(138,773,145)	(2,082,401)	394,984	4.2

TABLE 1
REQUESTED CHANGES IN APPROPRIATIONS FOR FY 2022-23, BY DEPARTMENT AND FUND SOURCE
SORTED BY INCREMENTAL GENERAL FUND CHANGE

	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$36,489,721,618	\$13,552,742,907	\$9,885,182,929	\$2,281,507,865	\$10,770,287,917	62,802.4
INCREASE/(DECREASE)	(\$71,813,878)	\$1,040,422,198	(\$518,579,601)	\$69,137,396	(\$662,793,871)	785.6
Percentage Change	(0.2%)	8.3%	(5.0%)	3.1%	(5.8%)	1.3%

¹ Includes General Fund Exempt.

Overall, the total appropriations requested from all fund sources for FY 2022-23 represent a reduction of \$71.8 million (0.2 percent) compared to FY 2021-22 appropriations. This change includes increases of \$1,040.4 million General Fund (8.3 percent) and \$69.1 million reappropriated funds (3.1 percent), which are more than offset by decreases in cash funds (\$518.6 million; 5.0 percent) and federal funds (\$662.8 million; 5.8 percent).

While Table 1 focuses on requested incremental increases, Table 2 details the total appropriations requested by each department for FY 2022-23.

TABLE 2
SUMMARY OF BUDGET REQUESTS FOR FY 2022-23
SUBMITTED NOVEMBER 1, 2021

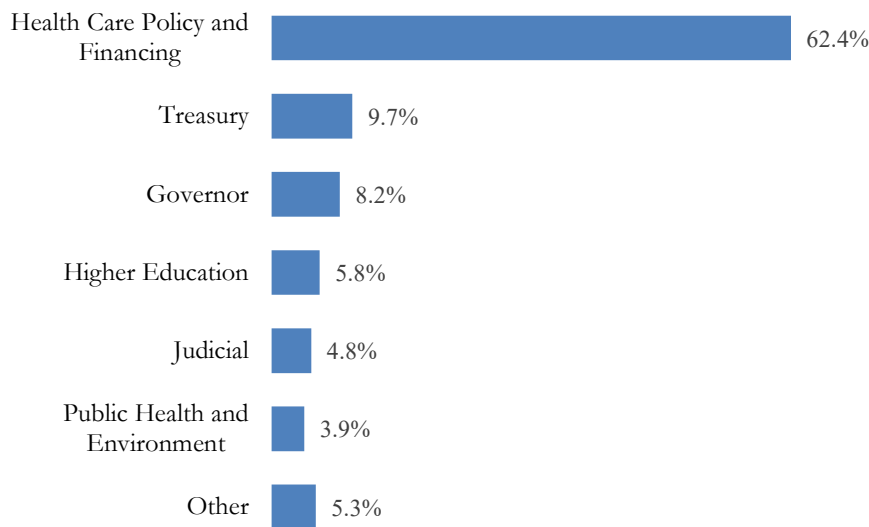
DEPARTMENT	TOTAL FUNDS	GENERAL FUND ¹	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Agriculture	\$68,112,791	\$14,598,143	\$46,943,462	\$2,623,496	\$3,947,690	308.4
Corrections	983,460,798	890,627,559	45,171,598	44,260,108	3,401,533	6,303.9
Education ¹	6,824,616,570	4,303,007,408	1,848,814,387	51,068,681	621,726,094	625.8
Governor	590,676,442	149,548,315	77,731,139	306,549,159	56,847,829	1,265.7
Health Care Policy and Financing ¹	13,546,099,239	3,995,530,891	1,635,634,663	92,584,435	7,822,349,250	672.9
Higher Education ¹	5,157,800,023	1,276,268,818	2,829,091,410	1,026,742,188	25,697,607	26,569.3
Human Services	2,546,882,914	1,115,834,328	459,032,988	220,243,425	751,772,173	5,295.2
Judicial	915,873,387	673,656,199	173,790,500	55,459,825	12,966,863	5,161.5
Labor and Employment	317,073,099	22,537,153	101,893,286	6,523,796	186,118,864	1,321.9
Law	111,995,824	20,491,624	19,960,526	68,326,421	3,217,253	578.8
Legislature	61,410,959	59,667,762	311,958	1,431,239	0	386.3
Local Affairs ¹	316,890,400	42,885,309	177,149,261	14,302,555	82,553,275	209.7
Military and Veterans Affairs	140,393,679	12,948,679	1,669,188	124,920	125,650,892	2,516.9
Natural Resources	353,204,606	37,721,289	280,472,824	7,925,759	27,084,734	1,549.5
Personnel	227,415,126	25,832,554	11,573,392	190,009,180	0	425.3
Public Health and Environment ¹	717,288,160	132,952,831	212,241,222	47,796,866	324,297,241	1,680.7
Public Safety	562,478,441	184,899,538	252,601,162	49,972,035	75,005,706	2,092.3
Regulatory Agencies	134,232,938	3,005,622	123,419,932	6,194,510	1,612,874	655.0
Revenue	448,511,238	143,614,470	295,349,285	8,384,299	1,163,184	1,661.1
State	37,791,204	2,107,811	35,226,044	457,349	0	146.5
Transportation	1,485,315,675	0	834,912,724	5,528,096	644,874,855	3,327.0
Treasury	942,198,105	445,006,604	422,191,978	74,999,523	0	48.8
OPERATING TOTAL	\$36,489,721,618	\$13,552,742,907	\$9,885,182,929	\$2,281,507,865	\$10,770,287,917	62,802.4

¹ Includes General Fund Exempt.

In many years, those departments that receive the largest allocation of General Fund appropriations request increases in General Fund appropriations that are commensurate with their size. The requests for FY 2022-23 do not reflect this pattern. Specifically:

- HCPF's requested increase represents nearly two-thirds of the total increase, while its current General Fund appropriations represent a little over one-third of the total;
- the Departments of Education and Corrections are not among the top six in terms of incremental increases; and
- the General Fund appropriation requests for the offices of the State Treasurer and the Governor, and for the Department of Public Health and Environment, are large relative to their share of existing General Fund appropriations.

Distribution of Requested General Fund Increase



Based on November 1 budget requests for FY 2022-23.

As illustrated above, over 60 percent of the total requested increase in General Fund appropriations is for HCPF. **Nearly half of HCPF's requested \$648.8 million General Fund increase is based on the anticipated out-year impact of legislation and budget actions from previous years.** These primarily include the following:

- \$183.5 million for budget actions related to the federal American Rescue Plan Act (ARPA);
- \$57.3 million for S.B. 21-213 (Use of Increased Medicaid Match);
- \$26.7 million for S.B. 21-286 (Distribution of Federal Funds HCBS); and
- \$10.5 million for a budget action adding 667 enrollments onto the Adult Comprehensive Waiver for individuals with intellectual and developmental disabilities.

The remaining requested increase is primarily based on HCPF's projections of the number of individuals eligible for Medicaid throughout FY 2022-23, the utilization and cost of medical services provided to eligible individuals, and the State's share of funding for these services. A total of \$306.6 million General Fund is requested through HCPF's first five prioritized requests (R1 through R5) for this purpose.

While the Department of Education is only requesting an \$8.9 million increase in its General Fund appropriations for FY 2022-23, it is requesting a \$330.9 million increase in cash fund appropriations. As discussed later in this document, **the Governor is proposing transferring \$450.0 million from the General Fund to the State Education Fund to cover part of the proposed increase for FY 2022-23 and the related ongoing costs for the following two fiscal years.**

The **State Treasurer’s office is requesting a relatively large increase of \$100.8 million in General Fund appropriations for FY 2022-23.** This primarily includes:

- \$87.0 million for an adjustment related to lease purchase payments authorized under S.B. 17-267; and
- A \$12.0 million increase for county reimbursements required for the Senior Citizen and Disabled Veteran Property Tax Exemption.

The **overall request for the Governor’s offices reflects an \$85.3 million increase in General Fund appropriations.** This primarily includes:

- \$66.0 million for the Office of Information Technology’s request (R1) to modernize aging IT systems; and
- \$32.5 million for the Office of Economic Development and International Trade’s second priority request (R2) to establish a public-private partnership office.

The above requested increases are offset by the elimination of one-time funding that was provided for FY 2021-22 based on HB 20-1399 (Suspend Limited Gaming Tax Transfers to Cash Funds) and SB 21-229 (Rural Jump-start Zone Grant Program).

Finally, the executive request includes a number of significant statewide common policy proposals for FY 2022-23 that affect individual department requests.

- The Governor is proposing an across-the-board salary increase for state employees, plus additional funding to ensure that all employees are paid a minimum of \$15.00 per hour or the minimum salary based on the adjusted salary range for their position.
- The Governor’s budget proposal includes funding for the State share of the Family and Medical Leave Insurance Program premiums, which begin in January 2023.
- The Governor is proposing a 1.0 percent across-the-board increase in community provider rates.

The incremental changes requested by each department are addressed in more detail in the individual department sections that follow this overview section.

GOVERNOR’S REQUESTS THAT REQUIRE STATUTORY CHANGES

Some requests that are included within departments’ ongoing operating requests will require statutory changes. For these items, JBC Staff understands that the Governor is requesting that the JBC consider setting aside funding within the Committee’s budget proposal for these items and that the JBC consider sponsoring the associated bills. In the next section of this document, which describes individual department requests, JBC Staff have indicated when a request item requires a statutory change.

The Governor’s budget proposal also includes funding that is anticipated to be required for future budget submissions and several pieces of legislation that will be sponsored by other legislators. These “place holders” are listed in Table 3. The top portion of the table identifies amounts that would be appropriated, and the bottom portion includes proposed transfers from the General Fund to other funds.

For FY 2021-22, these place holders would reduce General Fund appropriations by \$100.9 million. This includes a projected \$112.1 million reduction in General Fund appropriations for the Medicaid program, and \$11.2 million General Fund that is set aside to cover other potential positive mid-year adjustments to appropriations.

For FY 2022-23, these place holders would increase appropriations by \$103.4 million and increase transfers out of the General Fund by \$1,413.1 million. Most of these proposed transfers and many of the proposed appropriations would be one-time only and would not continue into FY 2023-34.

TABLE 3 GOVERNOR'S PROPOSED GENERAL FUND PLACE HOLDERS			
DEPARTMENT	DESCRIPTION	FY 2021-22	FY 2022-23
<i>Appropriations:</i>			
Various	Supplemental requests and budget amendments	\$11,200,000	\$25,000,000
Health Care Policy and Financing	Projected supplemental request for Medicaid program	(112,069,336)	0
	Legislation and budget adjustments for non-Executive agencies	0	24,000,000
	Legislation and budget adjustments for Legislature	0	15,000,000
	Behavioral Health Administration	0	10,000,000
Higher Education	Boosting Non-Degree Credentials through Area Technical Colleges, Community Colleges, Adult Education, and DPOS	0	7,000,000
Labor and Employment	Leveraging Data to Identify High-ROI Investments for Business Expansion and Good Jobs	0	7,000,000
Early Childhood (new department)	Department of Early Childhood Administration	0	5,130,152
Labor and Employment	Finding Workers - Navigational Services and Outreach	0	5,000,000
Human Services	Division of Youth Services Youth Employment	0	1,100,000
Corrections	Fire Mitigation Equipment for Inmate Fire Team	0	1,100,000
Higher Education	The Amplifier - Career Aligned Virtual English Language Learning	0	1,000,000
Labor and Employment	State of Colorado Skills-Based Hiring Transition	0	700,000
Corrections	Recidivism Initiatives - Restorative Justice Pilot	0	700,000
Corrections	Recidivism Initiatives - TakeTWO Expansion	0	700,000
Subtotal: Appropriations		(\$100,869,336)	\$103,430,152
<i>Transfers:</i>			
Labor and Employment	Unemployment Insurance Trust Fund Premium Relief	\$0	\$500,000,000
Education	Transfer to State Education Fund to "Pre-pay" for Budget Stabilization Buy-down for FY 2023-24 and FY 2024-25	0	300,000,000
Education	Reduction in Budget Stabilization Factor	0	150,000,000
Public Health and Environment (CDPHE)/ Governor - Colorado Energy Office (CEO)	Electric School Bus Investment	0	150,000,000
Labor and Employment	FAMLI - "Pre-pay" State's Employer contribution for Family and Medical Leave (for FY 2023-24 and FY 2024-25)	0	57,500,000
CEO	Clean Air Grants	0	50,000,000
Transportation/CEO	Ozone Season Transit Fares	0	28,000,000
Local Affairs/CEO	Investments in Strong Cities [Green Infrastructure]	0	28,000,000
CEO	Clean Air Equity Building Investment	0	25,000,000
State	Business Registrations	0	16,700,000
Public Safety	Community Based Competitive and Targeted Grants	0	16,500,000
CDPHE	Low Emission Trucks	0	15,000,000
CEO	Electric Bike Rebates & Ride Share	0	12,000,000

TABLE 3 GOVERNOR'S PROPOSED GENERAL FUND PLACE HOLDERS			
DEPARTMENT	DESCRIPTION	FY 2021-22	FY 2022-23
Regulatory Agencies	Nurse License Fees	0	10,700,000
Public Safety	Crime Prevention through Safer Streets Grant Program	0	10,300,000
Public Safety	Workforce Recruitment, Expansion, Retention	0	8,000,000
CDPHE	Oil & Gas Aerial and Localized Monitoring	0	7,000,000
Revenue	Sales Tax Compliance Assistance for Small Businesses	0	5,000,000
Governor's Office of Economic Development and International Trade	Economic Development for Just Transition Communities	0	5,000,000
Public Safety	Young Offender Intervention and Prevention Pilot Program Grants	0	4,100,000
Revenue	Division of Motor Vehicles - Driver's License Fee	0	3,900,000
Regulatory Agencies	Mental Health Professionals License Fees	0	3,400,000
CDPHE	Assisted Living Fees	0	3,100,000
Public Safety	School Safety Resources Grants	0	2,000,000
CDPHE	Nursing Home License Fees	0	700,000
CDPHE	Healthcare Facilities Licensure	0	500,000
Public Safety	Project Oversight	0	400,000
CEO	Buildings GHG Reduction Rulemaking	0	200,000
Public Safety	Statewide Crime Prevention Forum	0	100,000
Subtotal: Transfers		\$0	\$1,413,100,000
TOTAL		(\$100,869,336)	\$1,516,530,152

GOVERNOR'S PLACEHOLDERS FOR INFRASTRUCTURE

Finally, the Governor's budget proposal includes a total of \$424.1 million General Fund to be transferred to transportation-related cash funds and the Capital Construction Fund for infrastructure investments. Table 4 summarizes the proposed transfers.

TABLE 4 GOVERNOR'S PROPOSED FY 2022-23 GENERAL FUND TRANSFERS FOR INFRASTRUCTURE		
DEPARTMENT	DESCRIPTION	GENERAL FUND
<i>Transportation:</i>		
Transportation	Burnham Yards NEPA & Front Range Rail	\$10,000,000
Transportation	Multimodal Main Streets [Transit]	40,000,000
Subtotal: Transportation		\$50,000,000
<i>Capital Construction:</i>		
Controlled Maintenance	Levels I, II, and III	\$124,813,237
Various	Capital Renewal Projects	110,690,155
Various	Capital Construction Projects	72,604,274
	Place holder for budget amendment related to Capital Project(s)	40,800,000
Various	Capital IT Projects	6,771,969
	Place holder for budget amendment related to Capital IT Project	23,500,000
	Funds available in the Capital Construction Fund	(5,047,497)
Subtotal: Capital Construction		\$374,132,138
TOTAL		\$424,132,138

SUMMARY

Based on the budget requests submitted November 1, 2021, the General Assembly will be considering proposed changes in General Fund expenditures or transfers totaling \$2.9 billion during the 2022 legislative session. Table 5 summarizes these changes based on the nature of the request. The next section of this document provides more detail concerning the \$1.0 billion in requested changes in General Fund operating appropriations for FY 2022-23.

TABLE 5

SUMMARY OF REQUESTED GENERAL FUND CHANGES REFLECTED IN THE BUDGET REQUESTS SUBMITTED BY THE GOVERNOR, INDEPENDENT ELECTED OFFICIALS, AND JUDICIAL BRANCH AGENCIES¹

FY 2021-22: Proposed Mid-year Changes	
Governor's Planned FY 2021-22 Supplemental Operating Requests for Medicaid Program	(\$112,069,336)
Governor's Place Holder for Other Potential FY 2021-22 Supplemental Operating Appropriation Requests	11,200,000
Additional FY 2021-22 Transfer of General Fund to Capital Construction Fund for an Interim Supplemental Request approved by Capital Development Committee and Joint Budget Committee	4,113,216
Subtotal	(\$96,756,120)
FY 2022-23: Incremental Changes Requested	
Requested Changes in Appropriations for FY 2022-23 (Table 1)	\$1,040,422,198
Governor's Placeholders for Legislative Proposals That Are Not Included in Department Budget Requests (Table 3)	1,516,530,152
Governor's Requests for FY 2022-23 for Capital Projects (Table 4)	424,132,138
Subtotal	\$2,981,084,488
TOTAL	\$2,884,328,368

¹ This table excludes General Fund changes that are required under current law, including rebates and expenditures and statutorily authorized transfers.

Department of Agriculture

The Department of Agriculture regulates, promotes and supports various agricultural activities throughout Colorado. Department personnel perform a wide range of services including: regulatory and inspection services relating to agriculture; investigations and hearings; standardizing, grading, inspecting, labeling, handling, storage, and marketing of agricultural products; and agriculture-related policy analysis. The Department's FY 2021-22 appropriation represents approximately 0.2 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF AGRICULTURE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	58,933,586	13,102,515	39,299,333	2,580,863	3,950,875	300.5
Other legislation	854,459	299,679	554,780	0	0	2.5
TOTAL	\$59,788,045	\$13,402,194	\$39,854,113	\$2,580,863	\$3,950,875	303.0
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$59,788,045	13,402,194	\$39,854,113	\$2,580,863	\$3,950,875	303.0
R1 Agriculture emergency coordinator	167,821	101,200	36,751	29,870	0	0.9
R2 Enhancing resources for bureau of animal protection	418,350	418,350	0	0	0	2.8
R3 Colorado hemp decortication	5,072,735	0	5,072,735	0	0	0.8
R4 State fair spending authority increase	647,281	0	647,281	0	0	0.0
R5 San Luis Valley well monitoring	385,000	0	385,000	0	0	0.0
R6 Improve agricultural pest response	90,471	0	90,471	0	0	0.9
R7 Agriculture licensing and registration system	247,800	0	247,800	0	0	0.0
Non-prioritized decision items	1,731	201	1,530	0	0	0.0
Centrally appropriated line items	1,255,073	619,654	635,419	0	0	0.0
Indirect cost assessment	183,023	0	173,700	12,508	(3,185)	0.0
Annualize prior year budget actions	(68,258)	89,300	(157,813)	255	0	1.0
Annualize prior year legislation	(76,281)	(32,756)	(43,525)	0	0	(1.0)
TOTAL	\$68,112,791	\$14,598,143	\$46,943,462	\$2,623,496	\$3,947,690	308.4
INCREASE/(DECREASE)	\$8,324,746	\$1,195,949	\$7,089,349	\$42,633	(\$3,185)	5.4
Percentage Change	13.9%	8.9%	17.8%	1.7%	(0.1%)	1.8%

R1 AGRICULTURE EMERGENCY COORDINATOR: The request includes an increase of \$167,821 total funds, including \$101,200 General Fund, \$36,751 cash, and \$29,870 reappropriated in FY 2022-23 and 0.9 FTE to hire an Agriculture Emergency Coordinator. The request annualizes to \$171,771 total funds, including \$101,202 General Fund and 1.0 FTE in FY 2023-24 and beyond. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R2 ENHANCING RESOURCES FOR BUREAU OF ANIMAL PROTECTION: The FY 2022-23 request includes an increase of \$418,350 General Fund and 2.8 FTE to hire two Bureau of Animal Protection Investigators and one Veterinary Forensic Specialist. The request annualizes to \$437,540 General Fund and 3.0 FTE in FY 2023-24 and beyond. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R3 COLORADO HEMP DECORTICATION: The request includes a one-time appropriation of \$5,072,735 from the Marijuana Tax Cash Fund for FY 2022-23, with an additional request that the appropriation include roll forward

authority. The request seeks to set up a grant program for private companies in order to defray the upfront costs up purchasing hemp decortication machines. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R4 STATE FAIR SPENDING AUTHORITY INCREASE: The request includes an increase of \$647,281 in cash fund spending authority from the State Fair Authority Cash Fund for FY 2022-23 and beyond. The spending authority increase is requested in order to comply with audit recommendations and adapt to increasing labor and maintenance costs. The Department indicates that funding is for the expansion of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R5 SAN LUIS VALLEY WELL MONITORING: The FY 2022-23 request includes a one-time increase of \$385,000 cash funds from the Plant Health, Pest Control, and Environmental Protection Cash Fund in order to install a water quality well monitoring network in the San Luis Valley. The request also includes roll forward authority for the appropriation. The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R6 IMPROVE AGRICULTURAL PEST RESPONSE: The FY 2022-23 request includes an increase of \$90,471 cash funds and 0.9 FTE, including \$75,471 from the Plant Health, Pest Control, and Environmental Protection Cash Fund and \$15,000 from the Emergency Invasive Pest Response Fund for pesticide enforcement and invasive pest control. This request annualizes to \$88,416 cash fund and 1.0 FTE in FY 2023-24. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R7 AGRICULTURE LICENSING AND REGISTRATION SYSTEM: The FY 2022-23 request includes an increase of \$247,800 cash funds, including \$123,900 from the Plant Health, Pest Control, and Environmental Protection Cash Fund and \$123,900 from the Inspection and Consumer Services Cash Fund to upgrade the Departments regulatory software to the Food and Drug Administration’s multi-state licensing tool called the System for Agriculture, Food, Health, E-Inspections, and Registration (SAFHER). The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$1,731 total funds, including \$201 General Fund, for adjustments related to budget requests from the Department of Personnel for its annual fleet vehicle request, paid family leave, and the Governor’s Office of Information Technology package of request items for FY 2022-23.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid Family Medical Leave Act Funding	\$41,536	\$14,023	\$27,513	\$0	\$0	0.0
OIT Budget package	5,694	4,095	1,599	0	0	0.0
DPA CSEAP Resources	2,691	1,632	1,059	0	0	0.0
Annual fleet vehicle request	(48,190)	(19,549)	(28,641)	0	0	0.0
TOTAL	\$1,731	\$201	\$1,530	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$626,749	\$211,167	\$415,582	\$0	\$0	0.0
Payments to OIT	229,262	164,871	64,391	0	0	0.0
Legal services	117,811	22,558	95,253	0	0	0.0
Health, life, and dental	102,957	100,993	1,964	0	0	0.0
Payment to risk management and property funds	96,026	58,221	37,805	0	0	0.0
Paid family medical leave initiative	42,824	14,457	28,367	0	0	0.0
AED	32,681	25,406	7,275	0	0	0.0
SAED	32,681	25,406	7,275	0	0	0.0
CORE adjustment	24,734	3,841	20,893	0	0	0.0
Shift differential	5,744	54	5,690	0	0	0.0
ALJ services	4,733	0	4,733	0	0	0.0
Short-term disability	1,326	882	444	0	0	0.0
Workers' compensation	(37,295)	(7,376)	(29,919)	0	0	0.0
PERA Direct Distribution	(25,160)	(826)	(24,334)	0	0	0.0
TOTAL	\$1,255,073	\$619,654	\$635,419	\$0	\$0	0.0

INDIRECT COST ASSESSMENT: The request includes a net increase to indirect costs across the Department.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The FY 2022-23 request includes a net decrease of \$68,258 total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 R3 Budget and op efficiency	\$89,300	\$89,300	\$0	\$0	\$0	1.0
FY 19-20 Industrial Hemp	(155,700)	0	(155,700)	0	0	0.0
FY 21-22 R2 Hemp Enforcement FTE	(1,858)	0	(2,113)	255	0	0.0
TOTAL	(\$68,258)	\$89,300	(\$157,813)	\$255	\$0	1.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$76,281 total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 PERA unfunded liability	\$92,488	\$31,233	\$61,255	\$0	\$0	0.0
HB 21-1242 ADCRO	2,326	2,326	0	0	0	0.0
HB 21-1301 Cross pollination prevention	(104,780)	0	(104,780)	0	0	(1.0)
SB 21-087 Ag workers' rights	(66,315)	(66,315)	0	0	0	0.0
TOTAL	(\$76,281)	(\$32,756)	(\$43,525)	\$0	\$0	(1.0)

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R3 COLORADO HEMP DECORTICATION: This issue discusses the establishment of a grant program to expand hemp decortication in the state. The request is for a one time appropriation of \$5,072,735 cash funds from the Marijuana Tax Cash Fund for FY 2022-23. The grant program seeks to offer an anticipated three grants to private companies to help defer the upfront costs of purchasing hemp decortication machines.

R4 STATE FAIR AUTHORITY INCREASE: This issue discusses an ongoing cash fund spending authority increase of \$647,281, beginning in FY 2022-23, from the State Fair Authority Cash Fund. This requested increase is intended to address audit concerns, fairgrounds maintenance, and temporary staffing levels.

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Department of Corrections

The Department of Corrections is responsible for the following activities:

- Managing, supervising, and controlling the correctional facilities operated and supported by the State;
- Supervising the population of offenders placed in the custody of the Department, including inmates in prison, parolees, and transition inmates who are placed into community corrections programs and other community settings;
- Planning for the projected, long-range needs of the institutions under the Department's control; and
- Developing educational programs, treatment programs, and correctional industries within the facilities that have a rehabilitative or therapeutic value for inmates and supply necessary products for state institutions and other public purposes, as provided by law.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF CORRECTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	959,986,433	866,975,862	46,289,623	43,788,523	2,932,425	6,306.6
Other legislation	1,322,919	671,796	0	651,123	0	7.3
TOTAL	\$961,309,352	\$867,647,658	\$46,289,623	\$44,439,646	\$2,932,425	6,313.9
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$961,309,352	867,647,658	\$46,289,623	\$44,439,646	\$2,932,425	6,313.9
R1 Prison caseload	(670,837)	(663,927)	(6,910)	0	0	(6.4)
R2 Medical caseload	575,610	575,610	0	0	0	0.0
R3 Long-term compassionate care	702,187	168,575	64,201	0	469,411	0.0
R4 K-9 drug detection program	304,268	304,268	0	0	0	1.8
R5 Increased food service costs	1,068,363	1,068,363	0	0	0	0.0
R6 Victim services notification	31,888	31,888	0	0	0	0.0
R7 Suspend five year sentencing	0	0	0	0	0	0.0
R8 Technical adjustments	0	0	0	0	0	0.0
R9 Provider rate increase	1,150,981	1,114,483	0	36,498	0	0.0
Centrally appropriated line items	14,882,649	14,592,312	286,738	3,599	0	0.0
Non-prioritized decision items	2,316,328	2,313,216	3,112	0	0	0.0
Annualize prior year legislation	2,209,464	3,031,598	(757,104)	(65,030)	0	3.2
Technical adjustments	278,107	473,896	(195,789)	0	0	0.0
Annualize prior year budget actions	(614,646)	(113,297)	(501,349)	\$0	\$0	(8.6)
Indirect cost assessment	(82,916)	82,916	(10,924)	(154,605)	(303)	0.0
TOTAL	\$983,460,798	\$890,627,559	\$45,171,598	\$44,260,108	\$3,401,533	6,303.9
INCREASE/(DECREASE)	\$22,151,446	\$22,979,901	(\$1,118,025)	(\$179,538)	\$469,108	(10.0)
Percentage Change	2.3%	2.6%	(2.4%)	(0.4%)	16.0%	(0.2%)

R1 PRISON CASELOAD: The Department requests a decrease of \$670,837 total funds and 6.4 FTE in FY 2022-23, reducing prison capacity by 3 male private prison beds and 80 female state prison beds. The request annualizes to a reduction of \$702,836 General Fund and 7.0 FTE in FY 2023-24. The request assumes that the prison population will increase by 2,018 from June 2021 to June 2023. Much of this increase will be absorbed by existing vacancies; the budget for FY 2021-22 assumed a vacancy rate of 10.0 percent for male beds, whereas the FY 2022-23 budget assumes

a vacancy rate of 2.5 percent. Caseload assumptions will be updated during figure setting following the December 2021 prison population forecasts from Legislative Council Staff and the Division of Criminal Justice.

R2 MEDICAL CASELOAD: The Department requests an increase of \$575,610 General Fund in FY 2022-23. The request aims to align medical appropriations with updated inmate population projections and a reduced need for Hepatitis C treatment for newly-admitted inmates.

R3 LONG-TERM COMPASSIONATE CARE: The Department requests an increase of \$702,187 total funds, including \$168,575 General Fund, starting in FY 2022-23. The request aims to guarantee 10 beds in a privately-run nursing facility for elderly and indigent inmates, using a combination of General Fund and cash funds for a 50.0 percent match for federal Medicaid reimbursements. The requested amount of state funds does not match the amount for federal funds because the Department assumed \$236,633 in savings for a reduced prison population of 10 beds. The Department expects the program will eventually reach a population of 30 to 40, which would require additional General Fund appropriations. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R4 K-9 DRUG DETECTION PROGRAM: The Department requests an increase of \$304,268 General Fund and 1.8 FTE for FY 2022-23, which would annualize to \$199,831 GF and 2.0 FTE for FY 2023-24. This funding would support a K-9 program—four handlers and four dogs—aimed at detecting narcotics and other contraband. Per the Department, there has been an increase in drug trafficking and use, leading to staff injuries, inmates injuries and deaths, and a general decline in safety within the prison system. The requested K-9 units would supplement existing tactics to reverse this trend. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R5 INCREASED FOOD SERVICE COSTS: The Department requests an increase of \$1,068,363 General Fund starting in FY 2022-23. This includes a \$700,701 increase in milk costs due to the closure of the Colorado Correctional Industries (CI) dairy operation. When the dairy operation closed, the Department had to contract with an outside vendor to purchase and deliver milk at a higher cost than the CI operation. The remainder of the requested increase accounts for an expected 2.2 percent inflationary increase in food costs.

R6 VICTIM SERVICES NOTIFICATION: The Department requests an increase of \$31,888 General Fund to pay for postage expenses related to the implementation of H.B. 19-1064 (Victim Notification Criminal Proceedings). The bill eliminated the requirement for victims to opt-in to receive notifications regarding the offender's status and movement (e.g. parole hearings, referrals to community corrections). The Department assumed that this requirement would apply after May 28, 2019. However, the Office of the Attorney General interpreted that the requirement was retroactive, hence the Department's request for increased funding to provide more notifications than it originally expected. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R7 SUSPEND FIVE YEAR SENTENCING [REQUIRES LEGISLATION]: The Department requests that the JBC sponsor legislation to suspend Section 2-2-703, C.R.S., for three years. Briefing Issue 1 discusses this request in greater detail. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R8 TECHNICAL ADJUSTMENTS: The Department requests a net zero reallocation of \$2.5 million federal funds from the Correctional Industries division to the Business Operations division.

R9 PROVIDER RATE INCREASE: The Department requests an increase of \$1,150,981 total funds, including \$1,114,483 General Fund, for the 1.0 percent statewide common policy provider rate increase.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$14,882,649 total funds for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$12,322,248	\$12,016,673	\$305,575	\$0	\$0	0.0
Health, life, and dental	1,825,871	1,854,579	(28,708)	0	0	0.0
Risk management and property funds	1,217,777	1,190,133	27,644	0	0	0.0
DPA Paid family leave	861,098	840,117	20,981	0	0	0.0
PERA Direct Distribution	514,182	510,593	3,589	0	0	0.0
Legal services	475,793	464,992	10,801	0	0	0.0
CORE	78,233	70,879	3,755	3,599	0	0.0
Payments to OIT	42,681	42,510	171	0	0	0.0
Shift differential	(1,263,959)	(1,269,709)	5,750	0	0	0.0
Workers' compensation	(797,850)	(779,739)	(18,111)	0	0	0.0
AED	(194,388)	(172,429)	(21,959)	0	0	0.0
SAED	(194,388)	(172,429)	(21,959)	0	0	0.0
Short-term disability	(4,374)	(3,662)	(712)	0	0	0.0
Capitol Complex leased space	(275)	(196)	(79)	0	0	0.0
TOTAL	\$14,882,649	\$14,592,312	\$286,738	\$3,599	\$0	0.0

NON-PRIORITIZED DECISION ITEMS: The request includes a net increase of \$2.3 million for the following decision items originating in other agencies.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid Family Medical Leave Act	\$2,025,459	\$2,025,459	\$0	\$0	\$0	0.0
Vehicle lease payments	153,784	153,784	0	0	0	0.0
OIT Budget package	108,909	106,437	2,472	0	0	0.0
DPA CSEAP resources	28,176	27,536	640	0	0	0.0
TOTAL	\$2,316,328	\$2,313,216	\$3,112	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$2.2 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB18-200 PERA unfunded liability	\$1,917,119	\$1,869,574	\$47,545	\$0	\$0	0.0
SB 21-069 License plate expiration	246,970	0	0	246,970	0	0.0
SB 21-138 Brain injury support	170,564	170,564	0	0	0	0.1
HB 20-1153 CO quality jobs	80,389	885,038	(804,649)	0	0	1.5
SB 21-146 Improve prison release	42,324	42,324	0	0	0	0.3
HB 21-1209 Eligibility youth off.	35,972	35,972	0	0	0	0.6
SB 21-193 Protect pregnant people	28,126	28,126	0	0	0	0.7
SB 21-076 Electronic 3rd-party sales	(312,000)	0	0	(312,000)	0	0.0
TOTAL	\$2,209,464	\$3,031,598	(\$757,104)	(\$65,030)	\$0	3.2

TECHNICAL ADJUSTMENTS: The request includes a net increase of \$278,107 total funds, including an increase of \$473,896 for lease escalator and depreciation lease payments.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net decrease of \$614,646 total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 20-21 Restore restorative justice budget balancing action	\$75,000	\$75,000	\$0	\$0	\$0	1.2
FY 20-21 Restore volunteers budget balancing action	0	480,002	(480,002)	0	0	0.0
FY 21-22 BA2 Align prison caseload	(665,949)	(665,949)	0	0	0	(9.8)
Annualize prior year salary survey	(23,697)	(2,350)	(21,347)	0	0	0.0
TOTAL	(\$614,646)	(\$113,297)	(\$501,349)	\$0	\$0	(8.6)

INDIRECT COST ASSESSMENT: The request includes a net decrease in the Department’s indirect cost assessments.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

FIVE-YEAR SENTENCING: This issue discusses five-year statutory appropriations required by law.

JAIL COST ANNUAL REPORTING: This brief highlights recent developments in the jail per-diem rate and the jail population. It also provides JBC staff’s input on statutorily-required annual cost reporting to the JBC by county jails.

PAROLE BOARD GENERAL DISCUSSION: The purpose of this issue is to provide the Committee with an opportunity to ask questions directly to the Parole Board by summarizing the Board’s duties and highlighting a couple of recent issues.

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Department of Education

The Department of Education supports the State Board of Education in its duty to exercise general supervision over public schools, including accrediting public schools and school districts. The Department distributes state and federal funds to school districts, and it administers a variety of education-related programs, including educator licensure, education programs for children with special needs, English language proficiency programs, the Colorado Preschool Program, and a variety of grant programs. The Department develops and maintains state model content standards, and administers associated assessments. The Department also includes three independent agencies: (1) the Board of Trustees for the Colorado School for the Deaf and the Blind; (2) the State Charter School Institute Board, which is responsible for authorizing and monitoring institute charter schools; and (3) the Public School Capital Construction Assistance Board, which is responsible for assessing public school capital construction needs statewide and making recommendations concerning the prioritization of state financial assistance for school construction projects. The Department's FY 2021-22 appropriation represents approximately 17.7 percent of statewide operating appropriations and 34.4 percent of statewide General Fund appropriations. Most of this funding is distributed on a formula basis for school finance and categorical programs. Programs other than school finance and categorical programs, including administration, grants, the School for the Deaf and the Blind, and library programs, comprise \$1.1 billion of the Department's \$6.5 billion total funds appropriation and less than \$0.2 billion of the Department's \$4.3 billion General Fund appropriation.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
FY 2021-22 Long Bill	5,847,545,486	3,786,903,022	1,401,687,125	38,200,295	620,755,044	608.6
SB 21-268 Public School Finance	496,754,361	483,354,361	11,400,000	2,000,000	0	2.3
Other legislation	135,810,543	23,855,456	104,816,104	7,138,983	0	3.5
TOTAL	\$6,480,110,390	\$4,294,112,839	\$1,517,903,229	\$47,339,278	\$620,755,044	614.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$6,480,110,390	4,294,112,839	\$1,517,903,229	\$47,339,278	\$620,755,044	614.4
R1 State share of total program increase	381,244,420	0	381,244,420	0	0	0.0
R2 Categorical programs increase	13,370,425	0	13,370,425	0	0	0.0
R3 Operating expenses for the State Board of Education	124,497	124,497	0	0	0	0.5
R4 Departmental infrastructure	648,145	551,972	96,173	0	0	6.2
R5 CSI mill levy equalization	20,000,000	10,000,000	0	10,000,000	0	0.0
R6 Expanding resources for school improvement	2,000,000	2,000,000	0	0	0	0.0
R7 Empowering parents with information	526,315	526,315	0	0	0	1.8
R8 CSDB teacher salary increase	288,614	288,614	0	0	0	0.0
R9 CCDB dishwashing machine	65,000	65,000	0	0	0	0.0
Nonprioritized requests	74,633	71,935	1,021	1,677	0	0.0
Centrally appropriated line items	1,335,848	127,659	(259,252)	590,030	877,411	0.0
Annualize prior year legislation	(75,169,668)	(4,861,423)	(63,541,629)	(6,860,255)	93,639	2.9
Annualize prior year budget actions	(2,049)	0	0	(2,049)	0	0.0
TOTAL	\$6,824,616,570	\$4,303,007,408	\$1,848,814,387	\$51,068,681	\$621,726,094	625.8
INCREASE/(DECREASE)	\$344,506,180	\$8,894,569	\$330,911,158	\$3,729,403	\$971,050	11.4
Percentage Change	5.3%	0.2%	21.8%	7.9%	0.2%	1.9%

R1 STATE SHARE OF TOTAL PROGRAM INCREASE (REQUIRES LEGISLATION): The request includes a net increase of \$381.2 million cash funds (including an increase of \$458.9 million from the State Education Fund that is partially offset by a reduction of \$77.6 million from the State Public School Fund) for the state share of districts’ total program funding. Based on the Office of State Planning and Budgeting (OSP) September 2021 Revenue Forecast, and including OSPB’s projection of local revenues, the proposal would: (1) increase statewide average per pupil funding by \$526 (5.8 percent); and (2) decrease the dollar value of the BSF by \$150.0 million (from \$571.2 million in FY 2021-22 to \$421.2 million in FY 2022-23). The request assumes that the BSF will remain at that level in subsequent years. The Committee should note that the request includes proposal to transfer a total of \$450 million from the General Fund to the State Education Fund in FY 2021-22, intended to support reduction to the BSF for FY 2022-23 through FY 2024-25 with appropriations of \$150 million per year. The Office of State Planning and Budgeting indicates that the request would increase funding for an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R2 CATEGORICAL PROGRAMS INCREASE (REQUIRES LEGISLATION): Amendment 23 requires the General Assembly to increase total state funding for all categorical programs (in aggregate) by at least the rate of inflation in FY 2022-23. The request, based on the OSPB-projected inflation rate for CY 2021 (3.7 percent), seeks an increase of \$13.4 million cash funds from the State Education Fund to support the required increase. The request proposes to allocate the increase among six programs. The following table shows the requested allocation of additional funds by program. The Committee should note that the request includes \$375,000 that the Governor’s Office is proposing to provide to the State Charter School Institute (CSI) for a new school designed to primarily serve students with disabilities. It is staff’s assumption that specifically providing funding to the CSI as requested would require separate legislation. See Appendix C for a discussion of the Department’s response to a request for information associated with categorical funding.

R2 REQUESTED INCREASES IN STATE FUNDING FOR CATEGORICAL PROGRAMS				
LONG BILL LINE ITEM	FY 2021-22 APPROPRIATION	FY 2022-23 REQUEST	CHANGE IN STATE FUNDING	PERCENT CHANGE
Special Education - Children with Disabilities	\$220,154,633	\$227,859,864	\$7,705,231	3.5%
English Language Proficiency Program	25,257,742	27,548,555	2,290,813	9.1%
Public School Transportation	62,771,962	64,867,777	2,095,815	3.3%
Career and Technical Education Programs	28,244,361	29,519,166	1,274,805	4.5%
Special Education - Gifted and Talented Children	12,994,942	12,994,942	0	0.0%
Expelled and At-risk Student Services Grant Program	9,493,560	9,497,972	4,412	0.0%
Small Attendance Center Aid	1,314,250	1,314,676	426	0.0%
Comprehensive Health Education	1,131,396	1,130,319	(1,077)	-0.1%
Total	\$361,362,846	\$374,733,271	\$13,370,425	3.7%

R3 OPERATING EXPENSES FOR THE STATE BOARD OF EDUCATION: The request includes \$124,497 General Fund and 0.5 FTE, annualizing to \$127,295 General Fund and 0.5 FTE in FY 2023-24 and ongoing, for the following costs: \$27,200 for additional funding for two new board members, required due to the addition of an eighth congressional district representative and an at-large member; \$39,960 for a security contract for two state troopers to staff the Board's in-person meetings (hourly contracts for twice per month meetings); \$55,862 for information technology technical support during board meetings; and other related adjustments.

R4 DEPARTMENTAL INFRASTRUCTURE: The request includes \$648,145 total funds and 6.2 FTE, including \$551,972 General Fund and \$96,173 cash funds (Public School Capital Construction Assistance Fund), annualizing to \$669,105 total funds, including \$574,932 General Fund and \$94,173 cash funds, and 6.7 FTE for additional staff to meet increased statutory requirements and serve school districts' ongoing programmatic needs. Department responsibilities have grown over the last 17 years, due largely to legislative actions, and the Department therefore requests funding for infrastructural support staff, including 2.0 purchasing agents, 0.5 human resources officers, 1.0 payroll support officer, 1.0 data and evaluation lead, 1.0 BEST regional program manager, 0.5 communications professionals, and 0.7 FTE for a senior consultant to help support the Colorado Commission on Indian Affairs. In addition, the Department proposes to add 5.0 FTE information management systems staff using existing FTE and reappropriated funds spending authority from indirect cost collections.

R5 CSI MILL LEVY EQUALIZATION: The request includes a \$10,000,000 General Fund increase, representing a 111% funding increase, for mill levy equalization for Charter School Institute (CSI) charter schools. Reappropriated funds included in the request double-count this figure. Many school districts throughout the state have received voter permission to raise local tax revenue above the approved state per-pupil operating revenue amount (PPOR). However, charter schools that are authorized by the CSI instead of their local school district do not have access to such additional local mill levy support. The General Assembly currently provides \$9.0 million General Fund to help address the disparate revenue available to CSI charter schools versus schools operating within the same region that are authorized by their local school district. The request would increase this contribution, reducing the gap in per pupil funding available for CSI schools compared to other public schools.

R6 EXPANDING RESOURCES FOR SCHOOL IMPROVEMENT: The request includes \$2,000,000 General Fund to expand access to existing and new evidence-based supports for schools identified as underperforming under the Colorado state accountability system. The increase is projected to serve an additional 38 schools every year, beyond the 21 state-identified schools and 9 districts with state-identified schools last year. Each year, the Department is unable to provide high-quality, intensive support to all schools identified by the state accountability system due to limited resources. In 2019-20, 100 schools were identified using the state accountability criteria (as opposed to the parallel, but different, federal criteria), and schools identified through the state system may only be served using state resources. The increase will allow more schools and school districts to participate in the program, with the goal of improving student outcomes.

R7 EMPOWERING PARENTS WITH INFORMATION: The request includes \$526,315 General Fund and 1.8 FTE, annualizing to \$257,763 General Fund and 2.0 FTE in FY 2023-24 and beyond, to improve data quality, accessibility, and transparency in the State's school and district dashboard, SchoolView. The request will replace the current outdated technology and make it easier for parents to find and understand and will increase accessibility for people with disabilities. The current SchoolView system was added in 2001 and uses Oracle Application Development Framework technology, which is difficult and costly for the Department to maintain. Over the past seven years, the Department has strategically improved sections of the data infrastructure to align with various modernization efforts. The additional FTE who would be added with this request will facilitate the buildout of the presentation layer of state's data warehouse, ensuring full use of the new reporting capabilities available via a previously-acquired Tableau Server. The funding will enable the State to hire a data warehouse designer/developer and will also enable the Department to contract externally for specialized skills needed to expedite the SchoolView improvement process.

R8 CSDB TEACHER SALARY INCREASE: The Colorado School for the Deaf and Blind (CSDB) requests an increase of \$288,614 General Fund to provide staff step increases and provide incentives for hard-to-fill positions, consistent with the Colorado Springs District 11 pay scale. The District 11 Board of Education and the Colorado Springs Education Association agreed to the following: a 1.5 percent increase to the salary schedule, with a B.A. teacher Step 1 salary starting at \$40,200; teachers will receive one step movement on the step system, equating to approximately a 2.0 percent increase; and teachers will receive a 3.0 percent one-time non-recurring compensation payment. The CSDB requests funding to match these adjustments.

R9 CSDB DISHWASHING MACHINE: The CSDB requests a one time appropriation of \$65,000 General Fund to replace its industrial dish washing machine. The school's current dishwashing machine is over 18 years old, and the CSDB has difficulty finding parts when the machine breaks down. For student safety, the school needs an industrial machine that sterilizes a large volume of dishes, and it does not have sufficient funds to purchase a new machine within its current budget.

NONPRIORITIZED REQUESTS: The request includes several nonprioritized requests, summarized in the table below. These requests are driven by common policy or budget requests in other departments that affect appropriations required in this department.

NONPRIORITIZED REQUESTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
Food service and housekeeping comp request	\$30,247	\$30,247	\$0	\$0	0.0
DPA Paid Family Medical Leave Act Funding	29,961	29,961	0	0	0.0
DPA CSEAP resources	7,564	7,564	0	0	0.0
OIT Budget request package	6,861	4,163	1,021	1,677	0.0
TOTAL	\$74,633	\$71,935	\$1,021	\$1,677	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally-appropriated line items, as detailed in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,563,472	\$556,834	\$191,645	\$180,315	\$634,678	0.0
Payment to risk management and property funds	265,574	265,574	0	0	0	0.0
DPA Paid family leave	106,042	37,264	13,122	12,340	43,316	0.0
Health, life, and dental	55,461	(293,673)	(103,987)	273,546	179,575	0.0
Shift differential	45,244	45,244	0	0	0	0.0
Indirect cost assessment	15,301	0	(20,063)	0	35,364	0.0
CORE adjustment	1,524	762	590	172	0	0.0
Payments to OIT	(276,781)	(167,897)	(41,212)	(67,672)	0	0.0
Legal services	(155,936)	(90,138)	(61,797)	(4,001)	0	0.0
Workers' compensation	(89,124)	(42,820)	(11,630)	(3,012)	(31,662)	0.0
PERA Direct Distribution	(55,189)	(24,807)	(46,717)	16,335	0	0.0
AED	(47,645)	(71,489)	(82,111)	91,976	13,979	0.0
SAED	(47,645)	(71,489)	(82,111)	91,976	13,979	0.0
Capitol Complex leased space	(31,302)	(12,436)	(3,749)	(3,044)	(12,073)	0.0
ALJ services	(10,338)	0	(8,554)	(1,784)	0	0.0
Short-term disability	(2,072)	(2,532)	(2,678)	2,883	255	0.0
Vehicle lease payments	(738)	(738)	0	0	0	0.0
TOTAL	\$1,335,848	\$127,659	(\$259,252)	\$590,030	\$877,411	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The appropriation includes adjustments for the out-year impacts of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1427 Cigarette tobacco and nicotine tax	\$5,000,000	\$0	\$5,000,000	\$0	\$0	0.0
SB 21-185 Supporting educator workforce in CO	1,805,454	1,805,454	0	0	0	1.4
SB18-200 PERA unfunded liability	230,660	79,922	28,371	28,728	93,639	0.0
SB 21-106 Successful high school transitions	70,037	70,037	0	0	0	0.0
HB 21-1304 Early childhood systems	1,920	1,920	0	0	0	0.1
SB 21-115 Annual funding for talking book library services	0	0	0	0	0	2.7
SB 21-207 Public School Capital Construction Assistance Fund transfer	(60,000,000)	0	(60,000,000)	0	0	0.0
SB 21-275 Child Find responsibilities	(6,888,983)	0	0	(6,888,983)	0	0.0
SB 21-274 Sustainable model to serve facility students	(6,200,000)	(6,200,000)	0	0	0	0.0
HB 21-1264 Funds workforce development increase worker skills	(5,000,000)	0	(5,000,000)	0	0	0.0
SB 21-268 Public school finance	(3,003,081)	496,919	(3,500,000)	0	0	0.0
HB 19-1002 Leadership professional development for school principals	(751,616)	(751,616)	0	0	0	(1.0)
HB 20-1032 Timing K-12 education standards review	(131,515)	(131,515)	0	0	0	0.0
SB 21-151 Literacy curriculum transparency	(70,000)	0	(70,000)	0	0	0.0
HB 21-1087 Teaching and learning conditions survey	(53,500)	(53,500)	0	0	0	0.0
HB 21-1294 K-12 Accountability systems performance audit	(52,000)	(52,000)	0	0	0	0.0
HB 08-1384 Teacher quality recruitment retention	(50,000)	(50,000)	0	0	0	0.0
HB 21-1273 CDE report on school psychologists	(35,000)	(35,000)	0	0	0	0.0
HB 21-1010 Diverse K-12 educator workforce report	(20,115)	(20,115)	0	0	0	(0.3)
SB 21-056 Expand cannabis-based medicine at schools	(15,419)	(15,419)	0	0	0	0.0
HB 21-1200 Revise student financial literacy standards	(4,888)	(4,888)	0	0	0	(0.1)
HB 21-1234 Supplemental education high impact tutoring	(1,622)	(1,622)	0	0	0	0.1
TOTAL	(\$75,169,668)	(\$4,861,423)	(\$63,541,629)	(\$6,860,255)	\$93,639	2.9

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The appropriation includes adjustments for the out-year impacts of prior year budget actions. In this department, this reflects the second year impact of FY 2021-22 salary survey awards.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

SCHOOL FINANCE ACT FUNDING PROJECTIONS: Current law requires the General Assembly to provide at least enough funding for school finance in FY 2022-23 to prevent any increase in the budget stabilization factor above the dollar amount from FY 2021-22 (\$571.2 million based on the current FY 2021-22 appropriation). Based on current Legislative Council Staff estimates of revenues and pupil counts, maintaining the budget stabilization factor at \$571.2 million in FY 2022-23 would require an additional \$152.6 million in state funding above the current FY 2021-22 appropriation. Based on those estimates, any state funding provided above that amount in FY 2022-23 would reduce the budget stabilization factor. The December 2021 revenue forecast(s) will adjust many of the underlying assumptions related to state and local revenues as well as pupil counts.

ENROLLMENT CONSIDERATIONS FOR FY 2021-22 AND BEYOND: Based on preliminary data, statewide K-12 enrollment is significantly lower than anticipated in FY 2021-22, raising questions about enrollment and associated funding requirements in future years. While the FY 2021-22 appropriation assumed that many students that were not enrolled in FY 2020-21 would return, preliminary counts indicate that has not been the case. In addition, the at-risk student count is lower than anticipated in the current year, with early data indicating that reliance on free and reduced price lunch forms may (again) be causing an undercount of the at-risk population. In addition, the number of English language learners identified statewide is lower in FY 2020-21 and lower than anticipated in the current appropriation.

SCHOOL FINANCE INTERIM COMMITTEE POTENTIAL LEGISLATION: The Legislative Interim Committee on School Finance has approved the drafting of four bills for consideration as interim committee bills for the 2022 Session. This issue brief provides a short summary of those bill concepts and potential budgetary impacts, particularly in relation to school finance funding projections included in this document.

2021 STUDENT PERFORMANCE DECLINE AND FEDERAL AND STATE ASSISTANCE: Student assessments from 2021 reflect significant reductions in learning as a result of COVID-19-related school disruptions. Over \$1.4 billion in one-time federal funds remain available to assist schools in addressing the pandemic and its aftermath, including student learning loss, representing over \$1,600 per pupil.

REQUEST R6 - EXPANDING RESOURCES FOR IMPROVING SCHOOLS: Department Request R6 is for \$2.0 million General Fund for programs to support schools deemed low-performing under the state accountability system. There is considerable uncertainty about how state and federal accountability systems will operate in FY 2022-23, and there is limited evidence on which school support programs work.

CHARTER SCHOOL INSTITUTE MILL LEVY EQUALIZATION AND REQUEST R5: The request includes a \$10,000,000 General Fund increase for Charter School Institute (CSI) Mill Levy Equalization, which, if approved, would more than double the base funding for this program.

BUILDING EXCELLENT SCHOOLS TODAY (BEST): The BEST program, the State's primary public school capital construction assistance program, has awarded \$2.8 billion in grants, including \$1.7 billion in state funds, over the last 12 years. Despite this investment, estimated state needs grew from \$13.9 billion in 2009 to \$17.0 billion in 2021.

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Office of the Governor

The Office of the Governor includes the functions associated with the Governorship (oversight of executive branch agencies, policy development, communications, and citizen support services), as well as the Office of the Lieutenant Governor, Office of State Planning and Budgeting, Office of Economic Development and International Trade, Office of Information Technology, and Colorado Energy Office. The Office's FY 2021-22 appropriation represents 1.2 percent of statewide operating appropriations and 0.5 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

GOVERNOR - LIEUTENANT GOVERNOR - STATE PLANNING AND BUDGETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	365,384,731	57,569,143	16,648,484	284,399,642	6,767,462	1,177.7
Other legislation	80,491,128	6,658,851	68,202,504	5,629,773	0	11.5
TOTAL	\$445,875,859	\$64,227,994	\$84,850,988	\$290,029,415	\$6,767,462	1,189.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$445,875,859	64,227,994	\$84,850,988	\$290,029,415	\$6,767,462	1,189.2
(GOV) R1 Staff for Governor's Office	405,822	405,822	0	0	0	6.0
(GOV) R2 Medical-financial partnership	300,000	300,000	0	0	0	1.0
(CEO) R1 Cannabis resource optimization	4,500,000	2,000,000	2,500,000	0	0	0.6
(LG) R1 Serve Colorado	165,000	165,000	0	0	0	2.0
(OEDIT) R1 Arts in Public Places	2,000,000	0	2,000,000	0	0	0.0
(OEDIT) R2 Public-private partnership Office	32,493,916	31,270,264	1,223,652	0	0	3.5
(OIT) R1 Modernizing aging IT systems	66,000,000	66,000,000	0	0	0	0.0
(OIT) R2 Testing solutions support	435,300	0	0	435,300	0	3.8
(OIT) R3 Veterans cybersecurity apprentices	356,153	0	0	356,153	0	3.0
(OIT) R4 PEAK call center staff	0	0	0	0	0	10.0
(OIT) R5 Interagency spending authority	14,793,497	0	0	14,793,497	0	28.0
Technical adjustments	10,202,504	0	(39,797,496)	0	50,000,000	2.1
Centrally appropriated line items	5,955,772	1,494,576	408,134	3,983,190	69,872	0.0
Prior year legislation	4,496,458	(16,846,762)	26,464,200	(5,120,980)	0	6.0
Prior year budget actions	1,430,304	437,661	0	992,643	0	1.5
Nonprioritized items	937,036	9,983	0	927,053	0	8.0
Indirect cost adjustment	328,821	83,777	81,661	152,888	10,495	0.0
TOTAL	\$590,676,442	\$149,548,315	\$77,731,139	\$306,549,159	\$56,847,829	1,264.7
INCREASE/(DECREASE)	\$144,800,583	\$85,320,321	(\$7,119,849)	\$16,519,744	\$50,080,367	75.5
Percentage Change	32.5%	132.8%	(8.4%)	5.7%	740.0%	6.3%

OFFICE OF THE GOVERNOR (GOV)

(GOV) R1 STAFF FOR THE GOVERNOR'S OFFICE: The request includes \$405,822 General Fund and 6.0 FTE in FY 2022-23 for the Governor's Office of Boards and Commissions to address the appointments and public communications workloads. Equity, diversity, and inclusion requirements for appointments as required by H.B. 21-1212 have increased the length of time needed to review and recommend individuals for Governor's appointments beyond the capacity of the Office of Boards and Commissions. The Office of Communications and Community Engagement's workload has also increased as the residents of Colorado demand more communication and response from the Executive Branch.

(GOV) R2 MEDICAL-FINANCIAL PARTNERSHIP: The request includes an increase of \$300,000 General Fund and 1.0 FTE to run a three-year pilot Medical-Financial Partnership (MFP) with a health provider, system, or collaborative arrangement. The MFP would be target to serve those with high-cost health care needs and low or moderate incomes, and in an area of the state where financial stress and poor health outcomes are concentrated. MFPs use medical providers to proactively identify patients experiencing financial distress and risk factors, and provide those patients with connections to effective, trusted resources regarding personal finance and financial navigation. In effectively and efficiently connecting patients with unmet financial needs to financial services within the clinical setting, increased uptake of these services is likely to occur as a result of placement of services within trusted settings.

The Office indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget). The Office states that funding the program will allow it to evaluate the program and bring the evidence level to evidence-informed. The Office also indicates that funding to support this program could be leveraged to access additional funding from federal grants. Funding will also allow the Office to contract an outside evaluator to determine the specific performance metrics, units of measurement, and return on investment.

COLORADO ENERGY OFFICE (CEO)

(CEO) R1 CANNABIS RESOURCE OPTIMIZATION: The request includes an increase of \$4.5 million total funds and 0.6 FTE in FY 2022-23, including \$2.0 million General Fund and \$2.5 million Marijuana Tax Cash Fund to establish the Cannabis Resource Optimization Program (CROP). The program is designed to provide eligible cannabis cultivation businesses with no-cost technical resource use and renewable energy assessments to better understand energy and water use drivers and cost-effective resource management opportunities and provide financing to implement these recommendations. The CEO has identified a loan loss reserve or interest rate buydowns as the most viable financial offerings for the industry. A report commissioned by CEO in 2018 concluded that the energy burden associated with cannabis cultivation is significant, with an estimated 2 percent of all electricity generated in the state being allocated to cannabis cultivation facilities and the usage of which make up one-third of cultivators operating costs. The Office indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

LIEUTENANT GOVERNOR (LG)

(LG) R1 SERVE COLORADO: The request includes an increase of \$165,000 General Fund and 2.0 FTE for the Office of the Lieutenant Governor's Commission on Community Service to allow the office to meet federal match requirements. The Federal administrative grants received by Serve Colorado require a 50 percent match, or about \$365,000, in Fiscal Year 2021-22. Currently, Serve Colorado receives \$200,000 from the general fund to help meet the federal match requirement. This amount leaves Serve Colorado \$165,000 short of the required match funding. Historically, Serve Colorado has been a partner in the Colorado OneBook program, which provided the remaining required match dollars, but this program is discontinued.

OFFICE OF ECONOMIC DEVELOPMENT AND INTERNATIONAL TRADE (OEDIT)

(OEDIT) R1 ARTS IN PUBLIC PLACES [REQUIRES LEGISLATION]: This request requires a bill. The request is to increase the amount of cash funds reflected for informational purposes in the Long Bill by \$2.0 million, which represents the estimated amount of funds statute sets aside from all capital construction projects for Art in Public Places. The Office is requesting a change to statute to allow the Creative Industries Cash Fund spending authority to be allowed for three-years to mirror the capital construction appropriation time-frame. The Office reports that the art installations are often, if not always, one of the last pieces to be finalized during a new capital construction project and thus the art funding should be authorized for the same period of time.

JBC staff recommends the Committee request a bill draft to address the above proposal.

(OEDIT) R2 PUBLIC-PRIVATE PARTNERSHIP OFFICE: The Office has indicated that this budget request is being withdrawn and resubmitted as a request from the Department of Personnel via a budget amendment, the following is a summary of the original request. The request includes an increase of \$31.3 million General Fund and 3.5 FTE to create the Public-Private Partnership Office and fund its first project to make infrastructure investments for renovations to existing state facilities such that they may be used as child care centers for state employees and the public. The Office estimates the funding would allow for the renovation of 15 centers statewide.

OFFICE OF INFORMATION TECHNOLOGY (OIT)

(OIT) R1 MODERNIZING AGING IT SYSTEMS [REQUIRES LEGISLATION]: The request includes a one-time increase of \$66.0 million General Fund in FY 2022-23 to update, modernize, and decommission aging technology systems that are costly for the state to maintain. The request includes roll-forward authority for any unspent funds into FY 2023-24 via a Long Bill footnote. This is a 60 percent increase in the FY 2021-22 Enterprise Services budget. Funding will provide resources to begin to tackle the state's estimated \$465.1 million in technology "debt" that will accumulate by FY 2025-26 if no action is taken. Generally, the funding can be broken down into a few categories: (1) \$34.4 million for decommissioning mainframes for five major state systems, (2) \$8.0 million for modernizing technology at the end of its life through upgrades or replatforming, and (3) \$23.6 million to transition outmoded eFORT technology to cloud platforms.

Due to the size of the request and because components of it resemble a capital IT request, JBC staff will benefit from a review by the Joint Technology Committee.

In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b). JBC staff for Information Technology Projects will present this recommendation in a single document for Committee action at a later date.

(OIT) R2 TESTING SOLUTIONS SUPPORT: The request includes \$435,300 reappropriated funds and 3.8 FTE in FY 2022-23, and \$442,634 reappropriated funds and 4.0 FTE ongoing, to increase the number of application testers and train existing testers. This is a 0.4 percent increase in the FY 2021-22 Enterprise Services budget. This request will better equip the department to test critical statewide applications before they go live. This team was created in 2015 to serve as dedicated support for specific agencies and projects, and expanded in 2017 as the need for dedicated application testing services increased. Since 2017, customer demand for Testing Solutions services has increased by 20 percent year over year, with the majority of requests focused on online services and citizen-facing applications. This request will impact the statewide common policy and is included in the "OIT Budget Package" nonprioritized item that appears in the briefing documents of other agencies.

(OIT) R3 VETERANS CYBERSECURITY APPRENTICES: The request includes \$356,153 reappropriated funds and 3.0 FTE for FY 2022-23, \$295,124 reappropriated funds and 3.0 FTE for FY 2023-24, and \$282,773 reappropriated funds and 3.0 FTE in FY 2024-25 and beyond, to bolster the Veterans Transition Program (VTP) within the Office of Information Security. The FY 2022-23 request of 3.0 FTE includes two analysts and one manager to oversee the program and develop a standardized experience for each of the interns. This FY 2022-23 request is meant to expand the VTP to enable the security office to achieve operational security goals and to further the cybersecurity workforce strategy. Supporting this critical program with capable apprentices rather than FTEs will save the state money and create economic opportunities for veteran citizens. This request will impact the statewide common policy and is included in the “OIT Budget Package” nonprioritized item that appears in the briefing documents of other agencies.

(OIT) R4 PEAK CALL CENTER STAFF: The request includes 10.0 FTE ongoing in a net-zero decision item. The request will transition contract staff at PEAK Technical Call Center into state FTE by moving \$548,013 of the amount appropriated for contract services to personal services. The PEAK Technical Call Center cooperates with the Health Care Policy and Financing Customer Contact Centers, the Department of Human Services Food Assistance Call Line, the state Marketplace Service Center, and with counties in order to handle a significant number of consumer/user requests each week. The call center is staffed with nine contracted call agents and a supervisor. The number of calls as well as the call center agent staffing level has remained consistent over the past four years, but the introduction of Chatbot in late 2019 has enabled virtual and expanded 24/7 support options.

(OIT) R5 INTERAGENCY SPENDING AUTHORITY: The request includes an increase of \$14,793,497 reappropriated funds and 28.0 FTE in FY 2022-23 and beyond, to shift from budgeting and billing agencies for OIT Enterprise products and services through interagency agreements (IA) and cash appropriations to reappropriating funds to OIT to improve Long Bill transparency and work towards unified billing. The budgets for these IA staff and enterprise services will remain in the agency’s Long Bill operating budgets while OIT will receive the FTE and spending authority, **resulting in a net-zero impact to the state budget.** This request will impact the statewide common policy allocations based on services used by each agency and is included in the “OIT Budget Package” nonprioritized item that appears in the briefing documents of other agencies.

OTHER CHANGES

TECHNICAL ADJUSTMENTS: The request includes technical adjustments made by JBC staff that net to an increase of \$10.2 million to account for differences in how the Office reflected a few appropriations in special bills. The largest of these adjustments is a decrease of \$40.0 million cash funds that originated as federal Coronavirus State Fiscal Recovery Funds and were appropriated as cash funds and an increase of \$50.0 million federal funds which mirrors how the State Controller reclassified the funds from cash to federal funds from S.B. 21-291 (Economic Recovery & Relief Cash Fund).

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$6.0 million total funds, including an increase of \$1.5 million General Fund, for adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; indirect cost assessments, vehicle lease payments; workers' compensation; legal services; payment to risk management and property funds; Capitol Complex leased space; and Payments to OIT.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$3,096,507	\$115,901	\$60,499	\$2,910,361	\$9,746	0.0
Legal services	801,398	636,648	0	164,750	0	0.0
Payment to risk management and property funds	794,011	250,987	0	543,024	0	0.0
Health, life, and dental	307,012	204,977	125,193	(46,871)	23,713	0.0
AED	302,386	99,108	88,197	100,599	14,482	0.0
SAED	302,386	99,108	88,197	100,599	14,482	0.0
DPA Paid family leave	245,352	27,282	10,073	203,851	4,146	0.0
CORE adjustment	67,114	0	3,067	61,056	2,991	0.0
Payments to OIT	66,217	66,217	0	0	0	0.0
Capitol Complex leased space	22,291	(6,625)	0	28,916	0	0.0
PERA Direct Distribution	20,153	18,034	30,452	(28,333)	0	0.0
Short-term disability	6,749	2,235	2,456	1,746	312	0.0
Shift differential	3,166	0	0	3,166	0	0.0
Workers' compensation	(78,673)	(6,966)	0	(71,707)	0	0.0
Vehicle lease payments	(297)	(12,330)	0	12,033	0	0.0
TOTAL	\$5,955,772	\$1,494,576	\$408,134	\$3,983,190	\$69,872	0.0

PRIOR YEAR LEGISLATION: The request includes a net increase of just less than \$4.5 million total funds, including a decrease of \$16.8 million General Fund to reflect the out-year impact of bills passed in previous sessions, summarized in the following table.

PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1105 Low-income Energy program	\$11,524,618	\$0	\$11,524,618	\$0	\$0	4.5
HB 20-1399 Limited Gaming transfers	7,833,833	(13,647,000)	21,480,833	0	0	0.0
HB 18-1323 Pay for Success	1,441,904	0	1,441,904	0	0	0.0
HB 21-1286 Building energy	1,300,000	0	1,300,000	0	0	2.0
SB 21-260 Sustain Transportation	598,858	(100,491)	699,349	0	0	3.7
HB 20-1116 PTAC extension	440,000	220,000	220,000	0	0	0.0
SB 18-200 PERA	436,869	6,190	0	430,679	0	0.0
HB 21-1111 Personal info consent	193,412	193,412	0	0	0	1.1
HB 21-1279 Occ. therapy compact	60,000	0	0	60,000	0	0.0
HB 21-1110 Person with Disabilities	14,053	14,053	0	0	0	0.1
SB 21-287 Technology Risk Prevention & Response Fund	0	0	0	0	0	0.0
HB 21-1288 Colorado Startup Loans	(10,000,000)	0	(10,000,000)	0	0	0.0
SB 21-229 Rural Jump-start Zone Grant	(6,000,000)	(3,000,000)	0	(3,000,000)	0	(0.5)
SB 21-025 Family planning services	(565,614)	0	0	(565,614)	0	0.0
SB 21-194 Concerning maternal health	(291,732)	0	0	(291,732)	0	0.0
SB 21-009 Reproductive health care	(273,792)	0	0	(273,792)	0	0.0
SB 21-251 Family and Medical leave loan	(231,920)	0	0	(231,920)	0	0.0
SB 21-146 Improve prison release	(229,220)	0	0	(229,220)	0	0.0
HB 21-1189 Regulate air toxins	(223,593)	0	0	(223,593)	0	0.0
HB 21-1304 Early Childhood System	(211,952)	(211,952)	0	0	0	(1.8)
HB 21-1109 Broadband Board	(202,504)	0	(202,504)	0	0	(2.0)

PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1266 Environmental justice	(191,687)	0	0	(191,687)	0	0.0
HB 21-1230 User-friendly SIPA rules	(174,739)	(174,739)	0	0	0	(0.5)
HB 21-1312 Insurance premium taxes	(138,500)	0	0	(138,500)	0	0.0
SB 19-235 Automatic voter registration	(136,240)	0	0	(136,240)	0	0.0
SB 21-039 Working adults with disabilities	(129,859)	0	0	(129,859)	0	0.0
SB 21-021 Audiology and speech compact	(97,000)	0	0	(97,000)	0	0.0
SB 21-293 Property Tax Assessments	(75,000)	(75,000)	0	0	0	0.0
HB 21-1304 Early childhood system	(57,403)	(57,403)	0	0	0	(0.8)
HB 21-1007 State apprenticeship program	(46,902)	0	0	(46,902)	0	0.0
HB 21-1014 Disability symbol ID cards	(30,000)	0	0	(30,000)	0	0.0
SB 21-264 Reduce greenhouse gas	(25,600)	0	0	(25,600)	0	0.0
HB 21-1311 Income Tax	(13,395)	(13,395)	0	0	0	0.0
HB 21-1266 Environmental Justice	(437)	(437)	0	0	0	0.2
TOTAL	\$4,496,458	(\$16,846,762)	\$26,464,200	(\$5,120,980)	\$0	6.0

PRIOR YEAR BUDGET ACTIONS: The request includes a increase of \$1.4 million total funds, including \$0.4 million General Fund, for prior year budget actions summarized in the following table:

PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
(OIT) R6 Improve network stability	\$686,690	\$0	\$0	\$686,690	\$0	0.0
(OIT) R3 Statewide data sharing pilot	306,689	0	0	306,689	0	1.5
(All) Prior year salary survey	304,375	305,111	0	(736)	0	0.0
(CEO) Leased space contract escalator	107,557	107,557	0	0	0	0.0
(OEDIT) Advanced industries tax credit	18,869	18,869	0	0	0	0.0
(OEDIT) Leased space contract escalator	6,124	6,124	0	0	0	0.0
TOTAL	\$1,430,304	\$437,661	\$0	\$992,643	\$0	1.5

NONPRIORITIZED ITEMS: The request includes an increase of \$0.9 million total funds including an increase of \$9,983 General Fund, for the following nonprioritized request items, which are linked to decision items in other departments and common policy decisions.

NONPRIORITIZED ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
(OIT) NP1 DOR DRIVES	\$1,351,242	\$0	\$0	\$1,351,242	\$0	8.0
(OIT) NP5 CDPHE Phones	222,125	0	0	222,125	0	0.0
DPA CSEAP resources	22,773	7,199	0	15,574	0	0.0
OIT Budget package	2,784	2,784	0	0	0	0.0
(OIT) NP4 HCPF Convert contractors	(661,888)	0	0	(661,888)	0	0.0
TOTAL	\$937,036	\$9,983	\$0	\$927,053	\$0	8.0

INDIRECT COST ADJUSTMENT: The request includes an increase of \$328,821 total funds, including an increase of \$83,777 General Fund, for changes to the Office's indirect cost recovery plan.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

ISSUE: (OEDIT) PROVISION IN S.B. 21-291 NOT COMPLIANT WITH AMERICAN RESCUE PLAN ACT: This issue brief summarizes a concern raised by the Office of Economic Development and International Trade related to the implementation of S.B. 21-291 (Economic Recovery and Relief Cash Fund). The Office has stated that certain language in the bill conflicts with requirements in the American Rescue Plan Act of 2021. JBC Staff recommends the Committee request a bill draft to address this oversight.

INFORMATIONAL ISSUE: SUMMARY OF RECENT ECONOMIC DEVELOPMENT SPECIAL BILLS: Summarizes recent legislation that has passed that impacts economic development and stimulus related to COVID-19.

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Department of Health Care Policy and Financing

The Department of Health Care Policy and Financing helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. The Department's FY 2020-21 appropriation represents approximately 36.3 percent of statewide operating appropriations and 26.8 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
S.B. 21-205 (Long Bill)	13,259,364,597	3,424,327,111	1,551,766,954	97,905,609	8,185,364,923	581.9
Other Legislation	20,429,443	(77,611,385)	43,716,468	(10,231,185)	64,555,545	19.5
TOTAL	\$13,279,794,040	\$3,346,715,726	\$1,595,483,422	\$87,674,424	\$8,249,920,468	601.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$13,279,794,040	3,346,715,726	\$1,595,483,422	\$87,674,424	\$8,249,920,468	601.4
R1 Medical Services Premiums	(34,349,234)	203,211,855	39,321,653	(785,199)	(276,097,543)	0.0
R2 Behavioral health	17,894,411	23,043,372	5,181,553	0	(10,330,514)	0.0
R3 Child Health Plan Plus	37,398,301	11,373,603	5,647,506	0	20,377,192	0.0
R4 Medicare Modernization Act	27,863,762	27,863,762	0	0	0	0.0
R5 Office of Community Living	36,542,346	41,134,323	956,424	0	(5,548,401)	0.0
R6 Value-based payments	22,850,574	7,403,648	(7,197)	0	15,454,123	9.6
R7 Utilization management	(3,011,223)	(1,512,985)	116,559	0	(1,614,797)	0.0
R8 County administration	(590,849)	461,138	1,936,919	0	(2,988,906)	5.9
R9 OCL Program enhancements	2,452,715	1,872,153	0	0	580,562	0.0
R10 Provide rates	104,434,828	41,327,629	5,966,149	0	57,141,050	0.0
R11 ACC and CHP accountability	(1,048,141)	(351,127)	0	0	(697,014)	2.0
R12 Convert contracts to FTE	(339,518)	(155,265)	(60,722)	370,586	(494,117)	23.2
R13 Compliance FTE	(4,678,266)	(2,393,350)	108,434	0	(2,393,350)	10.8
R14 MMIS True up and administration	(56,079,142)	(10,347,479)	(2,753,052)	0	(42,978,611)	12.5
R15 All-Payer Claims Database	200,000	200,000	0	0	0	0.0
R16 Urban Indian Health	48,025	48,025	0	0	0	0.0
R17 SBIRT training	(250,000)	0	(250,000)	0	0	0.0
Annualize prior year budget actions	109,575,600	91,856,728	(35,116,696)	5,159,407	47,676,161	5.1
Federal match for HCBS	412	210,225,626	19,002,579	0	(229,227,793)	0.4
Centrally appropriated items	4,033,590	1,990,296	121,808	56,734	1,864,752	0.0
Human Services	3,018,914	1,509,455	0	0	1,509,459	0.0
NP Equity officers	216,966	0	0	108,483	108,483	2.0
Transfers to other state agencies	141,804	53,758	0	0	88,046	0.0
Tobacco forecast	(20,676)	0	(20,676)	0	0	0.0
TOTAL	\$13,546,099,239	\$3,995,530,891	\$1,635,634,663	\$92,584,435	\$7,822,349,250	672.9
INCREASE/(DECREASE)	\$266,305,199	\$648,815,165	\$40,151,241	\$4,910,011	(\$427,571,218)	71.5
Percentage Change	2.0%	19.4%	2.5%	5.6%	(5.2%)	11.9%

R1 MEDICAL SERVICES PREMIUMS: The Department requests a net decrease of \$34.3 million total funds, including an increase of \$203.2 million General Fund, for projected changes in caseload, per capita expenditures, and fund sources for the Medical Services Premiums line item. *See the issue brief "Forecast Trends" for more information.*

R2 BEHAVIORAL HEALTH PROGRAMS: The Department requests a net increase of \$17.9 million total funds, including an increase of \$23.0 million General Fund, for projected changes in caseload, per capita expenditures, and fund sources for behavioral health services. *See the issue brief “Forecast Trends” for more information.*

R3 CHILD HEALTH PLAN PLUS: The Department requests an increase of \$11.4 million total funds, including \$5.6 million General Fund, for projected changes in caseload, per capita expenditures, and fund sources for the Children's Basic Health Plan. *See the issue brief “Forecast Trends” for more information.*

R4 MEDICARE MODERNIZATION ACT: The Department requests an increase of \$27.9 million General Fund for the projected state obligation, pursuant to the federal Medicare Modernization Act, to pay the federal government in lieu of the state covering prescription drugs for people dually eligible for Medicaid and Medicare. *See the issue brief “Forecast Trends” for more information.*

R5 OFFICE OF COMMUNITY LIVING: The Department requests a net increase of \$36.5 million total funds, including an increase of \$41.1 million General Fund, for projected changes in caseload, per capita expenditures, and fund sources for services for people with intellectual and developmental disabilities. *See the issue brief “Forecast Trends” for more information.*

R6 VALUE-BASED PAYMENTS: The Department requests an increase of \$22.9 million total funds, including \$7.4 million General Fund, and 9.6 FTE for the planning and implementation of three alternative payment models, including shared savings for pharmacy prescribers, bundled payments in maternity care, and partial capitation payments to primary care providers. The Department indicates that funding is for the implementation of an evidence-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget). *See the issue brief “Value-based Payments” for more information.*

R7 UTILIZATION MANAGEMENT: The Department requests a net decrease of \$3.0 million total funds, including a decrease of \$1.5 million General Fund, to expand and strengthen utilization management measures in the Medicaid program. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R8 COUNTY ADMINISTRATION: The Department requests a net decrease of \$0.6 million total funds, including an increase of \$461,138 General Fund, and 5.9 FTE to:

- Address county administration funding issues;
- Increase funding for pay-for-performance through the County incentives Program allocation;
- Hire additional staff to provide proper fiscal and programmatic oversight of county administrative-related activities; and
- Reduce the amount of time it takes to conduct on-site compliance reviews of all 64 counties.

The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R9 OFFICE OF COMMUNITY LIVING (OCL) PROGRAM ENHANCEMENTS: The Department requests an increase of \$2.5 million total funds, including \$1.9 million General Fund, to:

- Increase rates and expand benefits for services offered through the Home- and Community-based (HCBS) waivers;
- Increase provider bed capacity; and
- Create additional opportunities for care in the community.

The Department indicates that funding is for the implementation of both evidence-informed and theory-informed programs as defined in S.B. 21-284 (Evidence-based evaluation for budget). *See the issue brief “Provider Rates” for more information concerning rate adjustments.*

R10 PROVIDER RATES: The Department requests an increase of \$104.4 million total funds, including \$41.3 million General Fund, for changes to provider rates. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget). *See the issue brief “Provider Rates” for more information.*

R10 PROVIDER RATE ADJUSTMENTS					
RATE	CHANGE	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS
Across the board rate adjustment	0.5 percent increase	\$32,230,602	\$11,432,806	\$1,499,074	\$19,298,722
Targeted rate increases					
Durable medical equipment	Rebalancing (between 80 and 100 percent)	\$1,596,720	\$798,360	\$0	\$798,360
Massage therapy	34.5 percent increase	27,293	13,647	0	13,646
Non-emergent medical transport	Increase rates below 60.8 percent up to 60.8 percent	22,816,821	7,393,642	4,014,769	11,408,410
Emergency medical transport	Increase rates below 50 percent up to 50 percent	8,298,520	1,948,546	453,943	5,896,031
Non-medical transport	Increase rates below 70 percent up to 70 percent	3,046,513	1,523,256	0	1,523,257
Speech therapy	Rebalancing (between 70 percent and 100 percent)	1,134,728	567,364	0	567,364
Home- and community-based services	Maintain \$15/hr wage through remainder of FY 2022-23	33,373,436	16,686,725	0	16,686,711
SUBTOTAL TARGETED RATE INCREASES		\$70,294,031	\$28,931,540	\$4,468,712	\$36,893,779
Changes to member contributions					
Changes to copayments	Increase from \$6 to \$8	(\$26,920)	(\$5,275)	(\$1,637)	(\$20,008)
Personal needs allowance	Increase from \$152.00 to \$383.33	1,937,115	968,558	0	968,557
SUBTOTAL CHANGES TO MEMBER CONTRIBUTIONS		\$1,910,195	\$963,283	(\$1,637)	\$948,549
TOTAL PROVIDER RATE ADJUSTMENTS		\$104,434,828	\$41,327,629	\$5,966,149	\$57,141,050

R11 ACC AND CHP+ ACCOUNTABILITY: The Department requests an increase of \$210,178 total funds, including \$52,409 General Fund, and 2.0 FTE to increase oversight of the Accountable Care Collaborative (ACC) and the Child Health Plan Plus (CHP+). In addition, the Department requests a net reduction of \$1,258,319 total funds, including a reduction of \$403,536 General Fund, to true up appropriations for the contract administration of CHP+ with expected expenditures. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R11 ACC & CHP+ ACCOUNTABILITY					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS	FTE
ACC Oversight	\$104,818	\$52,409	\$0	\$52,409	1.0
CHP+ Oversight	105,360	0	36,876	68,484	1.0
Subtotal	\$210,178	\$52,409	\$36,876	\$120,893	2.0
CHP+ Contract admin true-up	(1,258,319)	(403,536)	(36,876)	(817,907)	0.0
Total	(\$1,048,141)	(\$351,127)	\$0	(\$697,014)	2.0

R12 CONVERT CONTRACTS TO FTE: The Department requests a net decrease of \$0.3 million total funds, including a decrease of \$0.2 million General Fund, and 23.2 FTE to repurpose funding from contractor resources to hire FTE. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R13 COMPLIANCE FTE: The Department requests a net decrease of \$4.7 million total funds, including a decrease of \$2.4 million General Fund, to expand and strengthen operational compliance and program oversight and accountability. The Department indicates that funding is for the implementation of an evidence-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R14 MMIS TRUE-UP AND ADMINISTRATION: The Department requests a decrease of \$56.1 million total funds, including \$10.3 million General Fund, and 12.5 FTE to accurately reflect current costs associated with operating the Medicaid Management Information Systems (MMIS) and current federal match rates. *See the issue brief “Medicaid Management Information Systems” for more information.*

R15 ALL-PAYER CLAIMS DATABASE: The Department requests an increase of \$200,000 General Fund to partially restore funding for the All-Payer Claims Database Scholarship Program. The funding was eliminated in FY 2020-21 as part of budget balancing reductions. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R16 URBAN INDIAN HEALTH: The Department proposes short-duration state-only payments to Urban Indian Health Organizations equal to the estimated General Fund savings from a provision of the American Rescue Plan Act that temporarily grants a 100 percent federal match for services to Medicaid clients by Urban Indian Health Organizations. Denver Indian Health and Family Services is the only Urban Indian Health Organization in Colorado. The proposed funding is intended to: (1) address current gaps in clinical operations and guarantee long-term sustainability for the providers; and (2) address health care disparities that are exasperated by the pandemic, including lower vaccination rates in under-resourced communities. In January the Department will submit a corresponding supplemental requesting funds in FY 2021-22. The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R16 URBAN INDIAN HEALTH	
FISCAL YEAR	GENERAL FUND
FY 2021-22	\$70,825
FY 2022-23	48,025
Cumulative Total	\$118,850

R17 SBIRT TRAINING: The Department proposes a \$250,000 reduction in Marijuana Tax Cash Fund revenues devoted to the Screening, Brief Intervention, and Referral to Treatment (SBIRT) training program, reducing the total funding for FY 2022-23 to \$500,000. According to the Department, the Office of State Planning and Budgeting's September forecast projects Marijuana Tax Cash Fund revenue more than 20 percent below the FY 2021-22 budget and there has been no formal evaluation or return on investment calculated for the SBIRT training program. The request would not change the funding for SBIRT services, which are still covered under Medicaid. It only impacts the SBIRT training program, which primarily¹ provides grants to train professionals to deliver SBIRT services. The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

¹ Pursuant to statute, the money can also be used to provide consulting and technical services to providers, outreach, and care coordination.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes adjustments for out-year impacts of prior year legislation and budget actions, summarized in the table below. The titles of the annualizations begin with either a bill number or the relevant fiscal year. For budget decisions made in the Long Bill, the title includes a reference to the priority number the Department used in that year for the initiative, if relevant. If there is no reference to a bill number or priority number, then the change was initiated by an action other than a bill or request from the Department.

The largest General Fund increases are for the annualization of the following:

- S.B. 21.213 (Use of increased Medicaid match) that captured the benefit to certain cash funds provided by a temporary increase in the federal match rate and converted that benefit to General Fund relief;
- Addition of 667 waiting list enrollments onto the Home- and Community-based Services Comprehensive Waiver for individuals with intellectual and developmental disabilities;
- A 2.5 percent increase in rates paid to most community providers;
- S.B. 21-194 (Maternal health providers) that places new requirements on health providers and insurers, expands public health insurance coverage, and implements other initiatives related to maternal and perinatal health; and
- FY 2021-22 R18 Behavioral health program adjustments that decreased incentive payments that are based on provider service performance and quality metrics by 25 percent and to lower estimates of provider capacity and consequent utilization for the Substance Use Disorder benefit.

The largest decrease in General Fund is for the second year of FY 2021-22 R23 Behavioral health claims and eligibility process that integrated eligibility determinations, claims processing, and data reporting for various behavioral health programs statewide.

ANNUALIZED PRIOR YEAR BUDGET ACTIONS						
ITEM	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R18 Behavioral health program adjustments	\$43,447,378	\$6,149,232	\$3,251,364	\$0	\$34,046,782	0.0
FY 21-22 Add 667 IDD enrollments	19,974,650	10,468,169	0	0	9,506,481	0.0
SB 21-194 Maternal health providers	18,504,858	7,957,356	879,114	0	9,668,388	(0.7)
SB 21-213 Use of increased Medicaid match	11,679,436	57,330,334	(57,330,334)	5,115,593	6,563,843	0.0
HB 20-1361 Reduce adult dental benefit	11,130,000	0	2,941,728	0	8,188,272	0.0
FY 21-22 2.5% Provider rate increase	7,491,995	8,092,328	(575,863)	0	(24,470)	0.0
FY 21-22 R20 MMIS annualization delay	7,376,207	2,035,713	0	0	5,340,494	0.0
FY 20-21 Local minimum wage adjustment	6,273,126	3,136,561	0	0	3,136,565	0.0
FY 20-21 BA13 Public school health services	4,706,022	0	5,196,936	0	(490,914)	0.0
FY 21-22 Decrease member copayment	4,404,931	954,930	274,532	0	3,175,469	0.0
SB 20-033 Medicaid buy-in age 65 and over	2,879,621	(248,611)	1,816,181	0	1,312,051	0.0
SB 21-025 Family planning services	2,495,283	640,273	57,936	0	1,797,074	(0.8)
HB 21-1275 Medicaid reimbursement for pharmacist	2,423,343	798,411	192,919	0	1,432,013	0.4
FY 21-22 R8 Supported living services flexibility	940,719	470,360	0	0	470,359	0.0
FY 21-22 NPBA1 CBMS PEAK	755,237	377,416	42,560	17	335,244	0.0
SB 21-038 Complementary and alternative medicine	737,129	225,525	143,039	0	368,565	0.1
FY 21-22 R11 Medicaid funding for Connect 4 Health	482,663	0	189,918	0	292,745	0.0
SB 18-200 PERA unfunded liability	457,518	203,830	17,381	4,847	231,460	0.0
FY 21-22 R10 Convert contractor resources to FTE	306,688	(738)	6,070	0	301,356	0.5
HB 21-1198 Health care billing for indigent care	299,633	299,633	0	0	0	2.1
FY 06-07 DI8 Fund nursing facility appraisals	279,746	139,873	0	0	139,873	0.0
FY 20-21 R19 Leased space	173,278	71,839	14,799	0	86,640	0.0
HB 21-1085 Secure transport behavioral health crisis	139,300	104,717	5,433	0	29,150	0.1
FY 21-22 Restore funding for SB 19-195	94,095	47,048	0	0	47,047	1.0
HB 21-1232 Standardized health benefit CO Option	80,289	80,289	0	0	0	1.2
HB 21-1166 Behavioral health crisis response training	67,680	67,680	0	0	0	0.0
FY 19-20 R9 Adult LTHH/PDN clinical assessment	36,710	18,355	0	0	18,355	0.0

ANNUALIZED PRIOR YEAR BUDGET ACTIONS

ITEM	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 19-20 Increase funding for IDD enrollment	13,517	6,759	0	0	6,758	0.0
FY 19-20 HUM NP12 Salesforce	1,087	544	0	0	543	0.0
FY 21-22 CUSOM clinical reviews	131	0	65	0	66	0.2
FY 21-22 Public health emergency extension	0	3,308,679	9,487,867	38,950	(12,835,496)	0.0
FY 21-22 BA10 Public health emergency end resources	(7,002,728)	(2,556,275)	2,241,738	0	(6,688,191)	0.0
FY 21-22 R24 Addressing health care disparities	(5,900,000)	(1,000,000)	0	0	(4,900,000)	0.0
SB 21-211 Adult dental benefit	(5,565,000)	0	(1,522,875)	0	(4,042,125)	0.0
FY 21-22 R23 Behavioral health claims and eligibility	(5,420,147)	(5,420,147)	0	0	0	0.0
FY 20-21 R15 Medicaid recovery third party liability	(2,360,799)	(669,553)	(102,725)	0	(1,588,521)	0.0
FY 21-22 BA15 Implement eConsult program	(2,170,076)	(377,537)	(18,528)	0	(1,774,011)	0.1
FY 19-20 R16 Employment first initiative, IDD	(1,995,497)	800,000	(2,795,497)	0	0	(2.0)
FY 21-22 CUSOM clinical reviews	(1,733,731)	0	0	0	(1,733,731)	0.0
FY 21-22 R6 Remote supports for HCBS programs	(1,433,231)	(696,695)	(19,921)	0	(716,615)	0.0
SB 21-009 Reproductive health care program	(1,045,771)	(270,732)	0	0	(775,039)	0.6
SB 21-016 Protecting preventive health coverage	(905,467)	(90,547)	0	0	(814,920)	0.0
FY 21-22 R9 Patient access and interoperability rule	(858,490)	304,585	0	0	(1,163,075)	0.0
SB 21-137 Behavioral health recovery act	(545,743)	(147,872)	(250,000)	0	(147,871)	0.2
FY 21-22 R16 Provider rate adjustments	(545,169)	(241,986)	(31,945)	0	(271,238)	0.0
SB 21-039 Eliminate subminimum wage employment	(403,941)	(1,257,106)	1,217,607	0	(364,442)	0.1
HB 17-1343 to repeal IDD Services Cash Fund	(138,707)	307,488	(446,195)	0	0	2.0
FY 21-22 R17 Medicaid benefit adjustments	(52,173)	(26,086)	0	0	(26,087)	0.0
FY 21-22 Funding for home health and PDN	0	462,686	0	0	(462,686)	0.0
Total	\$109,575,600	\$91,856,728	(\$35,116,696)	\$5,159,407	\$47,676,161	5.1

FEDERAL MATCH FOR HCBS: The request includes a net zero adjustment, including an increase of \$210.2 million General Fund and \$19.0 million cash funds and a corresponding decrease in federal matching funds, for the expiration of the 10.0 percent enhanced federal medical assistance percentage (FMAP) increase for eligible Home- and Community-based Services (HCBS) pursuant to the American Rescue Plan Act of 2021.

CENTRALLY APPROPRIATED ITEMS: The request includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; paid family and medical leave insurance; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; salary survey; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; payments to the Governor's Office of Information Technology (OIT); and CORE operations.

HUMAN SERVICES PROGRAMS: The Department's request reflects adjustments for several programs that are financed with Medicaid funds, but operated by the Department of Human Services. *See the briefings for the Department of Human Services for more information.*

NP EQUITY OFFICERS: The Department requests \$0.2 million total funds and 2.0 FTE to ensure compliance with the Executive Order D 2020 175.

TRANSFERS TO OTHER STATE AGENCIES: The Department requests an increase of \$0.1 million total funds, including \$53,758 General Fund, for transfers to programs administered by other departments.

TOBACCO FORECAST: The Department requests a reduction of \$20,676 cash funds for a new forecast of tobacco tax revenues available to finance the Children's Basic Health Plan.

SUPPLEMENTALS

SET ASIDE FOR SUPPLEMENTALS: The Governor’s budget letter includes a set aside in FY 2021-22 including a net decrease of \$112.0 million General Fund for potential supplementals for the Department of Health Care Policy and Financing, including \$112.1 million for the most recent forecast of enrollment and expenditures and an increase of \$70,825 for the FY 2021-22 impact of discretionary requests. Although the Governor’s official supplemental request is not due until January 2022, the budget request for the Department includes projected FY 2021-22 impacts associated with the following requests.

FY 2021-22 SET-ASIDE FOR SUPPLEMENTALS					
	TOTAL FUNDS	GENERAL FUNDS	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
R1 Medical Services Premiums	(\$193,724,244)	(\$102,340,617)	\$11,030,627	(\$735,599)	(\$101,678,655)
R2 Behavioral Health	100,335,065	14,033,780	8,724,673	0	77,576,612
R3 Child Health Plan Plus	(8,778,202)	(5,351,109)	2,254,146	0	(5,681,239)
R4 Medicare Modernization Act	3,803,082	3,803,082	0	0	0
R5 Office of Community Living	(11,250,010)	(22,214,472)	17,839,255	0	(6,874,793)
R16 Urban Indian Health Organization	70,825	70,825	0	0	0
TOTAL	(\$109,543,484)	(\$111,998,511)	\$39,848,701	(\$735,599)	(\$36,658,075)

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

FORECAST TRENDS: Requests R1 through R5 are based on the Department's most recent forecasts of enrollment and expenditures under current law and policy. Combined they drive an \$85.3 million increase in total funds, including a \$306.6 million increase in General Fund. These requests explain what drives the budget, but they are non-discretionary, as they represent the expected obligations under current law and policy. It would take a change to current law or policy to change the trends.

VALUE-BASED PAYMENTS: The Department's *R6 Value-based Payments* budget request includes \$22.9 million total funds, including \$7.4 million General Fund, and 9.6 FTE for the planning and implementation or expansion of three alternative payment models in which participation by providers will be mandatory. In addition, the Department requests \$11.4 million in roll-forward authority in the event that the development phase of the information systems is delayed.

PROVIDER RATES: This issue brief discusses proposed changes in provider rates. Through *R10 Provider Rate Adjustments* the Department requests an across-the-board increase for most providers, several targeted rate increases, and changes to member contributions that together would increase appropriations by \$104.4 million total funds, including \$41.3 million General Fund. In addition, as part of *R9 Office of Community Living Program Enhancements* the Department proposes targeted rate increases for certain waiver services totaling \$1.0 million total funds, including \$0.5 million General Fund.

MEDICAID PROVIDER RATE REVIEW ADVISORY COMMITTEE: The Medicaid Provider Rate Review Advisory Committee (MPRRAC) was established in 2015 to assist the Department of Health Care Policy and Financing with reviewing Medicaid provider rates. The committee is required to meet at least once per quarter through September 1, 2025. Pursuant to Section 25.5-4-401.5, the Department must review Medicaid provider rates based on a schedule

that allows for the review of each provider rate at least every five years. As the process enters its seventh year, it may be beneficial to consider modifications to the process.

MEDICAID MANAGEMENT INFORMATION SYSTEM (R14): The Medicaid Enterprise consists of four components, including the Medicaid Management Information System, the Business Intelligence and Data Management system, the Pharmacy Benefit Management System, and the Colorado Benefits Management System (CBMS). Funding for all but CBMS is appropriated in the MMIS line item in the Long Bill. The Department currently utilizes contractors to manage each of the four components. The Department is requesting reallocation of funds to increase the number of FTE by 12.5 FTE in order to address increasing workload and to convert contractor resources into state FTE.

BEHAVIORAL HEALTH: The JBC received concerns last session and over the interim about conflicts between behavioral health providers and the Regional Accountable Entities (RAEs) with many of the issues revolving around payments. This issue brief discusses how behavioral health rates are set, the relationships between the Department, the RAEs, and providers, and the role of the Medicaid Provider Rate Review Advisory Committee (MPRRAC).

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Department of Higher Education

The Department of Higher Education is responsible for higher education and vocational training programs in the state. The Department's FY 2021-22 appropriation represents 14.0 percent of statewide operating appropriations and 9.7 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF HIGHER EDUCATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	5,056,931,482	1,222,058,740	2,819,411,196	990,050,158	25,411,388	26,544.5
Other legislation	58,898,380	(5,828,599)	74,678,386	(9,951,407)	0	4.7
TOTAL	\$5,115,829,862	\$1,216,230,141	\$2,894,089,582	\$980,098,751	\$25,411,388	26,549.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$5,115,829,862	1,216,230,141	\$2,894,089,582	\$980,098,751	\$25,411,388	26,549.2
R1 Increase operating support for public higher education institutions and financial aid	93,466,835	52,488,643	0	40,978,192	0	0.0
R2 Tuition spending authority	0	0	0	0	0	0.0
R3 Fort Lewis College Native American tuition waiver	758,358	758,358	0	0	0	0.0
R4 Higher education research authority spending authority increase	800,000	0	800,000	0	0	0.0
R5 Division of Outreach and Attainment Services	250,000	250,000	0	0	0	2.0
R6 Support expansion of Single Stop	45,000	45,000	0	0	0	0.0
R7 Lowering fees for former students of closed schools	(4,833)	0	(4,833)	0	0	0.0
R8 Funding for Institute of Cannabis Research	1,800,000	0	1,800,000	0	0	0.0
HC1 History Colorado resource realignment	0	0	0	0	0	21.0
T1 WICHE dues	5,000	0	0	5,000	0	0.0
T2 Auraria Higher Education Campus	100,000	0	0	100,000	0	0.0
T3 Depreciation Lease Equivalent adjustment	2,717,414	2,717,414	0	0	0	0.0
T4, T6 Lease purchase payment adjustments	2,263	(35,971)	(100,760)	138,994	0	0.0
NP OIT budget package	1,357	0	1,068	289	0	0.0
NP DPA CSEAP resources	830	0	466	364	0	0.0
Centrally appropriated line items	1,159,578	352,409	279,242	253,166	274,761	0.0
Annualize prior year legislation	(57,480,866)	5,406,483	(68,026,390)	5,087,432	51,609	(1.0)
Annualize prior year budget actions	(1,650,775)	(1,943,659)	253,035	80,000	(40,151)	0.0
Other	0	0	0	0	0	(1.9)
TOTAL	\$5,157,800,023	\$1,276,268,818	\$2,829,091,410	\$1,026,742,188	\$25,697,607	26,569.3
INCREASE/(DECREASE)	\$41,970,161	\$60,038,677	(\$64,998,172)	\$46,643,437	\$286,219	20.1
Percentage Change	0.8%	4.9%	(2.2%)	4.8%	1.1%	0.1%

R1 STATE OPERATING FUNDING FOR PUBLIC HIGHER EDUCATION: The request includes an increase of \$52,488,643 General Fund for public higher education institutions and financial aid. The request includes an increase of \$42,640,664 General Fund (4.6 percent) for the public institutions of higher education, including \$40,978,190 for stipends and fee-for-service contracts reappropriated to the ten state governing boards and \$1,662,474 for grants to local district colleges and area technical colleges. Consistent with statutory requirements for aligned funding increases,

it also includes \$9,768,590 General Fund for Need Based Grants (financial aid) and \$79,389 to increase stipends for students attending private institutions.

Funding for the institutions is allocated using the new funding formula established by H.B. 20-1366. The request uses solely "step 2" of the model, which compares institutions' performance changes over time with the performance changes of other institutions in eight areas: resident FTE enrollment, credential production, Pell eligible enrollment, underrepresented minority enrollment, retention rate, graduation rate in 100% of time, graduation rate in 150% of time, and first generation enrollment. This portion of the model is intended to change funding at a slow rate and therefore provides a relatively stable funding base for institutions. The model provides increases ranging from a low of 4.0 percent to a high of 6.1 percent by governing board. Specialty education programs, such as the CU school of medicine, the local district colleges, and the area technical colleges all receive the average increase of 4.6 percent, consistent with the statute. The request indicates that funding is intended to align with the level of increase provided for the K-12 system and to be sufficient to support a 3.0 percent funding increase for classified staff (\$5.2 million of the total), as well as other adjustments.

The request indicates that it is for a theory-informed program or practice. Although the state collects data on outputs and return-on-investment for students, there are no studies or evaluations specifically on the impact of Colorado's funding on outcomes.

R2 TUITION SPENDING AUTHORITY: The request is to hold resident undergraduate tuition flat for FY 2022-23 with the goal of keeping tuition affordable. It proposes the General Assembly apply an exemption process to address the needs of individual institutions if required. Although the request includes no change to cash funds spending authority for tuition revenue, JBC Staff anticipates that, consistent with statute and past practice, amounts in the FY 2022-23 Long Bill will incorporate adjustments based on mid-year revenue estimates and assumptions the Committee adopts about tuition. These assumptions will be identified in Long Bill footnotes.

R3 FORT LEWIS NATIVE AMERICAN TUITION WAIVER: The request includes an increase of \$758,358 General Fund (3.2 percent) for the Fort Lewis College Native American tuition waiver. This will bring total waiver payments to \$24,803,434 General Fund. Waiver payments are mandated by Section 23-52-105 (1)(b)(I), C.R.S., which requires the General Assembly to fund 100 percent of the tuition obligations for qualifying Native American students attending Fort Lewis College. Funding for the tuition waiver is made one year in arrears and is calculated based on prior year enrollment estimates. Almost all funds support nonresident tuition payments for Native American students who are not Colorado residents; however, the majority of these students are from tribes with historical ties to the State.

R4 HIGHER EDUCATION RESEARCH AUTHORITY SPENDING AUTHORITY INCREASE: The request is to restore \$800,000 cash funds spending authority for Colorado Higher Education Competitive Research Authority (CHECRA), bringing the total appropriation for the program to \$2.8 million from the Innovative Higher Education Research Fund. CHECRA was established by the General Assembly in 2007 to provide higher education institutions with a state source for matching funds for grants awarded by the National Science Foundation and other competitive federal grants. Prior to the COVID-19 pandemic, the program received \$2,100,000 annually from limited gaming revenues that was deposited to the Innovative Higher Education Research Fund. The General Assembly suspended the distributions that would have occurred at the end of FY 2019-20 and FY 2020-21 due to projected declines in gaming revenue; however a distribution is anticipated at the end of FY 2021-22 based on current law. The program has been spending from its fund balance but anticipates that additional spending authority will be needed in FY 2022-23, once deposits to the Innovative Higher Education Research Fund are restored.

R5 DIVISION OF OUTREACH AND ATTAINMENT SERVICES: The request includes \$250,000 General Fund and 2.0 FTE to fund the Division of Outreach and Attainment Services. The funding will enable the Department to continue

servicing education, workforce and corrections professionals statewide by assisting them with tools and resources for individual career, postsecondary, and job exploration and planning with their stakeholders. For subsequent years, the funding will annualize to \$250,000 reappropriated funds from indirect cost recoveries paid by higher education institutions.

The Department previously operated the College in Colorado online counseling and career exploration tool and had a staff of 14 outreach professionals who were funded through the federal CollegeAssist program. This funding ended in FY 2018-19. The Department's formal request indicated that funding would enable it to retain 2.0 FTE funded in FY 2020-21 by a grant related to the My Colorado Journey online tool. In more recent communication, the Department indicates that the request is no longer related to My Colorado Journey and that new staff would be particularly focused on promoting students' completion of the Free Application for Federal Student Aid (FAFSA).

The Department indicates that funding is for the implementation of a theory informed program or practice as defined in S.B. 21-284 (Evidence-based evaluation for budget), although JBC staff is uncertain how the impact of the additional staff can be evaluated.

R6 SUPPORT EXPANSION OF SINGLE STOP [REQUIRES LEGISLATION]: The request includes \$45,000 General Fund for FY 2022-23 and ongoing to support the use of the Single Stop technology application at all institutions of higher education in Colorado (public and private). The funding represents the annual cost for the license. The Single Stop online tool is designed for use by nonprofits, higher education institutions, and other entities that wish to assist their constituents in accessing public benefits (e.g., food assistance). With the technology, entities can "screen... constituents or have them screen themselves from a mobile device; provide referrals to critical benefits and services in their own community; and track and report data in real-time." The request notes that several Colorado institutions of higher education have already licensed this tool. A recent survey of the Colorado community colleges found that 40 percent of students experienced food insecurity in the prior 30 days, 55 percent experienced housing insecurity in the previous year, and 16 percent experienced homelessness in the previous year.

The \$45,000 serves as base funding for the State. However, individual institutions participating in the program must also contribute, with current pricing per institution at \$12,600 for the first year, \$6,600 for the second year, and \$5,500 thereafter. The \$45,000 cost for the State has been covered by a donor for the last two years, but this funding will not be available beginning in FY 2022-23.

The Department indicates that the funding is for the implementation of an evidence-informed practice as defined in S.B. 21-284 (evidence based evaluation for budget). National research studies have found that Single Stop clients are more successful in college than peers that do not use the service and that students with support from Single Stop had higher retention, pass rates, GPAs and graduation rates compared to peers. The RAND Corporation is currently facilitating a randomized control trial which includes some Colorado higher education institutions.

The Department informed staff that it believes new legislation will be required to give the Department statutory authority to execute the Single Stop request.

R7 LOWERING FEES FOR FORMER STUDENTS OF CLOSED SCHOOLS: The request includes a decrease of \$4,833 in cash funds spending authority, including a reduction for the Division of Private Occupational Schools (DPOS) line item and a small reduction to the Administration line item. The decrease is from lower fees for students requesting transcripts from closed schools, reflecting cost savings from schools' transition to digital transcripts. Fees are being reduced from \$35 per transcript to \$20 per transcript.

R8 FUNDING FOR INSTITUTE OF CANNABIS RESEARCH: The request includes an increase of \$1,800,000 from the Marijuana Tax Cash Fund for the Institute of Cannabis Research (ICR) for FY 2022-23 and ongoing. The request would double the current funding to a total of \$3,600,000 cash funds. Of the request, approximately \$1.6 million would be used to fund two new medical/clinical multi-year projects (\$500,000 x 2), three new biotechnology/scientific multi-year projects (\$150,000 x 3), and two economic/social impact multi-year projects (\$75,000 x 2).

HC1 HISTORY COLORADO RESOURCE REALIGNMENT: History Colorado requests a net \$0 budget reorganization to more closely align the organization's budget with its internal organization.

T1 WICHE DUES: The request includes an increase for fees paid to the Western Interstate Commission on Higher Education, which provides research services and runs inter-state student exchange programs used by the department and public institutions of higher education.

T2 AURARIA HIGHER EDUCATION CENTER: The request increases spending authority for the Auraria Higher Education Center by \$100,000 for funds received from the institutions operating on the Auraria campus (University of Colorado – Denver, Metropolitan State University of Denver, and the Community College of Denver).

T3 DEPRECIATION LEASE EQUIVALENT ADJUSTMENT: The request includes a \$2,717,414 General Fund increase to the annual depreciation lease equivalent payment for higher education, bringing the total for higher education to \$7,406,847 General Fund. This mechanism for supporting capital construction is based on the depreciation of new construction and renovations funded by the General Assembly since FY 2015-16. Most of the appropriation is credited to the Capital Construction Fund, with 1.0 percent credited to the Controlled Maintenance Trust Fund.

T4, T6 LEASE PURCHASE PAYMENT ADJUSTMENTS: The request includes annual technical adjustments to lease purchase obligations appropriated in this department: the University of Colorado Health Sciences Center at Fitzsimons lease purchase authorized by H.B. 03-1256; and the Higher Education Federal Mineral Lease Revenues lease purchase that supported the construction of various higher education capital construction projects in 2008. The FY 2022-23 request does not include adjustments related to the lease purchase for the new History Colorado Center authorized in 2008.

NP OIT BUDGET REQUEST PACKAGE: The request includes the Department’s share of the Governor’s Office of Information Technology’s budget package adjustments.

NP DPA CSEAP RESOURCES: The request includes the Department’s share of a request from the Department of Personnel (DPA) for additional funding for the Colorado State Employee Assistance Program (CSEAP).

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items, as detailed in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$527,783	\$67,461	\$290,443	\$115,193	\$54,686	0.0
Payment to risk management and property funds	248,938	0	(5)	248,943	0	0.0
Health, life, and dental	200,909	169,082	11,407	(137,482)	157,902	0.0
AED	49,045	38,059	450	(11,303)	21,839	0.0
SAED	49,045	38,059	450	(11,303)	21,839	0.0
Payments to OIT	38,949	0	11,685	27,264	0	0.0
Legal services	21,152	0	(14,399)	35,551	0	0.0

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CORE adjustment	20,110	0	0	20,110	0	0.0
DPA Paid family leave	12,611	1,713	1,598	5,557	3,743	0.0
Short-term disability	1,511	1,210	13	(415)	703	0.0
ALJ services	311	0	311	0	0	0.0
Workers' compensation	(6,635)	0	(757)	(5,878)	0	0.0
PERA Direct Distribution	(4,151)	36,825	(21,954)	(33,071)	14,049	0.0
TOTAL	\$1,159,578	\$352,409	\$279,242	\$253,166	\$274,761	0.0

ANNUALIZE PRIOR YEAR LEGISLATION The request includes a net reduction of \$57.5 million total funds to reflect the FY 2022-23 impact of bills passed in previous legislation sessions, summarized in the following table. Among other adjustments, this includes eliminating \$63.7 million cash funds originating as federal Coronavirus State Fiscal Recovery Fund money that was appropriated on a one-time basis in FY 2021-22 in H.B. 21-1330, H.B. 21-1264, and S.B. 21-137.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 21-213 Use of increased Medicaid match	\$10,231,186	\$5,115,593	\$0	\$5,115,593	\$0	0.0
SB 21-106 Successful high school transitions	324,570	324,570	0	0	0	0.1
SB18-200 PERA unfunded liability	107,913	6,320	38,145	11,839	51,609	0.0
HB 21-1330 Higher education student success	(51,500,000)	0	(51,500,000)	0	0	(1.0)
HB 21-1264 Funds workforce development increase worker skills	(10,000,000)	0	(10,000,000)	0	0	0.0
HB 21-1317 Regulating Marijuana Concentrates	(3,000,000)	0	(3,000,000)	0	0	0.0
SB 21-137 Behavioral Health	(2,705,000)	0	(2,705,000)	0	0	0.0
HB 21-1149 Energy Sector Career Pathways	(824,431)	0	(824,431)	0	0	0.0
HB 21-1268 Study Emerging Technologies for Water	(80,000)	(40,000)	0	(40,000)	0	0.0
HB 21-1306 Accreditation of postsecondary institutions	(35,104)	0	(35,104)	0	0	(0.1)
TOTAL	(\$57,480,866)	\$5,406,483	(\$68,026,390)	\$5,087,432	\$51,609	(1.0)

ANNUALIZE PRIOR YEAR BUDGET ACTIONS The request includes a net decrease of \$1.7 million for the out-year impact of prior year budget actions. This primarily reflects eliminating one-time appropriations for History Colorado, as reflected in the table below.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
History Colorado common policy adjustments, including annualize prior year salary survey	\$570,255	\$50,119	\$520,136	\$0	\$0	0.0
Annualize Chief Educational Equity Officer funding	0	(80,000)	0	80,000	0	0.0
Annualize History CO sustainability funding	(1,000,000)	(1,000,000)	0	0	0	0.0
Annualize Cumbres and Toltec RR support	(871,500)	(871,500)	0	0	0	0.0
Annualize prior year salary survey	(349,530)	(42,278)	(267,101)	0	(40,151)	0.0
TOTAL	(\$1,650,775)	(\$1,943,659)	\$253,035	\$80,000	(\$40,151)	0.0

OTHER: The request includes a technical adjustment that reduces the notation for full-time-equivalent staff by 1.9 FTE.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

REQUESTS R1 AND R2 - STATE SUPPORT FOR HIGHER EDUCATION AND TUITION SPENDING AUTHORITY:

The FY 2022-23 higher education request includes an average 4.6 percent increase in state support for the governing boards and financial aid. It also includes recommended flat tuition, with a suggestion that the JBC make exceptions as appropriate.

HIGHER EDUCATION FINANCIAL STATUS: Enrollment declined at Colorado's public higher education institutions in FY 2020-21 by 4.4 percent, driven by the COVID-19 pandemic. However, there was wide variation among institutions in enrollment and related financial impacts. Institutions serving low-income and first-generation students were particularly hard hit, and enrollment continues to decline at these institutions. Federal financial assistance has sustained institutional finances but is likely to be exhausted by the end of FY 2021-22.

COLLEGE AFFORDABILITY AND INCREASING AWARENESS ABOUT FINANCIAL AID: The actual cost of college is a barrier for many students, but the perceived cost of college is also a barrier that discourages potential students from applying, even when they would qualify for financial aid. Both the State and federal government have begun to focus more attention on how to address barriers of perception, including through simplification of the federal application for student aid and better outreach to K-12 students.

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Department of Human Services

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. The Department's FY 2021-22 appropriation represents approximately 8.1 percent of statewide operating appropriations and 6.9 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
S.B. 21-205 (Long Bill)	2,411,078,475	1,070,428,168	441,578,967	209,274,140	689,797,200	5,184.4
Other legislation	546,560,280	37,824,278	106,484,178	19,651,801	382,600,023	10.0
TOTAL	\$2,957,638,755	\$1,108,252,446	\$548,063,145	\$228,925,941	\$1,072,397,223	5,194.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$2,957,638,755	1,108,252,446	\$548,063,145	\$228,925,941	\$1,072,397,223	5,194.4
R1 Food service and housekeeping coordinated compensation	1,955,919	994,087	462,741	213,410	285,681	0.0
R2 CMHIFL 44 bed operating budget	10,318,585	10,318,585	0	0	0	78.3
R3 County Trails refresh and support	1,800,000	1,776,267	0	0	23,733	0.0
R4 Enhancing county Child Welfare support	421,448	362,445	0	0	59,003	3.8
R5 Community provider rate increase	10,409,644	5,796,060	1,785,987	275,342	2,552,255	0.0
R6 Facilities management operating resources	1,644,760	851,200	58,143	513,353	222,064	0.0
R7 DYS phone replacement - youth and families	50,000	50,000	0	0	0	0.0
R8 Older Coloradans Cash Fund spending authority	1,083,358	0	1,083,358	0	0	0.0
R9 Improving involuntary mental health treatment	181,433	181,433	0	0	0	1.0
R10 SNAP fair hearings compliance	358,451	179,226	0	0	179,225	2.8
R11 CBH criminal justice Long Bill line consolidation	0	0	0	0	0	(0.0)
R12 Community behavioral health technical corrections	0	0	0	0	0	0.0
R13 MHI forensic technical Long Bill corrections	0	0	0	0	0	0.0
R14 Adult Protective Services data system	0	0	0	0	0	1.0
R15 DYS parole and transition services caseload reduction	(533,784)	(533,784)	0	0	0	0.0
R16 Aid to Needy Disabled caseload adjustment	(2,750,000)	(2,200,000)	(550,000)	0	0	0.0
R17 Realign Child Welfare hotline budget	(457,787)	(457,787)	0	0	0	0.0
R18 Realign family and children's programs	(2,562,279)	(2,152,314)	(215,230)	0	(194,735)	0.0
R19 Indirect cost assessment refinance	279,076	(6,938,340)	0	7,217,416	0	0.0
R20 CAPS fee reduction	0	0	0	0	0	0.0
DEC1 Child care safety	345,980	311,382	0	0	34,598	7.3
DEC2 Early Intervention alternate	1,003,685	1,003,685	0	0	0	1.0
DEC3 Refinance CCCAP	0	(1,807,730)	0	0	1,807,730	0.0
Centrally appropriated line items	21,213,945	13,989,955	1,263,446	2,660,641	3,299,903	0.0
Technical adjustments	2,351,635	2,351,635	0	0	0	0.0
Indirect cost assessments	2,321,983	0	335,850	728,063	1,258,070	0.0
Non-prioritized requests	2,295,346	1,597,815	58,484	388,745	250,302	4.0
Annualize prior year legislation	(447,187,178)	(16,261,988)	(93,527,168)	(20,686,412)	(316,711,610)	0.2
Annualize prior year budget actions	(15,300,061)	(1,829,950)	214,232	6,926	(13,691,269)	1.4
TOTAL	\$2,546,882,914	\$1,115,834,328	\$459,032,988	\$220,243,425	\$751,772,173	5,295.2
INCREASE/(DECREASE)	(\$410,755,841)	\$7,581,882	(\$89,030,157)	(\$8,682,516)	(\$320,625,050)	100.8
Percentage Change	(13.9%)	0.7%	(16.2%)	(3.8%)	(29.9%)	1.9%

R1 FOOD SERVICE AND HOUSEKEEPING COORDINATED COMPENSATION: The request includes an increase of \$2.1 million total funds, including \$1.1 million General Fund, in FY 2022-23 for salary increases for all food services and housekeeping classified employees throughout the State. The request would annualize to \$1.9 million total funds, including \$963,144 General Fund in FY 2023-24 and ongoing. This request affects employees in the Departments of Education, Health Care Policy and Financing, Labor and Employment, Military and Veterans Affairs, Personnel, and Military and Veterans Affairs.

R2 CMHIFL 44 BED OPERATING BUDGET: The request includes an increase of \$10.3 million General Fund and 78.3 FTE for costs to operate 44 new forensic psychiatric beds at the Colorado Mental Health Institute at Fort Logan (CHMIFL). As the request for FY 2022-23 does not cover the entire fiscal year, the Department reports that costs would increase to \$12.4 million General Fund and 104.3 FTE in FY 2023-24 and subsequent years. The General Assembly approved an appropriation of \$17.8 million in capital construction funding in FY 2019-20 to renovate two existing units at Fort Logan to provide the additional beds for inpatient competency services and address the waitlist for competency services. According to the Department, that capital construction request, as approved by the General Assembly, assumed that operating the units would require approximately \$13.0 million per year. The Department indicates that the request would increase funding for an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

Modeled on the forensic services staffing ratios at the Mental Health Institute at Pueblo, the request includes the FTE and associated costs reflected in the following table.

R2 - CMHIFL 44 BED OPERATING BUDGET				
	FY 2022-23 REQUEST		FY 2023-24 IMPACT	
	GENERAL FUND	FTE	GENERAL FUND	FTE
OBH, CMHIFL Personal Services				
Nursing	\$2,747,184	36.5	\$3,621,290	48.0
Contract medical (psychiatry, medical, nurse practitioner)	822,107	3.3	\$986,528	4.0
Psychology	727,500	6.8	962,999	9.0
Security	536,772	8.6	700,217	11.2
Administrative/Other	444,452	5.9	624,868	8.2
Social Work	297,315	3.8	391,662	5.0
Therapy	288,111	3.8	380,007	5.0
Medical	227,096	2.8	311,331	3.9
Dietary	108,004	2.1	154,293	3.0
Pharmacy	104,937	0.7	149,911	1.0
Dental	39,358	0.5	73,793	0.9
Patient Armed Transport	67,500		90,000	
Subtotal, CMHIFL Personal Services	\$6,410,337	74.8	\$8,446,899	99.2
OBH, CMHIFL Operating Expenses				
Ongoing programmatic operating expenses	\$490,247		\$641,794	
Operating expenses for FTE	373,378		82,840	
One-time start-up operating expenses	300,403		0	
Electronic health records licenses	147,500		81,000	
Subtotal, CMHIFL Operating Expenses	\$1,311,528		\$805,634	
OBH, CMHIFL Pharmaceuticals	\$283,123		\$378,534	
Office of Operations				
Personal Services	\$240,428	3.5	\$349,316	5.1
Operating expenses	\$119,381		\$40,925	
Utilities	\$67,913		\$81,496	
Subtotal, Office of Operations	\$427,722	3.5	\$471,737	5.1
Executive Director's Office				
Centrally appropriated line items	\$1,885,875	0.0	\$2,304,974	0.0
Total, Request R2 General Fund	\$10,318,585	78.3	\$12,407,778	104.3

R3 COUNTY TRAILS REFRESH AND SUPPORT: The request includes an increase of \$1,800,000 total funds, including \$1,776,267 General Fund and \$23,733 federal funds, for FY 2022-23 and ongoing to increase support for county computer support and the Colorado Trails system under the Office of Information and Technology Services. In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b).

R4 ENHANCING COUNTY CHILD WELFARE SUPPORT: The request includes an increase of \$421,448 total funds and 3.8 FTE, including \$362,445 General Fund and \$59,003 federal funds, in FY 2022-23 and \$405,736 total funds ongoing to create 4.0 new positions to increase state support to counties. The 4.0 FTE would include one permanency specialist, two county intermediaries (CIs), and one monitoring specialist to reduce the caseload of existing FTE within the Department. The request indicates that funding supports an evidence-informed program (Step 3 or 4) as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R5 COMMUNITY PROVIDER RATE INCREASE: The request includes an increase of \$10.4 million total funds, including \$5.8 million General Fund, in FY 2022-23 and ongoing for a 1.0 percent provider rate adjustment. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R5 COMMUNITY PROVIDER RATE INCREASE DIVISIONAL ALLOCATION					
DIVISION	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Executive Director's Office	\$7,075	\$0	\$0	\$7,075	\$0
County Administration	777,804	258,917	155,561	0	363,326
Division of Child Welfare	5,151,300	2,981,140	897,371	77,161	1,195,628
Office of Early Childhood	1,981,912	793,583	155,383	79,680	953,266
Office of Self Sufficiency	18,624	0	0	0	18,624
Office of Behavioral Health	2,011,838	1,396,318	510,195	105,325	0
Adult Assistance Programs	186,234	127,586	37,237	0	21,411
Division of Youth Services	274,857	238,516	30,240	6,101	0
Total	\$10,409,644	\$5,796,060	\$1,785,987	\$275,342	\$2,552,255

R6 FACILITIES MANAGEMENT OPERATING RESOURCES: The request includes \$1.2 million total funds, including \$851,200 General Fund, in FY 2022-23 to address inflationary and operational cost increases in the Office of Operations (Division of Facilities Management). The request would annualize to \$2.0 million total funds, including \$1.4 million General Fund, in FY 2023-24 and ongoing. The cost of the goods and services used by the Division to maintain the Department's facilities (3.5 million square feet in over 330 buildings) has increased significantly over the last several years. In particular, the goods and services required to support the Department's 24/7 facilities are specialized and experience more cost volatility than other facilities. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R7 DYS PHONE REPLACEMENT: The request includes an increase of \$50,000 General Fund in FY 2022-23 and \$150,000 General Fund ongoing to eliminate the current pay-per-use phone system provided to DYS by a private vender to a free phone service provided by the Department.

R8 OLDER COLORADANS CASH FUND SPENDING AUTHORITY: The request includes an increase of \$1.1 million cash funds from the Older Coloradans Cash Fund in FY 2022-23 and ongoing. The additional spending authority will allow the Department to fully utilize approximately \$18.4 million in federal American Recovery Plan Act (ARPA) funds made available the State. These funds will support to the State’s Area Agencies on Aging, which provide services including home delivered meals and transportation to older adults. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R9 IMPROVING INVOLUNTARY MENTAL HEALTH TREATMENT: The request includes an increase of \$181,433 General Fund and 1.0 FTE for FY 2022-23 to provide statewide technical assistance and training to mental health professionals related to involuntary mental health holds and treatment. After eliminating one-time costs proposed for the first year, the request anticipates an ongoing need for \$133,883 General Fund and 1.0 FTE in FY 2023-24 and subsequent years. The Department intends to standardize and clarify the appropriate use of involuntary mental health holds, including involuntary transportation holds, through both rulemaking and statewide training efforts for “intervening professionals” such as law enforcement officers, first responders, nurses, psychologists, physicians, social workers, therapists, and counselors. The Department expects most training to be delivered through online platforms, with trainings created for specific audiences/intervening professionals. While request R9 indicates that the request requires legislation, the Department reports that it has now determined that legislation is not necessary and that the Department has authority to implement the training under current law.

R10 SNAP FAIR HEARINGS COMPLIANCE: The request includes an increase of \$358,451 total funds, including \$179,226 General Fund, and 2.4 FTE in FY 2022-23 to bring the Supplemental Nutrition Assistance Program (SNAP) fair hearing process within the Department. The request annualizes to \$356,137 total funds, including \$178,069 General Fund, and 2.5 FTE in FY 2023-24 and ongoing. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

Currently, SNAP fair hearings are conducted in a two-step process by the Office of Administrative Courts in the Department of Personnel and the Office of Appeals in the Department of Human Services. The Office of Administrative Courts conducts the initial review and the Office of Appeals reviews the case and renders a final decision. The federal rules governing SNAP fair hearings require a final decision to be rendered within 60 days; however, Colorado has not been in compliance with this requirement since 2013. The Department anticipates the process change will aid in coming back into compliance with federal rules.

R11 CBH CRIMINAL JUSTICE LONG BILL LINE CONSOLIDATION: The request proposes to consolidate two existing Long Bill line items (Criminal Justice Diversion Programs and Jail Based Behavioral Health Services) into a single line item.

- The current Criminal Justice Diversion Programs line item supports two different types of programs intended to divert individuals away from the criminal justice system: (1) the co-responders program supports partnerships between law enforcement and behavioral health agencies where behavioral health professionals often respond to behavioral health-related calls with law enforcement to address behavioral health issues; and (2) the Law Enforcement Assisted Diversion (LEAD) program that supports partnerships between law enforcement, district attorneys’ offices, sheriffs, treatment providers, and other stakeholders to divert individuals with substance abuse issues (often after arrest but before booking). For FY 2021-22, the line item has a total appropriation of \$7.4 million total funds, including \$1.6 million General Fund and \$5.8 million cash funds from the Marijuana Tax Cash Fund, and 2.3 FTE.
- The Jail Based Behavioral Health Services line item supports contracts with county sheriffs’ departments to support behavioral health services in jails. Services include screening and treatment of substance use, mental health, and co-occurring disorders. The Department contracts with sheriffs to administer the funds, and the sheriffs’ departments work with local community providers to provide services within the jail and free or low cost

services in the community upon release. For FY 2021-22, the line item has an appropriation of \$19.7 million total funds, including \$7.4 million General Fund, \$5.0 million in one-time funding from the Behavioral and Mental Health cash fund (originating as federal COVID-relief funds), and \$7.3 million reappropriated funds transferred from the Judicial Branch from the Correctional Treatment Cash Fund.

The Department is proposing to consolidate the line items to increase the flexibility of the use of funds in response to changes in local demand for specific types of programs. Both line items have experienced reversions in recent years and the Department anticipates that the increased flexibility will reduce reversions.

R12 COMMUNITY BEHAVIORAL HEALTH TECHNICAL CORRECTIONS: The request includes three changes in Community Behavioral Health (with no changes in total funding) that the Department has framed as technical corrections, including:

- Move \$1,470,000 General Fund currently appropriated to the Treatment and Detoxification Programs line item to the Jail Based Behavioral Health Services line item. Originally appropriated in S.B. 19-008 (Substance Use Disorder Treatment in the Criminal Justice System), the funds support medication-assisted treatment (MAT) in jail settings. The Department is proposing to consolidate that funding with all of the other jail based services.
- Move \$264,596 cash funds from the Persistent Drunk Driver Cash Fund from the Treatment and Detoxification Programs line item to the Community Prevention and Treatment line item. According to the Department, this originated as a technical error during the drafting of the FY 2020-21 Long Bill, and the Department is asking to correct that error for FY 2022-23.
- Strike “Pilot” from the Behavioral Health Crisis Response System Secure Transportation Pilot Programs line item in order to align with the program name in statute. The Department is also proposing to expand those services beyond the regions originally considered in the pilot program, with no increase in funding.

R13 MHI FORENSIC TECHNICAL LONG BILL CORRECTIONS: The request proposes five changes to appropriations related to forensic behavioral health services (again with no changes in total funding) that the Department has framed as technical corrections, including:

- Move \$164,804 General Fund and 2.0 FTE out of the Community Behavioral Health Administration Personal Services line item to two different line items: \$166,704 and 2.0 FTE to the Forensic Services Outpatient Competency Restoration Program; and \$1,900 to the Community Behavioral Health Administration Operating Expenses line item. According to the Department, the changes would correct technical errors in the existing appropriations and align funding and FTE with actual usage.
- Move \$125,000 General Fund from the Office of Information Technology Services, Electronic health Record and Pharmacy System line item to the Colorado Mental Health Institute at Pueblo, Personal Services line item to reflect the actual use of the funds.
- Move \$600,000 General Fund from the Mental Health Institutes, Contract Medical Services line item to the Mental health Institutes, Pharmaceuticals line item based on necessary costs for pharmaceuticals and to reduce the need for transfers that the Department has made in recent years (moving surplus funds from Contract Medical Services to cover shortfalls in the Pharmaceuticals line item).
- Create a new Forensic Support Team line item within Forensic Services (in the Mental Health Institutes) and move \$1,495,996 General Fund and 19.0 FTE from the existing Forensic Services Court Services line item to the newly created line item. The Department argues that the change will improve transparency and budgetary management associated with Court Services.
- Move a total of \$1,156,300 General Fund from the Mental Health Institute at Pueblo Personal Services line item to be split between the Forensic Services Court Services (\$595,300) and the Forensic Services Forensic Community Based Services line item (\$561,000). The Department indicates that the proposal would reflect costs for contract physicians in the correct line items.

R14 ADULT PROTECTIVE SERVICES DATA SYSTEM: The request includes a budget neutral reallocation of \$104,475 General Fund and an increase of 1.0 FTE in FY 2022-23 and ongoing. The reallocation moves the General Fund from the (2) Office of Information Technology Services, (A) Information Technology, Adult Protective Services Data System line item to the (10) Adult Assistance Program, (E) Adult Protective Services, State Administration line item. The reallocated funding would support an additional data system administrator to address increases in workload associated with the maintenance and support of the system. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R15 DYS PAROLE AND TRANSITION SERVICES CASELOAD REDUCTION: The request includes a decrease of \$533,784 General Fund for FY 2022-23 and ongoing to align DYS parole and transition services with decreasing caseload. The Department requested and the Committee approved reductions of \$850,000 General Fund in FY 2020-21 and \$316,216 in FY 2021-22 on a one-time basis to reflect decreases in caseload. This request is a continuation of those actions on an ongoing basis. The request indicates that funding supports a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R16 AID TO NEEDY DISABLED CASELOAD ADJUSTMENT: The request a reduction of \$2.8 million total funds, including \$2.2 million General Fund, in FY 2022-23 and ongoing to the Aid to Need Disabled (AND) program. The reduction does not change the monthly benefits for AND participants. Available caseload indicators show the AND caseload has declined over the last several years, as have overall program expenditures (see General Factors section). The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R17 REALIGN CHILD WELFARE HOTLINE BUDGET: The request includes a one-time decrease of \$457,787 General Fund to the Hotline for Child Abuse and Neglect. The Hotline line item shares line item flexibility with the Training; Foster and Adoptive Parent Recruitment, Training, and Support; Child Welfare Services (Block); and the Family and Children's Programs (Core Services) line items. The request states that under-expenditures in the Hotline line item have historically been used to cover over-expenditures in the Training line item that are not anticipated in FY 2022-23 due to a temporary decrease in Training contracts. The request indicates that funding supports a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R18 REALIGN FAMILY AND CHILDREN'S PROGRAMS: The request includes a one-time decrease of \$2.6 million total funds, including \$2.2 million General Fund and \$194,735 federal funds for child welfare Core Services. The request indicates that funding supports an evidence-informed program (Step 4) as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R19 INDIRECT COST ASSESSMENT REFINANCE: The request includes an increase of \$279,076 total funds, including a decrease of \$6.9 million General Fund, in FY 2022-23 for:

- the completion of a true-up of the indirect costs which are currently based on calculations from FY 2017-18;
- an increase in spending authority for the County Financial Management System (CFMS);
- a one-time refinance in FY 2022-23 of the Department's General Fund indirect costs with \$5.0 million cash funds from the Department's Indirect Cost Excess Recovery Cash Fund;
- and an increase of \$44,604 in reappropriated funds for the Microcomputer Lease appropriation to purchase computers for the Disability Determination Services program.

The request annualizes to \$279,076 total funds, including a reduction of \$1.9 million General Fund, in FY 2023-24.

R20 CAPS FEE REDUCTION: The request includes a notification that the Department intends to reduce the Colorado Adult Protective Services (CAPS) background check fee from \$9.00 per check in FY 2021-22 to \$5.00 per check in FY 2022-23. The fee reduction will ensure that the Records and Reports Cash Fund, created in Section 19-1-307 (2.5), C.R.S., remains within the 16.5 percent statutory limit on uncommitted reserves, as dictated by Section 24-75-402, C.R.S.

DEC1 CHILD CARE SAFETY: The Department requests \$345,980 total funds, including \$311,382 General Fund, for four new positions (3.8 FTE in the first year) to investigate suspected illegal child care and lead public awareness campaigns on safe care practices and the benefits of licensed care. The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

DEC2 EARLY INTERVENTION ALTERNATE [REQUIRES LEGISLATION]: The Department requests \$1,003,685 General Fund and 1.0 FTE in FY 2022-23 to phase in a new program for children from birth through 2 years of age with risk factors for developmental delays. The working title for the proposed new program is Early Start. The services would be similar to those offered through the existing Early Intervention program but more limited. The proposed eligibility criteria targets two populations. First, the program would serve an estimated 2,200 children with a developmental delay in certain skills that is between 33 percent and 25 percent of the expected timeline. These children would have been eligible for Early Intervention services prior to a change in eligibility criteria in FY 2020-21, which was implemented to balance the budget. Second, the new program aims to serve an estimated 1,800 children with risk factors for developmental delays in the same set of skills. The Department projects up to \$5.2 million in private funding for this request that is not included in the proposed appropriation amounts above. However, the Department assumes the private funding is time limited and the projected costs for the program increases to \$6,241,201 General Fund and 2.0 FTE by FY 2024-25 when the program is fully implemented and private funding is no longer available. The Department requests the JBC sponsor legislation to authorize the program, create a cash fund to receive gifts, grants, and donations, and provide continuous spending authority from the cash fund to the Department. The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

DEC R3 REFINANCE COLORADO CHILD CARE ASSISTANCE PROGRAM (CCCAP): The Department proposes temporarily refinancing \$1,807,730 General Fund for the Colorado Child Care Assistance Program with federal Child Care Development Funds. The refinancing would help meet a federal requirement that 70 percent of Child Care Development Funds be spent on direct services and at the same time free up General Fund for other priorities.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$12,651,592	\$8,061,115	\$559,338	\$1,520,060	\$2,511,079	0.0
Health, life, and dental	3,002,119	2,391,267	404,188	(492,722)	699,386	0.0
Payments to OIT	2,943,225	1,139,028	0	1,804,197	0	0.0
PERA Direct Distribution	1,536,105	1,034,239	0	501,866	0	0.0
DPA Paid family leave	742,439	498,132	31,921	97,122	115,264	0.0
AED	731,488	669,288	143,080	(132,338)	51,458	0.0
SAED	731,488	669,288	143,080	(132,338)	51,458	0.0
Legal services	297,329	278,234	(95,377)	114,472	0	0.0
ALJ services	201,845	71,453	0	130,392	0	0.0
Payment to risk management and property funds	161,290	113,387	0	47,903	0	0.0
CORE adjustment	149,887	82,438	0	67,449	0	0.0
Vehicle lease payments	52,328	26,423	0	25,905	0	0.0
Short-term disability	24,716	22,771	4,442	(3,583)	1,086	0.0
Workers' compensation	(1,326,954)	(745,748)	0	(581,206)	0	0.0
Shift differential	(625,252)	(299,808)	72,774	(268,390)	(129,828)	0.0
Capitol Complex leased space	(59,700)	(21,552)	0	(38,148)	0	0.0
TOTAL	\$21,213,945	\$13,989,955	\$1,263,446	\$2,660,641	\$3,299,903	0.0

TECHNICAL ADJUSTMENTS: The request includes an increase of \$2.4 million General Fund for annual depreciations-lease equivalent payments.

INDIRECT COST ASSESSMENTS: The request includes net adjustments to indirect costs across the Department.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$\$447.2 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
SB 21-154 988 Suicide prevention lifeline network	\$6,103,581	\$0	\$6,103,581	\$0	\$0	0.1
SB 21-129 Veteran suicide prevention pilot	1,260,000	1,260,000	0	0	0	0.0
HB 21-1094 Foster youth in transition	712,950	712,950	0	0	0	0.0
SB 21-276 Children's Residential Enrollment	36,348	36,348	0	0	0	0.5
HB 21-1084 Foster youth drivers' licenses	18,060	18,060	0	0	0	0.0
HB 21-1021 Peer support specialists BH	16,929	14,529	2,400	0	0	0.2
HB 21-1276 Prevention of substance use disorders	9,039	0	9,039	0	0	0.2
HB 21-1099 Identify domestic abuse	7,500	7,500	0	0	0	0.0
SB 21-131 Protect PII kept by state	436	(5,000)	5,436	0	0	0.1
SB 20-162 Changes related to federal Family First policy	0	936,412	0	(936,412)	0	0.0
SB 21-236 Increase capacity early childhood care & education - correction	0	0	0	0	0	0.0
SB 21-137 Behavioral health recovery act - correction	0	0	(500,000)	0	500,000	0.0
SB 21-236 Increase capacity early childhood care & education	(313,459,278)	0	0	0	(313,459,278)	(4.0)
SB 21-137 Behavioral health recovery act	(89,911,624)	(14,000)	(89,397,624)	0	(500,000)	0.0
SB 21-290 Security for Colorado seniors	(30,000,000)	(15,000,000)	0	(15,000,000)	0	0.0
SB 21-292 Federal COVID funding for victims services	(9,500,000)	0	(4,750,000)	(4,750,000)	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
HB 21-1270 Approp to DHS for SNAP	(6,000,000)	(3,000,000)	0	0	(3,000,000)	0.0
SB 21-027 Emergency supplies for Colorado babies and families	(5,000,000)	0	(5,000,000)	0	0	0.1
SB 21-275 Child Find responsibilities	(419,762)	(419,762)	0	0	0	1.9
SB 21-277 Child welfare allocation formula	(250,000)	(250,000)	0	0	0	0.0
SB 21-278 Out-of-home reimbursement	(250,000)	(250,000)	0	0	0	0.0
SB 21-071 Limit the detention of juveniles	(173,976)	(84,560)	0	0	(89,416)	0.5
HB 21-1304 Early childhood system	(119,232)	(119,232)	0	0	0	0.5
SB 21-199 Remove barriers to certain public opportunities	(115,352)	(27,044)	0	0	(88,308)	0.0
SB 21-201 Stricter transparency & enforcement in child care	(59,875)	0	0	0	(59,875)	0.0
SB 21-146 Improve prison release outcome	(50,000)	(50,000)	0	0	0	0.0
HB 21-1101 Preserving family relationships in child placement	(21,352)	(13,879)	0	0	(7,473)	0.0
SB 21-269 Licensing of respite child care centers	(21,352)	(14,092)	0	0	(7,260)	0.0
SB 21-118 Alt response mistreatment at-risk adults	(218)	(218)	0	0	0	0.1
TOTAL	(\$447,187,178)	(\$16,261,988)	(\$93,527,168)	(\$20,686,412)	(\$316,711,610)	0.2

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The FY 2022-23 request includes a net decrease of \$15.3 million total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R14 Nurse home visitor program spending authority	\$732,244	\$0	\$732,244	\$0	\$0	0.0
FY 21-22 NPBA1 CBMS-PEAK funding	335,820	164,919	4,037	0	166,864	0.0
FY 21-22 R2 Family first prevention and services act	76,250	74,324	0	0	1,926	0.4
FY 19-20 R21 Salesforce	11,551	0	1,684	6,926	2,941	0.0
Annualize prior year salary survey	0	0	0	0	0	0.0
FY 21-22 Medicaid match public health emergency	0	0	0	0	0	0.0
FY 21-22 CO Works short-term benefits	(13,502,982)	0	0	0	(13,502,982)	0.0
FY 21-22 R5 Natnl school lunch commodity storage and distr	(1,377,604)	(1,262,792)	180,240	0	(295,052)	3.0
FY 21-22 BA2 Excess federal 4E cash fund spending	(694,000)	0	(694,000)	0	0	0.0
FY 21-22 R1 Expanded behavioral health crisis services for children and youth	(380,000)	(380,000)	0	0	0	0.0
FY 18-19 R16 Permanency services	(365,100)	(365,100)	0	0	0	(2.0)
FY 21-22 JBC initiated SB 19-235 funding	(136,240)	(61,301)	(9,973)	0	(64,966)	0.0
TOTAL	(\$15,300,061)	(\$1,829,950)	\$214,232	\$6,926	(\$13,691,269)	1.4

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R1 FOOD SERVICE AND HOUSEKEEPING COORDINATED COMPENSATION: The Department of Human Services (DHS) requests \$2,075,761 total funds, including \$1,050, 243 General Fund, in FY 2022-23 for salary increases for all food services and housekeeping classified employees throughout the State. The request would annualize to \$1,903,614 total funds, including \$963,144 General Fund in FY 2023-24 and ongoing. This request affects employees in the Departments of Education, Health Care Policy and Financing, Labor and Employment, Military and Veterans Affairs, Personnel, and Military and Veterans Affairs.

R3 COUNTY TRAILS REFRESH AND SUPPORT: This issue summarizes the Department's third prioritized request, R3 County Trails Refresh and Support. The Department request includes an increase of \$1,800,000 total funds, including \$1,776,267 General Fund and \$23,733 federal funds, for FY 2022-23 and ongoing.

R4 ENHANCING COUNTY CHILD WELFARE SUPPORT: This issue details the Department's fourth prioritized request, R4 Enhancing county child welfare support as well as the impact of the federal Family First Prevention and Services Act on county and state caseload.

R18 REALIGN FAMILY AND CHILDREN'S PROGRAMS: This issue summarizes the Department's final request, R18 Realign Family and Children's Programs, as well as legislation impacting county allocations for child welfare.

UPDATE ON FORENSIC SERVICES AND COMPETENCY: For over a decade, the Department of Human Services and the General Assembly have been working to address issues related to competency evaluation and restoration services. A 2019 consent decree sets requirements for the timing of evaluation and restoration services. In spite of the State's significant investments, the waitlist for competency services is at an all-time high, forcing additional time in jail for individuals awaiting services and additional costs to the State in fines and fees under the consent decree. This issue brief provides an update on the status of competency services and potential costs for FY 2022-23 associated with the consent decree.

BEHAVIORAL HEALTH WORKFORCE CHALLENGES: Behavioral health service providers, including both state facilities such as the Mental Health Institute at Pueblo (CMHIP) and other safety net providers such as the community mental health centers, are facing significant workforce challenges. With approximately 324 vacant positions as of November 30, 2021 (representing a 26.1 percent vacancy rate), CMHIP is not operating at capacity because it is currently unable to staff several of the facility's units, leaving 95 beds vacant and unavailable. According to the Colorado Behavioral Health Council, as of November 2, 2021, the State's community mental health centers (CMHCs) had a total of 1,092 vacant positions (including 859 clinical), representing 16.3 percent of the total CMHC workforce (and 16.2 percent of clinical positions).

BEHAVIORAL HEALTH ADMINISTRATION: House Bill 21-1097 (Establish Behavioral Health Administration) charges the Department of Human Services, in collaboration with the Department of Health Care Policy and Financing (HCPF), the Division of Insurance (DOI, within the Department of Regulatory Agencies), and the Department of Public Health and Environment (CDPHE) to create a new Behavioral Health Administration (BHA) to improve behavioral healthcare. The bill requires the Department to develop a plan for the creation of the BHA by November 1, 2021, and requires the establishment of the BHA with specified duties by July 1, 2022. This issue brief discusses the Departments' November 1, 2021, plan for the creation of the BHA.

DEPARTMENT OF HUMAN SERVICES LONG BILL REORGANIZATION: JBC Staff will recommend a reorganization of the Department of Human Services' Long Bill section during figure setting for the FY 2022-23 budget. The reorganization seeks to better align the Long Bill with the Department's actual organizational structure.

DEPARTMENT OF EARLY CHILDHOOD: This issue brief discusses the transition plan for the new Department of Early Childhood that was submitted to the Joint Budget Committee for review of the fiscal impact and the Governor's *DEC4 Department administration* to provide staff for the new department.

DEC2 EARLY INTERVENTION ALTERNATE: This issue brief discusses the Department's request, in *DEC2 Early Intervention alternate*, for the JBC to sponsor legislation authorizing a new program for children at risk of developmental delays designed to serve more children with fewer dollars per child than the existing federally sanctioned Early Intervention.

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Judicial Department

The Judicial Department interprets and administers the law, resolves disputes, and supervises adult and juvenile offenders on probation. The Judicial Branch also includes seven independent agencies. The four largest agencies provide legal representation for children, juveniles, or indigent adult defendants in certain types of cases. The Independent Ethics Commission provides advice and guidance on ethics-related matters concerning public officers, members of the General Assembly, local government officials, and government employees. The Office of the Child Protection Ombudsman receives, investigates, and seeks resolution of complaints concerning child protection services and makes recommendations to improve such services. The Office Public Guardianship operates a pilot program in Denver that provides guardianship services for incapacitated and indigent adults who lack resources and family or friends who can serve as guardians. The Department's FY 2021-22 appropriation represents 2.3 percent of statewide operating appropriations and 3.9 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

JUDICIAL DEPARTMENT – COURTS AND PROBATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	620,904,408	401,278,678	168,830,865	46,369,865	4,425,000	3,950.1
Other legislation	6,892,365	1,547,733	5,344,632	0	0	7.7
TOTAL	\$627,796,773	\$402,826,411	\$174,175,497	\$46,369,865	\$4,425,000	3,957.8
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$627,796,773	402,826,411	\$174,175,497	\$46,369,865	\$4,425,000	3,957.8
C&P R3 IT infrastructure upgrades	8,541,863	0	0	0	8,541,863	0.0
C&P R8-R12-NP1-5 Non-discretionary requests	5,716,419	4,926,216	(362,761)	1,152,964	0	0.3
C&P R6-R7-R11 Restoration requests	3,259,000	3,259,000	0	0	0	0.0
C&P R9-R10 Behavioral and mental health requests	2,378,014	392,514	1,985,500	0	0	1.0
C&P R2 IT staff	2,018,556	936,689	1,081,867	0	0	16.0
C&P R1 Fin services and human resources staff	1,586,826	1,508,826	78,000	0	0	16.0
C&P R4 Judicial training	408,706	408,706	0	0	0	4.5
C&P R5 Language access	324,978	324,978	0	0	0	4.0
Centrally appropriated line items	10,999,307	10,797,613	201,694	0	0	0.0
Annualize prior year legislation	515,716	5,565,056	(5,049,340)	0	0	11.7
Indirect cost assessment	144,491	0	144,491	0	0	0.0
Technical adjustments	0	(127,339)	0	127,339	0	0.0
Annualize prior year budget actions	(958,724)	(967,358)	8,634	0	0	0.0
TOTAL	\$662,731,925	\$429,851,312	\$172,263,582	\$47,650,168	\$12,966,863	4,011.3
INCREASE/(DECREASE)	\$34,935,152	\$27,024,901	(\$1,911,915)	\$1,280,303	\$8,541,863	53.5
Percentage Change	5.6%	6.7%	(1.1%)	2.8%	193.0%	1.4%

The Chief Justice reviews requests for the courts, who along with probation, submit independent budgets request that are not reviewed or approved by OSPB, although the common policy components generally align with OSPB decisions for executive branch agencies. Therefore, only the General Assembly evaluates the merits of these requests relative to those of other state agencies.

C&P R3 IT INFRASTRUCTURE UPGRADES: The request includes an increase of \$8.5 million federal funds from federal ARPA funds for information technology infrastructure upgrades. The FY 2022-23 request represents the year 2 request for this four-phase project; the Courts anticipate submitting a FY 2021-22 supplemental that includes an increase of \$9.1 million, representing the year 1 request. The following table outlines the components of the request over four years.

COURTS R3 IT INFRASTRUCTURE UPGRADES					
COMPONENT	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	TOTAL
1. SDWAN Project	\$1,304,170	\$650,000	\$650,000	\$0	\$2,604,170
2. AV Infrastructure	2,500,000	3,600,000	3,600,000	3,600,000	13,300,000
3. Webex	482,160	482,160	482,160	482,160	1,928,640
4. Network Infrastructure	2,105,446	1,285,000	1,300,000	1,300,000	5,990,446
5. Data Center Hardware	2,061,126	0	1,000,000	0	3,061,126
6. Disaster Recovery / OIT Move	0	1,096,779	0	0	1,096,779
7. Security	620,226	1,427,924	1,483,739	1,691,468	5,223,357
TOTAL	\$9,073,128	\$8,541,863	\$8,515,899	\$7,073,628	\$33,204,518

C&P R8-R12-NP1-5 NON-DISCRETIONARY REQUESTS: This group of requests includes an increase of \$5.7 million total funds, including \$4.9 million General Fund, and 0.3 FTE, for non-discretionary, pass-through, or technical request items located in the Courts budget.

- *R8 Law Library Funding Adjustment* includes a net-zero adjustment to refinance \$250,000 cash funds with General Fund. The cash funds source are law license fees from the Office of Attorney Regulation Counsel. These cash funds were intended to temporarily support the Law Library in 2007; however, due to the economic downturn at that time, state funds were not available to backfill this support and the temporary support became long-term support. The request is to return the cash funds to a more appropriate use of that fee revenue and backfill with General Fund.
- *R12 Consolidation and Technical Adjustment of Long Bill Lines* includes a net increase of \$50,000 General Fund. This increased General Fund amount is intended to fund an administrative position to manage the Underfunded Facilities Grant Program. While the program may spend from the Program cash fund for administrative expenses, the Courts instead request a General Funded staff position in order to maximize the issuance of grants from the cash fund, which originates as General Fund. Additionally, this request moves FTE and consolidates line items to align with how the Courts actually administer/position staff and related appropriations.
- *NP1 County Initiated Courthouse Furnishings* includes a net increase of \$3.2 million General Fund for the State's share of county-initiated courthouse infrastructure projects. The FY 2022-23 request includes projects in six counties including Pitkin, Moffat, Otero, Adams, Arapahoe, and Mesa Counties. The Courts also request two-year spending authority for this line item due to the calendar-year basis of county budgets.
- *NP2 Correctional Treatment Board Request* includes a net increase of \$2.3 million total funds. This includes a \$1.3 million General Fund appropriation to the Correctional Treatment Cash Fund (CTCF) and \$1.0 million reappropriated funds spending authority from the CTCF.
- *NP3 District Attorney Mandated Costs* includes a net increase of \$83,000 General Fund for a 3.0 percent increase for statutorily-specified state costs for district attorneys.
- *NP4 County Court Judge FTE Adjustment* includes a net increase of \$59,000 General Fund and 0.3 FTE for the statutorily defined annual calculations of salary levels for Class C and D county court judges.
- *NP5 Carr Building Lease Adjustment* includes a net increase of \$51,000 total funds, including \$50,000 General Fund for the 1.8 percent annual increase in leased space payments for the Ralph L. Carr Judicial Center for all Judicial Department agencies.

C&P R6-R7-R11 RESTORATION REQUESTS: This group of requests includes an increase of \$3.3 million General Fund for the restoration of funding for items eliminated or reduced in FY 2020-21 due to the revenue downturn.

- *R6 Judicial Education Restoration* includes an increase of \$400,000 General Fund, which includes the restoration of \$350,000 for the annual Colorado Judicial Conference and \$50,000 for the Colorado Institute for Faculty Excellence (COIFE), a six-month program for education program and project planning and design.

- *R7 Problem Solving Court Operating Restoration* includes an increase of \$359,000 General Fund, which includes \$200,000 for statewide training and education and \$159,000 for local support, program development, and evaluation of outcomes.
- *R11 Underfunded Facilities GF Restoration* includes an increase of \$2.5 million General Fund for the General Fund appropriation to the program cash fund. The current appropriation is \$500,000.

C&P R9-R10 BEHAVIORAL AND MENTAL HEALTH REQUESTS: This group of requests includes a net increase of \$2.4 million total funds, including an increase of \$393,000 General Fund and \$2.0 million cash funds, for behavioral and mental health-related requests.

- R9 Behavioral Health Court Liaison Program, also known as the Bridges Program, includes an increase of \$393,000 General Fund and 1.0 FTE for a clinical supervisor position. In addition to the clinical supervisor position, the request includes (2) a program evaluation at a cost of \$250,000 over three years (\$50,000-\$150,000-\$50,000), and (3) a reinstatement of the 10.0 percent reduction in contractor rates instituted in FY 2020-21 and continued in FY 2021-22 at a cost of \$198,000, along with a 2.5 percent provider rate increase, adopted as common policy in FY 2021-22 but not provided for Behavioral Court Liaison providers, at a cost of \$48,000; both provider rate increases total \$247,000. The FY 2023-24 annualization cost for this item totals \$495,000.
- R10 Mental Health and DA Pretrial Diversion Program includes an increase of \$2.0 million cash funds from the Behavioral and Mental Health Cash Fund, created and funded with ARPA funds in S.B. 21-137 *Behavioral Health Recovery Act*, for the Pretrial Adult Diversion Program. Prior to FY 2020-21, this Program was General Funded at \$400,000 per year, was initially approved for an increase to \$874,000 General Fund, and was then reduced to \$100,000 General Fund for FY 2020-21. Additionally, the request includes the transfer of \$100,000 General Fund and 1.0 FTE from the Mental Health Diversion Program into General Courts Administration and termination of the Mental Health Diversion Program. The request for the Pretrial Diversion Program includes \$1.6 million for additional adult diversion funding and \$339,000 for the one-time cost for a case management system for the Pretrial Diversion Program.

C&P R2 IT STAFF: The request includes an increase of \$2.0 million total funds, including \$937,000 General Fund and \$1.1 million cash funds from the Judicial Department Information Technology Cash Fund, and 16.0 FTE. The project includes 9.0 FTE for audio-visual (AV) support staff; a senior engineer for the unified communication program; and 6.0 FTE for IT support technicians for judicial districts that do not currently have technical support. The project also includes \$500,000 in FY 2022-23 and \$1.0 million in FY 2023-24 for a consulting contract to help the Courts select a new case management system. The FY 2023-24 annualization for this item totals \$2.6 million.

C&P R1 FIN SERVICES AND HUMAN RESOURCES STAFF: The request includes an increase of \$1.6 million total funds, including \$1.5 million General Fund, and 16.0 FTE for additional financial services and human resources staff. Requested staff include: 6.0 FTE for contract management and purchasing; 1.0 FTE for a budget analyst; 2.0 FTE for accounting; 2.0 FTE for grant administrators; and 5.0 FTE for human resources. The FY 2023-24 annualization for this item totals just over \$1.6 million.

C&P R4 JUDICIAL TRAINING: The request includes an increase of \$409,000 General Fund and 4.5 FTE for training specialist positions. This includes 2.0 FTE for the Courts, 1.0 FTE for Probation, 1.0 FTE for distance learning, and 0.5 FTE for the Court Improvement Program (CIP) related to dependency and neglect for children, youth, and families courts. The FY 2023-24 annualization for this item totals \$418,000.

C&P R5 LANGUAGE ACCESS: The request includes an increase of \$325,000 General Fund and 4.0 FTE for court interpreters. Interpreters would be placed to serve four areas: the 5th, 9th, and 14th judicial districts in Northwestern Colorado; the 6th, 7th, and 22nd judicial districts in Southwest Colorado; the 13th and 17th judicial districts in

Northeastern Colorado; and the 18th Judicial District that currently comprises Arapahoe, Douglas, Elbert, and Lincoln counties. The FY 2023-24 annualization for this item totals \$329,000.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$11.0 million total funds for centrally appropriated items, summarized in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$9,455,573	\$9,237,745	\$217,828	\$0	\$0	0.0
Health, life, and dental	3,053,548	3,005,108	48,440	0	0	0.0
Payment to risk management and property funds	880,624	880,624	0	0	0	0.0
Paid family leave	472,689	457,778	14,911	0	0	0.0
AED	450,630	451,475	(845)	0	0	0.0
SAED	450,630	451,475	(845)	0	0	0.0
CORE adjustment	266,907	266,907	0	0	0	0.0
OIT Budget package	55,716	55,716	0	0	0	0.0
Legal services	25,431	10,197	15,234	0	0	0.0
Short-term disability	20,807	20,776	31	0	0	0.0
DPA CSEAP resources	18,124	18,124	0	0	0	0.0
Vehicle lease payments	5,737	5,737	0	0	0	0.0
PERA Direct Distribution	(2,237,976)	(2,144,916)	(93,060)	0	0	0.0
Payments to OIT	(1,453,024)	(1,453,024)	0	0	0	0.0
Workers' compensation	(466,109)	(466,109)	0	0	0	0.0
TOTAL	\$10,999,307	\$10,797,613	\$201,694	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$516,000 total funds, to reflect the FY 2022-23 impact of bills passed in previous sessions. The adjustments include an increase of \$5.6 million General Fund and a decrease of \$5.0 million cash funds, including a decrease of \$5.3 million one-time cash funds which originated as federal American Rescue Plan Act or ARPA funds. Adjustments are summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1394 PERA Rate Adjust for Judges	\$2,696,865	\$2,696,865	\$0	\$0	\$0	0.0
SB18-200 PERA unfunded liability	1,390,546	1,358,383	32,163	0	0	0.0
HB 20-1026 Creation of 23rd Judicial District	740,000	740,000	0	0	0	0.0
HB 21-1280 Pre-trial Detention Reform	383,802	215,305	168,497	0	0	6.3
SB 21-271 Misdemeanor Reform	328,118	328,118	0	0	0	4.2
HB 21-1214 Record Seal Collateral Conseq Red	258,595	258,595	0	0	0	0.8
SB 21-173 Rights in Resid Lease Agreements	6,617	6,617	0	0	0	0.2
HB 21-1228 Domestic Violence Trng Court Pers	1,394	1,394	0	0	0	0.1
SB 21-292 Fed Funding Victim Services	(3,750,000)	0	(3,750,000)	0	0	0.0
HB 21-1329 American Rescue Plan	(1,500,000)	0	(1,500,000)	0	0	0.0
HB 21-1136 Jud Div Retirees Temp Comp	(36,301)	(36,301)	0	0	0	0.1
HB 21-1255 Protect Order Iss Dom Abuser	(3,920)	(3,920)	0	0	0	0.0
TOTAL	\$515,716	\$5,565,056	(\$5,049,340)	\$0	\$0	11.7

INDIRECT COST ASSESSMENT: The request includes a net increase of \$145,000 cash funds for indirect costs. Increases include \$16,000 from attorney registration fees in the Office of Attorney Regulation Counsel, \$25,000 from various IT-related cash funds including the Judicial Department Information Technology Cash Fund in the Administration and Technology subdivision, and \$103,000 from various cash fund including the Offender Services Fund and Correctional Treatment Cash Fund in Probation.

TECHNICAL ADJUSTMENTS: The request includes a net neutral funds adjustment related to increased indirect cost recoveries that offset General Fund.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net decrease of \$959,000 total funds, including a decrease of \$967,000 General Fund, for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
C&P FY22 BA2 Restore FTE	\$611,908	\$611,908	\$0	\$0	\$0	0.0
Prior year salary survey	2	0	2	0	0	0.0
C&P FY22 R3 Courthouse Furnish & Infra	(1,100,723)	(1,100,723)	0	0	0	0.0
C&P FY22 BA3 Courthouse F&I Maint	(283,539)	(283,539)	0	0	0	0.0
C&P FY22 BA4 Magistrate request	(186,372)	(195,004)	8,632	0	0	0.0
TOTAL	(\$958,724)	(\$967,358)	\$8,634	\$0	\$0	0.0

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

JUDICIAL DEPARTMENT – OFFICE OF THE STATE PUBLIC DEFENDER						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	118,679,551	118,524,551	155,000	0	0	964.6
Other legislation	224,896	224,896	0	0	0	1.8
TOTAL	\$118,904,447	\$118,749,447	\$155,000	\$0	\$0	966.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$118,904,447	118,749,447	\$155,000	\$0	\$0	966.4
OSPD R2-R3 Paralegal and discovery clerk staff requests	6,445,962	6,445,962	0	0	0	77.0
OSPD R1 Public defense in digital age - IT infrastructure	3,950,000	3,950,000	0	0	0	0.0
OSPD R1 Public defense in digital age - operating	1,534,683	1,534,683	0	0	0	6.4
OSPD R4 Restructured fiscal note HB 21-1280	188,657	188,657	0	0	0	0.0
Centrally appropriated line items	3,462,544	3,462,544	0	0	0	0.0
Annualize prior year budget actions	115,879	115,879	0	0	0	4.8
Annualize prior year legislation	93,685	93,685	0	0	0	0.2
TOTAL	\$134,695,857	\$134,540,857	\$155,000	\$0	\$0	1,054.8
INCREASE/(DECREASE)	\$15,791,410	\$15,791,410	\$0	\$0	\$0	88.4
Percentage Change	13.3%	13.3%	0.0%	0.0%	0.0%	9.1%

The Office of the State Public Defender submits an independent budget request that is not reviewed or approved by OSPB. Therefore, only the General Assembly evaluates the merits of these requests relative to those of other state agencies.

OSPD R2-R3 PARALEGAL AND DISCOVERY CLERK STAFF REQUESTS: The request includes an increase of \$6.4 million General Fund and 77.0 FTE for paralegal and discovery clerk staff. These requests are intended to provide a more affordable and efficient staffing model for managing increased discovery data at both the intake/administrative level and at the point of legal representation.

- R2 includes an increase of \$5.8 million for 66 paralegal positions (63.2 FTE) for phase I in FY 2022-23 and an additional increase of \$3.8 million for 38 paralegal positions (42.1 FTE) for phase II in FY 2023-24. Phase I distribution includes 10 paralegals for small offices of one per office; and 56 for large offices to cover higher level

felony cases at a ratio of one paralegal to six attorneys. Phase II distribution includes 38 paralegals for large offices to cover all non-higher level felony cases at a ratio of one paralegal to six attorneys.

- R3 includes an increase of \$650,000 for 15 discovery clerk positions (13.8 FTE). Discovery clerks are entry level administrative positions responsible for ensuring discovery is assembled from all sources and placed into the OSPD's case management system for defense teams. The 15 positions are likely to be centrally located to provide efficient and maximum statewide coverage based on daily needs.

OSPD R1 PUBLIC DEFENSE IN DIGITAL AGE – IT INFRASTRUCTURE: This placeholder request includes an increase of \$4.0 million General Fund for the IT project portion of the R1 request for a comprehensive, scalable, reliable, and accessible data storage solution. Ongoing operating costs are estimated to be \$745,000.

OSPD R1 PUBLIC DEFENSE IN DIGITAL AGE – OPERATING: This placeholder request includes an increase of \$1.5 million General Fund and 6.4 FTE, and ongoing costs of just under \$1.5 million, for the operating portion of the R1 request. The R1 placeholder request currently identifies the following components:

- \$142,000 and 2.0 FTE related dedicated to managing the storage solution;
- \$356,000 and 5.0 FTE for IT help desk support;
- \$429,000 for digital litigation tools related to transcription and case management;
- \$265,000 for mobile phone connectivity for attorneys;
- \$179,000 for increased costs for the computer hardware replacement cycle related to upgraded specifications for enhanced data processing; and
- \$163,000 to double bandwidth increases to 800mbps for all offices related to increased data management.

OSPD R4 RESTRUCTURED FISCAL NOTE HB 21-1280: The request includes an increase of \$189,000 General Fund due to updated fiscal impacts related to the implementation of H.B. 21-1280, *Pre-trial Detention Reform*. The bill requires courts to hold an initial bond hearing within 48 hours, beginning April 1, 2022. The fiscal note assumed that hearings would be held on one weekend day. However, the State Court Administrator's Office has determined the need for hearings on both weekend days with the use of two magistrates on each day. This request reflects the additional fiscal impact to provide contract attorneys at \$75 an hour.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$3.5 million General Fund for centrally appropriated items, summarized in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$2,463,110	\$2,463,110	\$0	\$0	\$0	0.0
Health, life, and dental	490,174	490,174	0	0	0	0.0
Leased space	215,589	215,589	0	0	0	0.0
Paid family leave	168,017	168,017	0	0	0	0.0
AED	72,133	72,133	0	0	0	0.0
SAED	72,133	72,133	0	0	0	0.0
Short-term disability	9,645	9,645	0	0	0	0.0
Vehicle lease payments	(28,257)	(28,257)	0	0	0	0.0
TOTAL	\$3,462,544	\$3,462,544	\$0	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$116,000 General Fund for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OSPD FY22 BA1 OSPD staffing	\$122,669	\$122,669	\$0	\$0	\$0	3.7
OSPD FY22 BA2 IT	1,620	1,620	0	0	0	0.3
OSPD FY22 BA3 Social Workers	(8,410)	(8,410)	0	0	0	0.8
TOTAL	\$115,879	\$115,879	\$0	\$0	\$0	4.8

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$94,000 General Fund to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1280 Pre-trial Detention Reform	\$93,133	\$93,133	\$0	\$0	\$0	0.0
SB 21-146 Improve Prison Release Outcomes	552	552	0	0	0	0.2
TOTAL	\$93,685	\$93,685	\$0	\$0	\$0	0.2

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

JUDICIAL DEPARTMENT – INDEPENDENT AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	110,541,578	102,490,161	879,569	7,171,848	0	81.4
Other legislation	142,992	142,992	0	0	0	1.4
TOTAL	\$110,684,570	\$102,633,153	\$879,569	\$7,171,848	\$0	82.8
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$110,684,570	102,633,153	\$879,569	\$7,171,848	\$0	82.8
Joint OADC R4 - OCR R1 - ORPC R1 Contractor rate increase	5,645,945	5,255,848	0	390,097	0	0.0
OADC R1-R2-R3-R5 OADC staff requests	250,228	250,228	0	0	0	4.5
OCR R2-R4 OCR Staff and operating requests	411,992	186,516	0	225,476	0	1.0
ORPC R2-R3-R4 Staff and technical requests	285,735	285,735	0	0	0	2.0
OCPO R1-R9 Staff increase and infrastructure requests	147,836	147,836	0	0	0	0.5
IEC R1 IEC staffing	64,024	64,024	0	0	0	0.5
OPG R1 FTE request	456,326	0	456,326	0	0	4.0
Centrally appropriated line items	442,053	402,162	19,569	20,322	0	0.0
Annualize prior year legislation	36,674	32,688	2,072	1,914	0	0.1
Indirect cost assessment	14,382	0	14,382	0	0	0.0
Annualize prior year budget actions	4,528	4,528	0	0	0	0.0
Technical adjustments	3,144	3,144	0	0	0	0.0
TOTAL	\$118,447,437	\$109,265,862	\$1,371,918	\$7,809,657	\$0	95.4
INCREASE/(DECREASE)	\$7,762,867	\$6,632,709	\$492,349	\$637,809	\$0	12.6
Percentage Change	7.0%	6.5%	56.0%	8.9%	0.0%	15.2%

OADC – Office of the Alternate Defense Counsel; OCR – Office of the Child's Representative; ORPC – Office of the Respondent Parents' Counsel; OCPO – Office of the Child Protection Ombudsman; IEC – Independent Ethics Commission; OPG – Office of Public Guardianship.

The Judicial Independent Agencies submit independent budgets request that are not reviewed or approved by OSPB. Therefore, only the General Assembly evaluates the merits of these requests relative to those of other state agencies.

JOINT OADC R4 - OCR R1 - ORPC R1 CONTRACTOR RATE INCREASE: The request includes an increase of \$5.6 million total funds, including \$5.3 million General Fund for a 6.0 percent increase in legal contractor rates for the Office of the Alternate Defense Counsel, the Office of the Child's Representative, and the Office of the Respondent Parents' Counsel.

- OADC R4 includes an increase of \$2.5 million General fund on a base of \$42.3 million.
- OCR R1 includes an increase of \$1.5 million total funds, including \$1.4 million General Fund, on a base of \$25.2 million; to allow OCR to increase the attorney rate to \$85 an hour, the case consultant rate to \$47 an hour, and the paralegal rate to \$35 an hour.
- ORPC R1 includes an increase of \$1.6 million total funds, including \$1.3 million General Fund, on a base of \$26.6 million; to allow ORPC to increase the attorney rate to \$85 an hour, the licensed clinical social worker rate to \$56 an hour, the licensed social worker, investigator, and family advocate rates to \$47 an hour, and the paralegal and parent advocate rates to \$35 an hour.

OADC R1-R2-R3-R5 OADC STAFF REQUESTS: This includes four request items that include a total increase of \$250,000 General Fund and 4.5 FTE for staff requests in the Office of the Alternate Defense Counsel.

- *R1 Coordinator of Adjunct Services* includes a net neutral adjustment (from the legal contracts line item) totaling \$176,000, and adding 1.0 FTE, to fund a Coordinator of Adjunct Services to manage OADC support operations for non-attorney service contractors.
- *R2 Staff Accountant* includes an increase of \$110,000 General Fund and 1.0 FTE to add a staff accountant position.
- *R3 Information Systems Director* includes an increase of \$141,000 General Fund and 1.0 FTE to add an Information Systems Director position.
- *R5 The Greater Colorado Practitioner Fellowship and The Inclusivity Fellowship* includes a net neutral adjustment (from the legal contracts line item) totaling \$192,000, and adding 2.0 FTE, to establish two, ongoing, two-year fellowships. These include The Greater Colorado Practitioner Fellowship for rural communities and The Inclusivity Fellowship for Black, Indigenous, and people of color (BIPOC), for the purpose of targeted recruitment and to provide a stable, two-year training and career growth program that will increase the likelihood of long-term sustainability for BIPOC and rural practitioners.

OCR R2-R3-R4 OCR STAFF AND OPERATING REQUESTS: This group of requests from the Office of the Child's Representative include an increase of \$412,000 total funds, including \$187,000 General Fund and \$225,000 reappropriated funds from the Department of Human Services from federal IV-E funds.

- *R2 New Staff Attorney Position* includes \$182,000 reappropriated funds for a staff attorney position to support the work of guardians ad litem (GALs) in juvenile delinquency cases.
- *R3 Common Compensation Plan Salary Adjustments* includes \$112,000 total funds, including \$109,000 General Fund to align attorney staff in the El Paso County office consistent with comparable attorney positions in the Office of the State Public Defender. Additionally, the request aligns four positions in the Denver executive office.
- *R4 Increase Operating Expenditures* includes \$118,000 total funds, including \$78,000 General Fund to address a Westlaw price increase (\$37,800 General Fund), a website redesign (\$40,000 General Fund) and enhancements for the Colorado Attorney Reimbursement Electronic System (CARES), the Office's case management and billing IT system (\$40,000 reappropriated funds).

ORPC R2-R3-R4 STAFF AND TECHNICAL REQUESTS: The request includes an increase of \$286,000 General Fund and 2.0 FTE.

- *R2 Equity, Diversity, and Inclusion Coordinator* includes \$173,000 General Fund and 1.0 FTE for a staff position to promote and increase equity, diversity, and inclusion within the agency and among contractors and to help collect and disseminate information on disparate impact of dependency and neglect proceedings and outcomes for low-income and minority populations and people with disabilities.
- *R3 Social Work Outreach Coordinator* includes \$113,000 General Fund and 1.0 FTE for a staff position to support the expansion of its interdisciplinary, preventive legal services pilot program in Jefferson County.
- *R4 Align Appropriations with other Independent Agencies* is a net neutral technical budget adjustment that moves a net \$1.1 million total funds between the Court-appointed Counsel line item and the Mandated Costs line item, to be consistent with the budget practices in the Office of the Alternate Defense Counsel and the Office of the Child's Representative and improve comparability.

OCPO R1-R9 STAFF INCREASE AND INFRASTRUCTURE REQUESTS: This group of requests includes an increase of \$148,000 General Fund and 0.5 FTE for all budget request items from the Office of the Child Protection Ombudsman.

R1 through R7 request specified salary increases as outlined in the following table:

OCPO R1-R7 SPECIFIED SALARY INCREASE REQUESTS					
POSITION	REQUESTED INCREASE	CURRENT SALARY	REQUESTED SALARY	PERCENTAGE INCREASE	TOTAL INCR. REQUESTED ²
R1 Director of Client Services	\$12,287	\$77,713	\$90,000	15.8%	\$15,114
R2 Senior Analyst	6,505	68,495	75,000	9.5%	8,002
R3 Client Services Analyst ² (x3)	11,550	198,450	210,000	5.8%	14,208
R4 Director of Administrative Services	11,539	68,461	80,000	16.9%	14,194
R5 Director of Legislative Services	4,814	75,186	80,000	6.4%	5,922
R6 Deputy Ombudsman	7,321	104,583	111,904	7.0%	9,006
R7 Child Protection Ombudsman	9,486	135,524	145,002	7.0%	11,669
TOTAL	\$63,502	\$728,412	\$791,906	8.7%	\$78,115
¹ Client Services Analyst current salary average \$66,150; requested salary \$70,000.					
² Total increase includes adjustments for PERA, Medicare, AED, SAED, and Short-term Disability.					

R8 Public Information Coordinator includes \$60,000 General Fund for 0.5 FTE to add a part-time public information coordinator.

R9 Office Infrastructure includes \$9,300 General Fund to purchase four "benching workstations" to be situated in the center space of its office suite to better accommodate employees within its current space.

IEC R1 IEC STAFFING: The request includes an increase of \$64,000 General Fund and 0.5 FTE for a half-time, investigative and outreach/training staff person.

OPG R1 FTE REQUEST: The request includes an increase of \$456,000 cash funds from the Office of Public Guardianship Cash Fund and 4.0 FTE for a deputy director and three additional public guardian positions.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$442,000 total funds for centrally appropriated items, summarized in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$254,779	\$228,122	\$14,467	\$12,190	\$0	0.0
Health, life, and dental	130,590	119,635	2,879	8,076	0	0.0
Paid family leave	17,400	15,610	961	829	0	0.0
AED	17,275	17,035	621	(381)	0	0.0
SAED	17,275	17,035	621	(381)	0	0.0
Leased space	4,181	4,181	0	0	0	0.0
Short-term disability	553	544	20	(11)	0	0.0
TOTAL	\$442,053	\$402,162	\$19,569	\$20,322	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$37,000 total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 PERA unfunded liability	\$49,721	\$45,735	\$2,072	\$1,914	\$0	0.0
HB 21-1094 Foster Youth in Transition Program	(10,244)	(10,244)	0	0	0	0.0
HB 21-1313 Immigrant Children	(2,803)	(2,803)	0	0	0	0.1
TOTAL	\$36,674	\$32,688	\$2,072	\$1,914	\$0	0.1

INDIRECT COST ASSESSMENT: The request includes an increase of \$14,000 cash funds for indirect costs in the Office of Public Guardianship.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$4,500 General Fund for the FY 2022-23 impact of the OCPO FY 2021-22 BA1 FTE budget item.

TECHNICAL ADJUSTMENTS: The request includes a net increase of \$3,100 General Fund for two technical, annualization adjustments for the OADC Municipal Court Programs.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

OSPD DISCOVERY DATA & FILE MANAGEMENT: The Office of the State Public Defender has requested three budget items to fundamentally address the increased and increasing volume of discovery files and data related to its clients' legal cases. These request items include: (1) an IT infrastructure project for the effective long-term storage of that data, along with associated staff and operating costs to manage the data storage system; (2) the creation of a dedicated team of data discovery clerks to manage the administrative retrieval and upload of discovery data to internal case files; and (3) a shift to the significant use of paralegals to more efficiently review and organize significantly increased discovery files for legal defense teams.

COURTS IT INFRASTRUCTURE AND STAFF: The Courts request an IT infrastructure project totaling \$33.2 million over four years from federal ARPA funds. The request identifies \$8.5 million for FY 2022-23 and states that a supplemental will be submitted for FY 2021-22 for a first year of funding totaling \$9.1 million. Additionally, the Courts have submitted a separate request for IT staff totaling \$2.0 million, including \$937,000 General Fund and \$1.1 million cash funds and an increase of 16.0 FTE primarily to support audio-visual (A/V) operations.

GENERAL SCALE OF INCREASE REQUESTS BY JUDICIAL AGENCY: This informational issue provides overview tables and charts to describe the scale of increase for requested budgets by Judicial Department agency in comparison to recent trends in funding history.

COURTS AND PROBATION RESTORATION AND NON-DISCRETIONARY REQUESTS: The Courts and Probation have submitted 10 requests that are described as restoration, technical, pass-through, or otherwise non-discretionary increases. These include three requests for General Fund for the restoration of amounts previously decreased in FY 2020-21; and seven requests that identify amounts that are technical, pass-through, or non-discretionary budget items. Initial analysis of the restoration requests suggest that only one of the three requests for General Fund restoration was entirely General Funded, another was partially General Funded, and the third is historically cash funded. Initial analysis of the non-prioritized requests suggest that none should be labeled as non-prioritized as they are not addressed at any other Committee decision point in any state agency budget requests.

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Department of Labor and Employment

The Department of Labor and Employment is responsible for administering unemployment insurance programs, supporting the state's system of one-stop workforce centers and workforce development programs, enforcing the state's labor laws, regulating workers' compensation insurance, administering vocational rehabilitation programs, and inspecting a variety of industries from retail fuel locations to amusement park rides. The Department's FY 2020-21 appropriation represents approximately 1.0 percent of statewide operating appropriations and 0.2 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF LABOR AND EMPLOYMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	289,121,540	19,644,267	82,444,914	6,436,493	180,595,866	1,298.9
Other legislation	62,863,096	752,501	62,110,595	0	0	17.0
TOTAL	\$351,984,636	\$20,396,768	\$144,555,509	\$6,436,493	\$180,595,866	1,315.9
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$351,984,636	20,396,768	\$144,555,509	\$6,436,493	\$180,595,866	1,315.9
R1 Wage theft enforcement spending authority	153,304	0	153,304	0	0	1.0
R2 Employment first initiatives continuation	427,464	93,187	0	0	334,277	4.0
R3 Underground damage prevention fund spending authority	39,380	0	39,380	0	0	0.0
R4 Veterans service to career program refinance	0	0	(500,000)	0	500,000	0.0
Non-prioritized decision items	449,785	30,239	134,423	503	284,620	0.0
Annualize prior year legislation and budget actions	(68,529,412)	168,683	(66,787,414)	0	(1,910,681)	(1.0)
Centrally appropriated line items	16,487,082	1,848,276	8,663,287	78,689	5,896,830	0.0
Indirect cost assessment	1,125,851	0	699,788	8,111	417,952	0.0
Technical adjustments	14,935,009	0	14,935,009	0	0	2.0
TOTAL	\$317,073,099	\$22,537,153	\$101,893,286	\$6,523,796	\$186,118,864	1,321.9
INCREASE/(DECREASE)	(\$34,911,537)	\$2,140,385	(\$42,662,223)	\$87,303	\$5,522,998	6.0
Percentage Change	(9.9%)	10.5%	(29.5%)	1.4%	3.1%	0.5%

R1 WAGE THEFT ENFORCEMENT SPENDING AUTHORITY: The Department is requesting an increase in cash spending authority to \$325,000. This is an increase of \$153,304 and 1.0 FTE in FY 2022-23, and \$163,599 in FY 2023-24 and future years. This request encompasses a legislative change to Section 8-4-113(3), C.R.S., to increase the statutory cash fund limit on uncommitted reserves for the Wage and Theft Enforcement Fund to an alternative maximum of \$400,000 and any excess be transferred to the General Fund at the end of the fiscal year. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget). (Legislation Required).

R2 EMPLOYMENT FIRST INITIATIVES CONTINUATION: The Department requests a \$427,464 and 4.0 FTE continuation in funding for FY 2022-23 made up of \$93,187 General Fund and \$334,277 federal funds, and then an additional \$399,464 in FY 2023-24 and ongoing for the Employment First Initiatives program. Initial funding for this program through S.B. 16-77 is set to end in June 2022, and S.B. 21-095 continued indefinitely the Employment First Partnership in the Department, however no additional funding was allocated for the program. These positions do not provide services directly to individuals with disabilities; they provide support for direct service providers who work with individuals with most significant disabilities. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget).

R3 UNDERGROUND DAMAGE PREVENTION FUND SPENDING AUTHORITY: This is a cash fund spending authority request for \$39,380 in FY 2022-23 and in all future years within the Division of Oil and Public Safety (OPS). This request requires a change in statutory language within Section 9-1.5-104.7, C.R.S., to make the funds continuously appropriated to the Division to use for education and outreach programs related to excavation and underground facilities. Currently, excavation requirement violation fines are deposited within the Damage Prevention (DMPV) Fund. Although the program is set up to allow funding for education and outreach programs, the Division does not currently have the spending authority to use these funds. As cases have been reviewed in recent years, it has been evident that many of those found in violation were not aware of the Excavation Requirements law. The Division is requesting the authority to use these funds to provide greater education on requirements and reduce future violations. The Department indicates that funding is for the implementation of a theory-informed program as defined in S.B. 21-284. (Evidence-based evaluation for budget). (Legislation required).

R4 VETERAN'S SERVICES TO CAREER PROGRAM REFINANCE: The Department requests a reduction of \$500,000 in cash fund spending authority and an increase of \$500,000 in federal fund spending authority for the Veterans Service-to-Career Program (VSCP), until the program sunsets January 1, 2024. The Department is requesting the funding source be switched from the Marijuana Tax Cash Fund (MTCF) to Federal American Rescue Plan Act (ARPA) funds, on the basis that forecasts are showing MTCF revenues declining modestly, and this loss in revenue is being attributed to COVID. This program is currently fully funded through the transfer from MTCF, and the Department does not want to risk this program losing funding due to this decline.

NON-PRIORITIZED DECISION ITEMS: The request includes \$449,785 in non-prioritized decision items.

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS: The request includes adjustments for the second- and third-year impacts of prior year legislation.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items.

INDIRECT COST ASSESSMENT: The request includes the indirect cost assessment.

TECHNICAL ADJUSTMENTS: Technical adjustments were made to ensure the Department request matched Staff records.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

WAGE THEFT SPENDING AUTHORITY REQUEST: The Department is requesting additional spending authority as well as legislative changes to allow for greater capacity and flexibility in addressing wage theft in Colorado. Recent legislative changes and authority have given the Department increased ability to enforce labor standards while also increasing the complexity of this work.

ALLOCATION OF FEDERAL WORKFORCE DEVELOPMENT FUNDS: The Department was allocated an additional \$60 million in federal funding in FY 2021-22 to address the economic ramifications of the COVID-19 pandemic. The Governor has proposed an additional \$50.7 million for workforce investment as a part of the FY 2022-23 budget. This issue highlights how this funding has been and will be distributed.

UNEMPLOYMENT INSURANCE TRUST FUND: The COVID-19 pandemic and economic ramifications burdened the state Unemployment Insurance funding mechanism and infrastructure. Colorado has borrowed over \$1 billion from the federal government to continue paying out UI benefits and now has the ability to address this outstanding debt.

UNEMPLOYMENT INSURANCE AUDIT: The COVID-19 pandemic placed unprecedented administrative pressure on the State UI System. A March 2021 annual financial report found the Colorado Department of Labor and Employment did not provide critical information needed for proper records keeping and oversight with regards to Unemployment Insurance. Based on the audit and its findings, the Department is implementing new processes and protocols.

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Department of Law

The Attorney General is one of five independently elected constitutional officers of the State. As the chief executive officer of the Department of Law, the Attorney General represents and defends the legal interests of the people of the State of Colorado and serves as the legal counsel and advisor to state agencies. The Department's FY 2021-22 appropriation represents approximately 0.3 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF LAW						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	98,687,872	15,912,232	19,924,907	60,364,345	2,486,388	533.7
Other legislation	5,088,374	393,803	51,783	4,642,788	0	26.5
TOTAL	\$103,776,246	\$16,306,035	\$19,976,690	\$65,007,133	\$2,486,388	560.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$103,776,246	16,306,035	\$19,976,690	\$65,007,133	\$2,486,388	560.2
R1 Restore budget reductions	1,606,816	3,141,572	(1,534,756)	0	0	5.5
R2 Admin section support of dept.	316,036	0	0	316,036	0	3.0
R3 POST Board funding	350,259	0	350,259	0	0	1.0
R4 Medicaid fraud control	896,461	224,115	0	0	672,346	4.0
R5 Patterns and practices program	156,421	156,421	0	0	0	0.9
R6 CWCB Reflect river basin funding	674,071	0	674,071	0	0	0.0
R7 CCU Safe affordable credit report	215,000	215,000	0	0	0	0.0
Centrally appropriated line items	4,104,815	626,927	353,136	3,076,766	47,986	0.0
Prior year legislation	450,476	(145,780)	157,605	438,651	0	0.3
Indirect cost adjustment	210,650	0	94,969	114,379	1,302	0.0
Nonprioritized items	134,892	28,678	19,355	83,718	3,141	0.0
Prior year budget actions	(896,319)	(61,344)	(130,803)	(710,262)	6,090	3.9
TOTAL	\$111,995,824	\$20,491,624	\$19,960,526	\$68,326,421	\$3,217,253	578.8
INCREASE/(DECREASE)	\$8,219,578	\$4,185,589	(\$16,164)	\$3,319,288	\$730,865	18.6
Percentage Change	7.9%	25.7%	(0.1%)	5.1%	29.4%	3.3%

R1 RESTORE BUDGET REDUCTIONS: The Department requests \$1.6 million total funds and 6.5 FTE, including \$3.1 million General Fund with a reduction of \$1.5 million cash fund spending authority to reinstate the budget structure as it was prior to the FY 2020-21 reductions due to the economic forecast at that time. Impacted programs include the POST Board, CORA and OML attorney, the Appellate Unit, Federal and Interstate Water Unit, and Consumer Protection and Antitrust.

Summary of Change included in R1 Restore Budget Reductions

	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	TOTAL FUNDS	FTE
POST Board	\$0	\$1,036,766	\$0	\$0	\$1,036,766	0.0
CORA and OML attorney	101,717	0	0	0	101,717	1.0
Appellate Unit	184,853	0	0	0	184,853	2.5
Federal and Interstate Water Unit	221,713	0	0	0	221,713	2.0
Office of Community Engagement	61,767	0	0	0	61,767	1.0
Consumer Protection and Antitrust	2,571,522	(2,571,522)	0	0	0	0.0
Total	\$3,141,572	(\$1,534,756)	\$0	\$0	\$1,606,816	6.5

R2 ADMIN SECTION SUPPORT OF DEPARTMENT: The request includes \$316,036 reappropriated funds and 3.0 FTE for FY 2022-23 to meet increasing administrative workload due to the general expansion in programmatic responsibilities and Department staffing. The Department proposed a 3.0 FTE request for the FY 2020-21 budget submission. Initially, the Joint Budget Committee approved that request. Due to revenue concerns directly from the impact of the COVID virus, this request did not meet health, life, and safety metrics, and, as such, was not included in the Department appropriation for FY 2020-21.

R3 POST BOARD FUNDING: The request includes an increase of \$350,259 cash funds and 1.0 FTE for FY 2022-23 to address expanded responsibilities of the POST Board and the redevelopment of peace officer training curriculum.

R4 MEDICAID FRAUD FUNDING: The request includes \$896,461 total funds, comprised of \$224,115 General Fund and \$672,346 Federal Funds, for 4.0 FTE to better address current investigative, prosecutorial, and reporting requirements, as well as providing the Fraud Unit the ability to incorporate proactive investigative efforts.

R5 PATTERNS AND PRACTICES PROGRAM: The request includes \$156,421 General Fund and 0.9 FTE to increase staff capacity for patterns and practices investigations as authorized by S.B. 20-217 due to the volume of investigation requests made under the program.

R6 CWCB REFLECT RIVER BASIN FUNDING: The request includes \$674,071 cash funds in FY 2022-23 and ongoing to *reflect* current funding amounts annually received from the Colorado Water Conservation Board. The request does not impact the current funding levels, but simply is an effort to increase transparency in the budget.

R7 CCU SAFE AFFORDABLE CREDIT REPORT: The request includes an increase of \$215,000 General Fund to conduct a study on the availability of safe and affordable credit. The request reflects an extension of funding approved in the 2021 Long Bill because the entire project is not anticipated to be completed by the end of the current fiscal year.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line item, as detailed in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$3,096,896	\$568,753	\$367,860	\$2,109,805	\$50,478	0.0
Health, life, and dental	528,282	15,365	46,629	446,802	19,486	0.0
AED	324,266	52,718	9,483	266,383	(4,318)	0.0
SAED	324,266	52,718	9,483	266,383	(4,318)	0.0
Payment to risk management and property funds	198,369	45,769	28,317	119,395	4,888	0.0
Carr building leased space	63,267	6,272	(23,837)	86,179	(5,347)	0.0
Legal services	58,575	22,499	36,076	0	0	0.0
Operating expenses change	15,057	950	0	14,107	0	0.0
Short-term disability	10,378	1,687	304	8,525	(138)	0.0
Vehicle lease payments	10,327	2,780	(1,876)	3,376	6,047	0.0
PERA Direct Distribution	6,446	(12,000)	(17,153)	35,599	0	0.0
CORE adjustment	3,907	804	170	2,919	14	0.0
ALJ services	812	0	812	0	0	0.0
IT Maintenance fund adjustment	0	(2,724)	(10,752)	15,735	(2,259)	0.0
Payments to OIT	(487,061)	(116,790)	(83,125)	(272,281)	(14,865)	0.0
Workers' compensation	(48,972)	(11,874)	(9,255)	(26,161)	(1,682)	0.0
TOTAL	\$4,104,815	\$626,927	\$353,136	\$3,076,766	\$47,986	0.0

PRIOR YEAR LEGISLATION: The request includes a net increase of \$450,476 total funds, including a decrease of \$145,780 General Fund, to reflect the FY 2022-23 impact of bills passed in previous sessions.

INDIRECT COST ADJUSTMENT: The request includes net adjustments to indirect costs across the department.

NONPRIORITIZED ITEMS: The request includes four decision items originating in other departments. The following table summarizes the non-prioritized requests, which will be addressed in separate staff briefings.

NONPRIORITIZED ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Combined Paid Family Medical Leave Act Funding	\$126,019	\$26,607	\$18,004	\$78,504	\$2,904	0.0
OIT Budget package	5,835	1,362	888	3,429	156	0.0
DPA CSEAP resources	3,038	709	463	1,785	81	0.0
TOTAL	\$134,892	\$28,678	\$19,355	\$83,718	\$3,141	0.0

PRIOR YEAR BUDGET ACTIONS: The request includes adjustments related to prior year budget actions.

PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Prior year salary survey	\$742,077	(\$122,113)	(\$148,104)	\$1,045,782	(\$33,488)	0.0
Prior year patterns and practices	8,251	8,251	0	0	0	0.2
Grant informational funds	4,232	0	0	4,232	0	0.0
Legal Services to State Agencies	(713,168)	0	0	(713,168)	0	3.7
Prior year salary survey	(568,811)	271,418	167,301	(1,047,108)	39,578	0.0
CCU Safe affordable credit report	(215,000)	(215,000)	0	0	0	0.0
FY 21-22 POST job task analysis	(150,000)	0	(150,000)	0	0	0.0
Financial empowerment office	(3,900)	(3,900)	0	0	0	0.0
TOTAL	(\$896,319)	(\$61,344)	(\$130,803)	(\$710,262)	\$6,090	3.9

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

MAJOR LITIGATION PENDING AGAINST THE STATE: The Department of Law submits an annual report to the State Controller discussing pending litigation against the State that could have a significant financial impact. The 2022-23 report includes cases involving the following departments: Corrections, Health Care Policy and Financing, Higher Education, Natural Resources, Public Health and Environment, Revenue, and Transportation.

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Department of Local Affairs

The Department of Local Affairs is responsible for building community and local government capacity by providing training, technical, and financial assistance to localities. The Department's FY 2021-22 appropriation represents approximately 1.3 percent of statewide operating appropriations and 0.5 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF LOCAL AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	312,059,733	43,494,080	171,022,406	15,384,956	82,158,291	201.5
Other Legislation	159,536,274	13,636,274	144,900,000	1,000,000	0	4.0
TOTAL	\$471,596,007	\$57,130,354	\$315,922,406	\$16,384,956	\$82,158,291	205.5
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$471,596,007	57,130,354	\$315,922,406	\$16,384,956	\$82,158,291	205.5
R1 Operational Staff adjustment	274,395	0	0	274,395	0	3.0
R3 Gray & Black Market Marijuana Enforcement adjustment	(5,000,000)	0	(5,000,000)	0	0	0.0
Non-prioritized requests	15,585	5,411	2,361	5,534	2,279	0.0
Annualize prior year budget actions	5,837,625	837,625	5,000,000	0	0	0.0
Centrally appropriated line items	1,903,182	468,654	663,365	410,054	361,109	0.0
Technical adjustments	77,438	(110,000)	187,438	0	0	2.0
Indirect cost assessment	54,651	0	12,213	28,454	13,984	0.0
Annualize prior year legislation	(157,868,483)	(15,446,735)	(139,638,522)	(2,800,838)	17,612	(0.8)
TOTAL	\$316,890,400	\$42,885,309	\$177,149,261	\$14,302,555	\$82,553,275	209.7
INCREASE/(DECREASE)	(\$154,705,607)	(\$14,245,045)	(\$138,773,145)	(\$2,082,401)	\$394,984	4.2
Percentage Change	(32.8%)	(24.9%)	(43.9%)	(12.7%)	0.5%	2.0%

R1 OPERATIONAL STAFF ADJUSTMENT: The request includes \$274,395 reappropriated funds (originating as indirect costs collected from cash and federally funded programs) and 3.0 FTE to address increased workload in the Accounting and Financial Services and Human Resources sections of the EDO. The Department's accounting transactions per fiscal year and the number of funds and sub-accounts in use have increased substantially over the last several years. Additionally, the Department's program staff FTE has increased nearly 23 percent since FY 2013-14 without any growth in EDO staff to handle additional accounting, contracting, and administrative workload. This request would fund an Accountant II, Budget Analyst II, and Human Resources Specialist III. The request indicates that funding is for the expansion of a theory-informed practice as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R3 GRAY & BLACK MARKET MARIJUANA ENFORCEMENT ADJUSTMENT: The request includes a three-year reduction of \$5.0 million Marijuana Tax Cash Funds annually to the Gray and Black Market Marijuana Enforcement Grant Program, leaving an annual appropriation of \$950,673 intact. The Program provides grants to local governments, law enforcement agencies, and district attorneys to assist with the enforcement of unlicensed and illegal marijuana cultivation and related crimes. A reduction of the same amount was made in FY 2020-21 and FY 2021-22 at the Department's request. The program has been over-appropriated and underutilized since its inception in FY 2017-18, even after switching from a reimbursement model to an "opt-in" formula. Appropriations are made available for two fiscal years, allowing the Program to carry forward unspent funds each year. The Department wishes to maintain the \$950,673 appropriation for the next three fiscal years while it continues to assess the demand for this

program. The request indicates that funding is for the reduction of a theory-informed program as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

NON-PRIORITIZED REQUESTS: The request includes adjustments related to non-prioritized requests that originate in the Governor’s Office of Information Technology (OIT) and the Department of Personnel.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP3 OIT Budget package	\$12,828	\$3,425	\$2,184	\$4,940	\$2,279	0.0
NP1 Annual fleet request	1,901	1,708	0	193	0	0.0
NP2 DPA CSEAP resources	856	278	177	401	0	0.0
TOTAL	\$15,585	\$5,411	\$2,361	\$5,534	\$2,279	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$5.8 million total funds for prior year budget actions that made one-time reductions to three different programs, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 R2 Gray & Black Market Enforcement restructure	\$5,000,000	\$0	\$5,000,000	\$0	\$0	0.0
FY 2021-22 R1 Defense Counsel on First Appearance reduction	687,625	687,625	0	0	0	0.0
FY 2021-22 R7 Refinance Firefighter Heart & Circulatory Malfunction Benefits	150,000	150,000	0	0	0	0.0
TOTAL	\$5,837,625	\$837,625	\$5,000,000	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items, as detailed in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Payments to OIT	\$748,430	\$123,013	\$175,346	\$282,092	\$167,979	0.0
Salary survey	575,175	165,596	127,349	163,181	119,049	0.0
Health, life, and dental	249,599	38,716	240,107	(75,929)	46,705	0.0
CORE adjustment	173,711	42,481	34,690	84,059	12,481	0.0
AED	137,484	34,620	99,278	(22,717)	26,303	0.0
SAED	137,484	34,620	99,278	(22,717)	26,303	0.0
Payment to risk management and property funds	40,695	10,842	8,414	21,439	0	0.0
DPA Paid family leave	39,281	11,243	8,718	11,171	8,149	0.0
PERA Direct Distribution	10,777	863	34,666	(25,946)	1,194	0.0
Short-term disability	3,495	856	2,886	(904)	657	0.0
Legal services	(149,825)	37,128	(181,920)	(5,033)	0	0.0
Workers’ compensation	(34,626)	(14,407)	(6,839)	(13,380)	0	0.0
Capitol Complex leased space	(26,339)	(15,568)	22,202	14,738	(47,711)	0.0
Annualize prior year salary survey	(1,349)	(1,349)	0	0	0	0.0
Administrative law judge services	(810)	0	(810)	0	0	0.0
TOTAL	\$1,903,182	\$468,654	\$663,365	\$410,054	\$361,109	0.0

TECHNICAL ADJUSTMENTS: The request includes an increase of \$187,438 cash funds and an associated 2.0 FTE for the Mobile Home Park Oversight Program. This increase was submitted in the November 1st budget request as the Department’s R2. Because the Program is funded by a continuously appropriated cash fund and included in the Long Bill for informational purposes only, JBC staff and the Department/OSPB agreed it would be more appropriate to

classify this item as a technical adjustment. The additional staff will help the Program catch up on the current backlog of complaints and process new complaints more quickly. The request also includes a decrease of \$110,000 General Fund to sunset the Strategic Action Planning Group on Aging.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Mobile Home Park Act Oversight informational increase	\$187,438	\$0	\$187,438	\$0	\$0	2.0
Sunset Strategic Action Planning Group on Aging	(110,000)	(110,000)	0	0	0	0.0
TOTAL	\$77,438	(\$110,000)	\$187,438	\$0	\$0	2.0

INDIRECT COST ASSESSMENT: The request includes net adjustments to indirect costs across all divisions.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$157.9 million total funds, including \$15.5 million General Fund, to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1399 Suspend Limited Gaming Tax Transfers to Cash Funds	\$1,542,658	(\$1,875,000)	\$5,242,638	(\$1,824,980)	\$0	0.0
SB 18-200 PERA unfunded liability	84,894	24,300	18,840	24,142	17,612	0.0
HB 21-1329 ARPA Money to Invest Affordable Housing	(98,500,000)	0	(98,500,000)	0	0	0.0
HB 21-1271 Innovative Affordable Housing Strategies	(46,400,000)	0	(46,400,000)	0	0	0.0
SB 21-252 Community Revitalization Grant Program	(7,000,000)	(7,000,000)	0	0	0	0.0
SB 21-204 REDI Funding	(5,000,000)	(5,000,000)	0	0	0	0.0
HB 21-1030 Expanding Peace Officers Mental Health Support	(2,000,000)	(1,000,000)	0	(1,000,000)	0	(0.5)
HB 21-1250 Measures to Address Law Enforcement Accountability	(250,000)	(250,000)	0	0	0	0.0
SB 21-032 Mobile Veterans-support Unit Grant Program	(207,535)	(207,535)	0	0	0	(0.3)
HB 21-1312 Insurance Premium Property Sales Severance Tax	(138,500)	(138,500)	0	0	0	0.0
TOTAL	(\$157,868,483)	(\$15,446,735)	(\$139,638,522)	(\$2,800,838)	\$17,612	(0.8)

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

LEGISLATIVE RECAP: This issue provides an overview of 2021 Session and 2020 Extraordinary Session bills that transferred and/or appropriated a total of \$309.3 million to the Department of Local Affairs. These bills provided one-time COVID-19 pandemic relief and stimulus funding for numerous new and existing initiatives within DOLA.

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Department of Military and Veterans Affairs

The Department of Military and Veterans Affairs is responsible for training and maintaining Colorado's Army and Air National Guard to protect the safety and health of Colorado's residents and serve as a reserve force for the U.S. Armed Forces. The Department also administers state programs that assist U.S. military veterans. The Department's FY 2021-22 appropriation represents approximately 0.4 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF MILITARY AND VETERANS AFFAIRS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	138,620,663	11,735,222	1,663,652	124,920	125,096,869	2,515.6
Other legislation	30,930	30,930	0	0	0	0.3
TOTAL	\$138,651,593	\$11,766,152	\$1,663,652	\$124,920	\$125,096,869	2,515.9
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$138,651,593	11,766,152	\$1,663,652	\$124,920	\$125,096,869	2,515.9
R1 State women veterans service officer	103,125	103,125	0	0	0	1.0
R2 State veteran service officer compensation adjustment	107,554	63,805	0	0	43,749	0.0
R3 Technical funding consolidation	0	0	0	0	0	0.0
R4 Department automation and improvement	210,445	210,445	0	0	0	0.0
R5 State partnership program activity support	20,000	20,000	0	0	0	0.0
Annualize prior-year budget actions	1,128,672	729,279	9,577	0	389,816	0.0
Non-prioritized request	64,866	30,790	0	0	34,076	0.0
Annualize prior-year legislation	62,648	27,968	785	0	33,895	0.0
Centrally appropriated line items	44,776	(2,885)	(4,826)	0	52,487	0.0
Technical adjustments	0	0	0	0	0	0.0
TOTAL	\$140,393,679	\$12,948,679	\$1,669,188	\$124,920	\$125,650,892	2,516.9
INCREASE/(DECREASE)	\$1,742,086	\$1,182,527	\$5,536	\$0	\$554,023	1.0
Percentage Change	1.3%	10.1%	0.3%	0.0%	0.4%	0.0%

R1 STATE WOMEN VETERANS SERVICE OFFICER: The request includes \$103,125 in additional General Fund appropriations and 1.0 FTE to hire a Women Veterans Service Officer. This position would provide direct and focused support to women veterans and other marginalized veteran groups and help meet their specific needs. According to the Department, this role is valuable and necessary because women and minorities are a growing veteran demographic, and are less likely to seek veteran's benefits, such as mental and physical health care. The role of the Women's Veteran Service Officer will be on connecting these individuals to the benefits that they have earned.

R2 STATE VETERAN SERVICE OFFICER COMPENSATION ADJUSTMENT: The request includes \$107,554 total funds in FY 2022-23, and \$98,671 additional total funds beginning in FY 2023-24 and thereafter for salary increases for Veterans Service Officers (SVSOs - Social Service Specialist III, IV, and V). These increases will affect 14 FTE within DMVA. This funding increase is requested to address high turnover rates and ongoing difficulties with recruitment and retention within the Social Services Specialist (III - V).

R2 STATE VETERAN SERVICE OFFICER COMPENSATION ADJUSTMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
R2 State veteran service officer compensation adjustment	\$107,554	\$63,805	\$0	\$0	\$43,749	0.0
TOTAL	\$107,554	\$63,805	\$0	\$0	\$43,749	0.0

R3 TECHNICAL FUNDING CONSOLIDATION: The request is for a net-zero transfer of funding between budget lines within the Division of Veterans Affairs. This would move 1.0 FTE State Veteran Service Officer from the Grand Junction One-Stop Center line in the Long Bill to the Veterans Service Operations line. This change will align the Long Bill with the existing management structure at the Division of Veterans Affairs, and streamline budget management. This request has no Division cost nor FTE impact.

R4 DEPARTMENT AUTOMATION AND IMPROVEMENT: The request includes \$210,445 General Fund for investment in NEXGEN automation and technology initiatives and associated IT staff time with implementing Kronos Dimensions electronic timekeeping tool, required upgrades to Microsoft 365, and transitioning to an electronic employee performance management tool. The COVID-19 work from home requirements and subsequent flexible work arrangements adopted by many state and private organizations illustrated the limitations of the paper time-keeping and performance management systems that DMVA currently utilizes. These departmental NEXGEN automation and technology initiatives aim to improve customer service, increase efficiency, and contribute to DMVA becoming an employer of choice. This is an ongoing request to facilitate needed improvements over time.

R5 STATE PARTNERSHIP PROGRAM ACTIVITY SUPPORT: The request includes \$20,000 General Fund to fund events and host official delegations from partner nations in the National Guard State Partnership Program. The Department of Military and Veterans Affairs, Division of the National Guard, has two State Partners under the State Partnership Program: Slovenia, 1993, and Jordan, 2004. These events are key to the mission of the State Partnership Program, and in the past have been paid for by personal funds of DMVA leadership. However, this arrangement has proven unreliable and often results in partner delegations being greeted without the equivalent level of service that Colorado National Guard leaders receive in similar exchange events within our partner nations.

ANNUALIZE PRIOR-YEAR BUDGET ACTIONS: The request includes an increase of \$1.1 million total funds for the annualization of prior-year budget actions, summarized in the table below.

ANNUALIZE PRIOR YEAR BUDGET ACTION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$703,672	\$304,279	\$9,577	\$0	\$389,816	0.0
TA 3 Annualization Restore one time CONG tuition assistance reduction	425,000	425,000	0	0	0	0.0
TOTAL	\$1,128,672	\$729,279	\$9,577	\$0	\$389,816	0.0

NON-PRIORITIZED REQUESTS: The request includes four non-prioritized items summarized in the table below totaling a \$64,866.

NON-PRIORITIZED REQUEST						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP5 DHS food service and housekeeping	\$44,589	\$10,513	\$0	\$0	\$34,076	0.0
DPA Paid Family Medical Leave Act Funding	17,716	17,716	0	0	0	0.0
NP4 FY23 Budget request package	1,827	1,827	0	0	0	0.0
NP CSEAP Resources	734	734	0	0	0	0.0
TOTAL	\$64,866	\$30,790	\$0	\$0	\$34,076	0.0

ANNUALIZE PRIOR-YEAR LEGISLATION: The request includes an increase of \$62,648 total funds for the annualization of prior year legislation, summarized in the table below.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB18-200 PERA unfunded liability	\$58,870	\$24,190	\$785	\$0	\$33,895	0.0
SB21-015 Veterans org stipends	3,778	3,778	0	0	0	0.0
TOTAL	\$62,648	\$27,968	\$785	\$0	\$33,895	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$44,776 total funds for centrally appropriated line items, summarized in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Health, life, and dental	\$210,942	\$80,383	(\$9,858)	\$0	\$140,417	0.0
AED	44,309	21,214	1,545	0	21,550	0.0
SAED	44,309	21,214	1,545	0	21,550	0.0
Payment to risk management and property funds	37,329	37,329	0	0	0	0.0
DPA Paid family leave	27,329	11,199	363	0	15,767	0.0
PERA Direct Distribution	23,676	23,402	274	0	0	0.0
Vehicle lease payments	10,392	3,118	0	0	7,274	0.0
CORE adjustment	9,622	9,622	0	0	0	0.0
Indirect cost assessment	5,536	0	5,536	0	0	0.0
Shift differential	2,730	0	0	0	2,730	0.0
Short-term disability	726	397	40	0	289	0.0
Salary survey	(290,290)	(135,695)	(4,271)	0	(150,324)	0.0
Payments to OIT	(52,506)	(52,506)	0	0	0	0.0
Legal services	(17,816)	(17,816)	0	0	0	0.0
Workers' compensation	(11,277)	(4,511)	0	0	(6,766)	0.0
Capitol Complex leased space	(235)	(235)	0	0	0	0.0
TOTAL	\$44,776	(\$2,885)	(\$4,826)	\$0	\$52,487	0.0

TECHNICAL ADJUSTMENTS: The request includes a net-zero adjustment for centrally appropriated line items, summarized in the table below.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TA1 Move GF from EDO to CONGA	\$90,000	\$90,000	\$0	\$0	\$0	0.0
Other technical adjustments	(90,000)	(90,000)	0	0	0	0.0
TOTAL	\$0	\$0	\$0	\$0	\$0	0.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R1 STATE WOMEN VETERANS SERVICE OFFICER: The Department requests \$103,125 General Fund to hire 1.0 FTE State Women Veteran Service Officer. This issue brief provides background information concerning trends in the number of women serving in the armed forces and the challenges these women face both during active service and as veterans.

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Department of Natural Resources

The Department of Natural Resources is responsible for developing, protecting, and enhancing Colorado’s natural resources for the use and enjoyment of present and future residents and visitors. The Department’s FY 2021-22 appropriation represents approximately 0.3 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF NATURAL RESOURCES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	319,298,132	37,119,409	247,757,280	7,540,179	26,881,264	1,517.0
Other legislation	14,756,757	216,070	14,540,687	0	0	5.4
TOTAL	\$334,054,889	\$37,335,479	\$262,297,967	\$7,540,179	\$26,881,264	1,522.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$334,054,889	37,335,479	\$262,297,967	\$7,540,179	\$26,881,264	1,522.4
Centrally appropriated line items	6,386,077	(326,671)	6,108,307	498,439	106,002	0.0
R1 Increased outdoor rec and conservation	5,939,796	0	5,939,796	0	0	15.5
R2 Water plan project support	700,309	0	700,309	0	0	6.0
R3 Outdoor regional partnerships	861,506	0	861,506	0	0	1.0
R4 Water accounting support	332,579	332,579	0	0	0	3.0
R5 Land board water resources manager	130,335	0	130,335	0	0	1.0
R6 Assistant director energy innovation	159,551	0	0	159,551	0	1.0
R7 Internet protocol phones	80,508	11,508	67,218	1,782	0	0.0
R8 CPW asset maintenance and repairs	5,000,000	0	5,000,000	0	0	0.0
R9 Wildlife council spending authority	800,000	0	800,000	0	0	0.0
R10 Records access system and radios	1,084,600	0	1,084,600	0	0	0.0
Non-prioritized decision items	581,499	49,512	550,206	1,020	(19,239)	0.0
Technical adjustments	495,873	0	495,873	0	0	0.0
Indirect cost assessment	365,905	289,705	257,901	(289,705)	108,004	0.0
Annualize prior year legislation	(3,382,602)	33,866	(3,451,910)	20,727	14,715	(1.4)
Annualize prior year budget actions	(386,219)	(4,689)	(369,284)	(6,234)	(6,012)	1.0
TOTAL	\$353,204,606	\$37,721,289	\$280,472,824	\$7,925,759	\$27,084,734	1,549.5
INCREASE/(DECREASE)	\$19,149,717	\$385,810	\$18,174,857	\$385,580	\$203,470	27.1
Percentage Change	5.7%	1.0%	6.9%	5.1%	0.8%	1.8%

R1 INCREASED OUTDOOR REC AND CONSERVATION: The Department requests an increase of \$5.9 million cash funds and 15.5 FTE starting in FY 2022-23. Of this amount, \$2.9 million would come from the Parks and Outdoor Recreation Cash Fund and \$3.0 million would come from the Wildlife Cash Fund.

Most of the requested increase (\$3.8 million) would support operating budgets for state parks and wildlife operations. Smaller amounts would support increased wages for temporary hourly staff, maintenance of the COTREX trails app, and a shuttle service to El Dorado Canyon State Park. All of the requested 15.5 FTE would be housed within wildlife operations, including six additional district wildlife managers (commonly referred to as “game wardens”).

The request aims to use recent increases in revenue to provide better services and meet the goals outlined in S.B. 18-143 (Parks and Wildlife Measures to Increase Revenue), which increased various fees within CPW. The Department indicates that funding is for a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R2 WATER PLAN PROJECT SUPPORT: The Department requests an increase of \$700,309 cash funds and 6.0 FTE for the Water Plan Grant Program starting in FY 2022-23. This includes 4.0 regional project managers that would live and work in each of the following regions: (a) South and North Platte basins, (b) Arkansas Basin, (c) Rio Grande Basin, and (d) Colorado, Gunnison, and Yampa/White/Green basins. Tasks for these FTE include coordination and planning with stakeholders for project identification, assistance through the grant process, evaluating grant applications, making recommendations to the CWCB Director and Board, and project management.

The request aims to provide the Water Plan Grant Program with staff dedicated solely to the Program, which is currently managed by staff with other responsibilities. Funding would come from the Water Plan Implementation Cash Fund, which recently received a \$15.0 million General Fund infusion and a \$7.9 million distribution from sports betting revenue. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R3 OUTDOOR REGIONAL PARTNERSHIPS: The Department requests \$861,506 cash funds and 1.0 FTE starting in FY 2022-23. The Parks and Outdoor Recreation Cash Fund and the Wildlife Cash Fund would each provide half of the requested amount. The request aims to provide grant funding for regional coalitions to develop plans to balance outdoor recreation and wildlife conservation. These plans would then inform an updated Statewide Comprehensive Outdoor Recreation Plan in 2023. The State has to develop this plan to be eligible for certain federal funds. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R4 WATER ACCOUNTING SUPPORT: The Department requests \$332,579 General Fund and 3.0 FTE starting in FY 2022-23. These FTE would be water accounting coordinators in the South Platte River, Arkansas River, and Rio Grand River basins. Water accounting coordinators track and review legal mechanisms that allow water users to divert water in one location and replace it in another. The coordinators' work informs the work of water commissioners, who work in the field to make sure water gets to where it legally needs to go.

Per the Department, water accounting is a complicated process that grows more complicated as demand increases and supply decreases, thereby driving an increase in accounting needs and requirements. The request aims to provide sufficient staffing to avoid "injury" to water rights. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R5 LAND BOARD WATER RESOURCES MANAGER: The request, from the State Board of Land Commissioners, includes an increase of \$107,268 cash funds from the State Land Board Trust Administration Fund and 1.0 FTE in FY 2022-23 to hire a Water Resources Manager. The Department is requesting an additional \$23,067 cash funds for employee benefits for a total requested amount of \$130,335. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence based evaluation for budget).

R6 ASSISTANT DIRECTOR FOR ENERGY INNOVATION: The request, from the Executive Director's Office, includes an increase of \$128,526 reappropriated funds from indirect cost recoveries and 1.0 FTE in FY 2022-23 to hire an Assistant Director for Energy Innovation. The Department is also asking for an additional \$31,025 reappropriated funds for employee benefits for a total requested amount of \$159,551. While this request actually comes from the Executive Director's Office, it is discussed in this briefing packet because it has a greater impact on the divisions described here. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence based evaluation for budget).

R7 INTERNET PROTOCOL PHONES: The request includes an increase of \$80,508 total funds in FY 2022-23 to support the Department’s transition to a new phone system supported by the Governor’s Office of Information Technology. This would annualize to \$483,161 total funds in FY 2023-24. The Department also plans to submit a supplemental request for \$263,159 total funds in FY 2021-22. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R8 CPW ASSET MAINTENANCE AND REPAIRS: The request includes an increase of \$5.0 million cash funds spending authority starting in FY 2022-23 for CPW’s Small Capital program. This program supports repairs, equipment replacement, construction, demolition, remodeling, and renovations at CPW properties. Of the \$5.0 million requested, \$3.3 million would come from the Wildlife Cash Fund and \$1.7 million would come from non-appropriated lottery funds (added to the Long Bill as informational-only). The purpose of the request is to better align Long Bill spending authority and funding sources with identified maintenance needs and available funds. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R9 WILDLIFE COUNCIL SPENDING AUTHORITY: The request includes an increase of \$800,000 cash funds from the Wildlife Management Public Education Fund (the Fund) beginning in FY 2022-23. A \$1.50 surcharge on hunting and fishing licenses provides the sole source of revenue for the Fund; revenue has increased recently due to growth in license sales. The request aims to use this revenue increase media-based education programs about the benefits of hunting and fishing in Colorado. The Department indicates that funding is for an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R10 RECORDS ACCESS SYSTEM AND RADIOS: The request includes an increase of \$1,084,600 cash funds in starting in FY 2022-23 to provide ongoing support for: (1) maintaining CPW’s law enforcement database, and (2) implementing an annual replacement cycle for 14.0 percent of the Division’s radios. Funding would come from the Parks and Outdoor Recreation Cash Fund and the Wildlife Cash Fund. The Department indicates that funding is for a theory-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$6.4 million total funds for centrally appropriated line items.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$5,006,060	\$659,952	\$4,106,365	\$140,213	\$99,530	0.0
Payments to OIT	727,268	(721,519)	1,476,922	(92,436)	64,301	0.0
Legal services	510,943	128,299	308,099	104,087	(29,542)	0.0
Health, life, and dental	410,327	(421,021)	513,312	327,373	(9,337)	0.0
AED	206,591	15,313	190,895	9,817	(9,434)	0.0
SAED	206,591	15,313	190,895	9,817	(9,434)	0.0
CORE	75,481	5,542	68,106	1,051	782	0.0
Leased space	69,117	15,563	53,612	(58)	0	0.0
Shift differential	6,625	0	6,625	0	0	0.0
Short-term disability	5,609	242	5,136	515	(284)	0.0
Capitol Complex leased space	(476,561)	(9,357)	(452,059)	(9,714)	(5,431)	0.0
Workers’ compensation	(252,682)	(22,706)	(230,774)	1,238	(440)	0.0
PERA Direct Distribution	(94,966)	(32,217)	(61,114)	(1,635)	0	0.0
Payment to risk management and property funds	(14,326)	39,925	(67,713)	8,171	5,291	0.0
TOTAL	\$6,386,077	(\$326,671)	\$6,108,307	\$498,439	\$106,002	0.0

NON-PRIORITIZED DECISION ITEMS: The request includes a net increase of \$581,499 total funds for non-prioritized decision items.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid family leave	\$291,635	\$45,180	\$230,041	\$9,599	\$6,815	0.0
DPA Paid Family Medical Leave Act	111,198	3,427	107,227	544	0	0.0
Vehicle lease payments	100,151	(19,205)	161,107	(14,186)	(27,565)	0.0
OIT Budget request package	73,377	19,250	47,813	4,909	1,405	0.0
DPA CSEAP resources	5,138	860	4,018	154	106	0.0
TOTAL	\$581,499	\$49,512	\$550,206	\$1,020	(\$19,239)	0.0

TECHNICAL ADJUSTMENTS: The request includes a net increase of \$495,873 cash funds for technical adjustments related to roll-forward spending authority for the Outdoor Equity Grant Program and lease depreciation payments for CPW.

INDIRECT COST ASSESSMENT: The request includes a net increase in the Department’s indirect cost assessment.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$3.4 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1318 Outdoor equity grants	\$750,000	\$0	\$750,000	\$0	\$0	0.0
SB18-200 PERA unfunded liability	626,190	97,560	493,188	20,727	14,715	0.0
SB 21-189 CWCB projects bill	(4,250,000)	0	(4,250,000)	0	0	0.0
SB 21-249 Keep CO wild	(235,920)	0	(235,920)	0	0	0.6
SB 21-245 Backcountry search & rescue	(216,070)	(216,070)	0	0	0	(1.5)
SB21-264 Greenhouse gas emissions	(49,362)	0	(49,362)	0	0	(0.5)
H.B 21-1153 COWINS	(7,440)	152,376	(159,816)	0	0	0.0
TOTAL	(\$3,382,602)	\$33,866	(\$3,451,910)	\$20,727	\$14,715	(1.4)

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net decrease of \$1,026,565 total funds for prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R2 Fishers Peak staff	\$70,165	\$0	\$70,165	\$0	\$0	1.0
Annualize prior year salary survey	(448,181)	(4,689)	(431,246)	(6,234)	(6,012)	0.0
FY 21-22 R3 Habitat connectivity	(8,203)	0	(8,203)	0	0	0.0
TOTAL	(\$386,219)	(\$4,689)	(\$369,284)	(\$6,234)	(\$6,012)	1.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

WILDLIFE AND PARKS CASH FUNDS: This brief focuses on available funds and recent legislative guidance for the spending of those funds.

SEVERANCE TAX OPERATIONAL FUND UPDATE AND SENATE BILL 21-281: This issue brief summarizes the current Severance Tax Operational Fund revenue and distribution amounts based on the September 2021 economic forecast from Legislative Council Staff. The brief also details the changes in how the Severance Tax Operational Fund distribution structure changed as a result of Senate Bill 21-281.

METHANE EMISSIONS: This issue brief updates the Committee on the history of rules and regulations surrounding methane emissions within the oil and gas industry in Colorado, and notes the similarities that a new federal rulemaking process bear to Colorado's rules with respect to methane emissions.

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Department of Personnel

The Department of Personnel is responsible for administering the state personnel system, which includes approximately 32,000 full time equivalent (FTE) staff, excluding the Department of Higher Education. In addition, the Department provides general support services for state agencies which include: oversight of procurement and financial activities and CORE operations; state archives; maintenance of Capitol Complex buildings, provision of central business services, and management of the State's motor vehicle fleet; administrative law judge services; coordination of capital construction and controlled maintenance projects and centralized lease management; administration of the State's personnel selection, classification, compensation, and employee benefit programs; and oversight of the State's liability, property, and workers' compensation insurance programs. The Department's FY 2021-22 appropriation represents approximately 0.6 percent of statewide operating appropriations and 0.2 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
S.B. 21-205 (Long Bill)	216,275,323	18,843,441	13,006,508	184,425,374	0	408.5
Other legislation	1,866,470	1,222,376	500,000	144,094	0	0.9
TOTAL	\$218,141,793	\$20,065,817	\$13,506,508	\$184,569,468	\$0	409.4
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$218,141,793	20,065,817	\$13,506,508	\$184,569,468	\$0	409.4
R1 Colorado Equity Office	2,536,213	2,536,213	0	0	0	10.0
R2 Paid Family Medical Leave funding	0	0	0	0	0	0.0
R3 CSEAP resources	311,690	0	107,815	203,875	0	2.5
R4 Total compensation report analyst	(144,505)	(144,505)	0	0	0	1.0
R5 Americans with Disabilities Act resources	516,481	516,481	0	0	0	1.0
R6 Unused state-owned real properties inventory	400,000	0	400,000	0	0	0.0
R7 Capitol Complex leased space contract and safety resources	245,528	0	245,528	0	0	0.0
R8 Integrated Document Solutions scanner refresh	0	0	0	0	0	0.0
R9 Annual fleet vehicle request	839,357	0	0	839,357	0	0.0
R10 State employee collective bargaining agreement provisions	1,000,000	1,000,000	0	0	0	1.0
R11 Colorado Disability Funding Committee resources	0	0	0	0	0	0.0
Annualize prior year legislation	2,688,228	(44,411)	(1,475,415)	4,208,054	0	0.4
Centrally appropriated line items	1,955,531	1,334,288	(376,049)	997,292	0	0.0
Annualize prior year budget actions	1,309,362	964,218	(15,000)	360,144	0	0.0
Technical adjustments	1,227,288	538,752	654,706	33,830	0	0.0
Risk Management base adjustment	181,054	0	0	181,054	0	0.0
Non-prioritized requests	65,309	8,090	1,368	55,851	0	0.0
Procurement card rebate refinance	0	(386,000)	386,000	0	0	0.0
CORE operations base adjustment	(3,844,996)	0	(1,875,048)	(1,969,948)	0	0.0
Indirect cost assessment	(13,207)	(556,389)	12,979	530,203	0	0.0
TOTAL	\$227,415,126	\$25,832,554	\$11,573,392	\$190,009,180	\$0	425.3
INCREASE/(DECREASE)	\$9,273,333	\$5,766,737	(\$1,933,116)	\$5,439,712	\$0	15.9
Percentage Change	4.3%	28.7%	(14.3%)	2.9%	n/a	3.9%

R1 COLORADO EQUITY OFFICE: The request includes an increase of \$2,536,213 General Fund and 19.0 FTE in FY 2022-23 for the creation of the Colorado Equity Office. The request annualizes to \$2.5 million General Fund and 19.0 FTE in FY 2023-24 and ongoing. The Colorado Equity Office will be responsible for:

- ensuring compliance by all state agencies with the Executive Order D 2020 175;
- conducting and overseeing the implementation of remedies required by a future pay equity study;
- developing interview and hiring process guidance, designing training for human resources and hiring teams, and identifying standard data to be collected to analyze hiring trends;
- serving as a consultant to agencies on best practices and a resource for agency staff;
- developing and maintaining statewide training, providing implementation resources, and holding agencies accountable for deployment;
- coordinating statewide equity, diversity, and inclusion events and impactful community interactions;
- convening a statewide employee resource group made of representatives from Governor’s agencies, and assist in standing up other employee resource groups;
- collecting and analyzing statewide data to identify systemic inequity, gaps in state employees’ knowledge of and skill in equity, diversity, and inclusion;
- providing administrative assistance to the Colorado Equity Alliance; and
- providing a feedback and reporting mechanism for employees to identify concerns and violations of anti-discrimination, anti-racism, anti-sexual harassment, accessibility, workplace violence, ADA, and workers’ compensation issues, and to direct concerns or violations accordingly.

Of the requested FTE, 10.0 will be placed in the central Colorado Equity Office housed in the Department, while the remaining 9.0 FTE will be placed in various departments. These FTE will include: a Program Director; Equity, Diversity, and Inclusion managers and coaches; data analysts; and Human Resources staff. The requested FTE will be distributed as shown in the following table.

R1 COLORADO EQUITY OFFICE FTE DISTRIBUTION	
DEPARTMENT	NUMBER OF FTE
Personnel	10.0
Human Services	4.0
Revenue	3.0
HCPF*	1.0
Regulatory Agencies	1.0
Total	19.0

* The total in this table does not reflect an additional FTE that will be added to HCPF through matching Medicaid federal funds.

This request is associated with the collective bargaining agreement (Partnership Agreement) between the State and Colorado Workers for Innovative and New Solutions (COWINS), which will expire on July 31, 2024. This request aligns with Article 8.2.B of the Partnership Agreement. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

JBC Staff will seek the assistance of the Office of Legislative Legal Services in assessing whether this request requires separate legislation to implement.

R2 PAID FAMILY MEDICAL LEAVE FUNDING: The request includes \$5,400,366 total funds, including \$3,029,606 General Fund, to cover the backfill costs associated with state employees utilizing 160 hours or four weeks of Paid Family Medical Leave (PFML) in FY 2022-23. This request annualizes to \$5,562,374 total funds, including \$3,120,492 General Fund, in FY 2023-24.

R3 CSEAP RESOURCES: The request includes an increase of \$311,690 total funds, including \$107,815 cash funds and \$203,875 reappropriated funds, and 2.5 FTE for FY 2022-23 to address increased workload for the Colorado State Employee Assistance Program (CSEAP), to fund a 24/7 crisis support services, and statewide workplace threat assessment training. This request annualizes to \$290,690 total funds and 2.5 FTE in FY 2023-24 and ongoing. CSEAP employees licensed professional and offers services to State employees and agencies, including: mental health counseling, crisis and critical incident response, professional coaching, mediation, team facilitation, consultation to managers, universal policy support, and training pursuant to Section 24-50-604 (1)(k)(I), C.R.S.

This request is associated with the collective bargaining agreement (Partnership Agreement) between the State and Colorado Workers for Innovative and New Solutions (COWINS), which will expire on July 31, 2024. This request aligns with Article 8.2.B of the Partnership Agreement. The request indicates that funding is for the implementation of an evidence-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R4 TOTAL COMPENSATION AND COMPENSATION ANALYST [REQUIRES LEGISLATION]: The request includes a decrease of \$144,505 General Fund and 1.0 FTE to realign the total compensation survey process and provide resources for ongoing analysis of the state’s compensation framework for classified staff. This request annualizes to an increase of \$148,895 General Fund in FY 2023-24. The Department requests Joint Budget Committee sponsorship of the required legislation.

R5 AMERICANS WITH DISABILITIES ACT RESOURCES: The request includes an increase of \$516,481 General Fund and 1.0 FTE in FY 2022-23 and ongoing to create and fund a new Equity for People With Disabilities line item. This request has two components:

- \$95,647 and 1.0 FTE in FY 2022-23 for a statewide Americans with Disabilities Act of 1990 (ADA) coordinator. This portion of the request annualizes to \$88,647 and 1.0 FTE in FY 2023-24 and ongoing. The statewide ADA coordinator will be responsible for: creating guidance and training for agency Title I and Title II ADA coordinators; approving agency reasonable accommodation policies and requests; hosting quarterly meeting with agency coordinators; collaborating with the Attorney General’s Office; and administering a centralized accommodation fund. The Department believes the addition of a statewide ADA coordinator will result in a more consistent approval process for reasonable accommodation request. In FY 2019-20, the State received 1,458 Title I and 383 Title II ADA reasonable accommodation requests.
- \$404,353 to fund approved Title I and Title II reasonable accommodation requests made by state employees and the public. This portion of the request annualizes to \$411,353 in FY 2022-23 and ongoing. Furthermore, the Department request a footnote granting roll forward spending authority for this portion of the appropriation.

The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R6 UNUSED STATE-OWNED REAL PROPERTIES INVENTORY: The request includes an increase of \$400,000 cash funds in FY 2022-23 and ongoing for the implementation of H.B. 21-1274 (Unused State-owned Real Property Beneficial Use). The bill requires the Department to create and maintain an inventory of unused state-owned real property and to determine whether the unused state-owned real property identified is suitable for construction of affordable housing, child care, public schools, residential mental and behavioral health care, or for placement of renewable energy facilities, or if such property is suitable for other purposes. The bill created the Unused State-owned Real Property Fund (Section 24-82-102.5 (5)(a), C.R.S.) but did not include an appropriations clause, as there was no revenue in the Fund to appropriate. Revenue is generated from the “sale, rent, or lease...of unused state-owned real property.” The Office of the State Architect has responsibility for creating and maintaining the inventory. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R7 CAPITOL COMPLEX LEASED SPACE CONTRACT AND SAFETY RESOURCES: The request includes an increase of \$245,528 cash funds in FY 2022-23 for operating expenses associated with the maintenance of Capitol Complex leased space. The request would fund two components:

- A base adjustment of \$200,000 cash funds in FY 2022-23 to address service contract increase and new maintenance projects. This portion of the request annualizes to \$300,000 reappropriated funds in FY 2023-24; \$400,000 reappropriated funds in FY 2024-25; and \$500,000 reappropriated funds in FY 2025-26 and ongoing. The out-year costs will be allocated through the Capitol Complex common policy to the various State departments. This portion of the request is intended to respond to increasing contract costs that have consumed increasing share of the appropriation, drawing resources away from standard repairs, replacements, and other types of maintenance.
- A one-time increase of \$45,528 cash funds in FY 2022-23 to conduct testing of all fire alarm devices in the State Capitol as part of the Joint Library remodel.

The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R8 INTEGRATED DOCUMENT SOLUTIONS SCANNER REFRESH: The request includes a budget neutral transfer of \$100,000 reappropriated funds in FY 2022-23 from the Integrated Document Solutions' Operating Expenses line item to a new Scan Equipment Lease Purchase line item within the same subdivision. The request annualizes to \$151,776 reappropriated funds in FY 2023-24 and until the 60-month lease purchase agreement is complete. The current scanning equipment has reached its end-of-life and the manufacturer no longer builds or supports the technology; maintenance of the equipment will only be support until June 30, 2022. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R9 ANNUAL FLEET VEHICLE REQUEST: The request includes an increase of \$839,357 reappropriated funds to replace 619 vehicles in the State's fleet. Of the vehicles to be replaced, the Department has identified 278 as potential alternative fuel vehicles (AFV), including 25 hybrid and 253 electric vehicles. For individual State agencies, this request will require an increase of \$534,118 in total funding for the respective Vehicle Lease Payments line item appropriations, with an estimated \$149,034 increase in General Fund in FY 2022-23. Replacing the 619 vehicles provides a projected maintenance and fuel savings of \$1,708,595 total funds. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R10 STATE EMPLOYEE COLLECTIVE BARGAINING AGREEMENT PROVISIONS: The request includes an increase of \$1.0 million General Fund and 1.0 FTE in FY 2022-23 and FY 2023-24. The Department's request includes two distinct parts:

- \$500,000 and 1.0 FTE for an employee tuition reimbursement program, which will allow covered state employees to apply for the reimbursement of tuition for a certification or degree program. The Department anticipates this level of funding will support at least 74 employee applications for reimbursement. This request aligns with Article 24.5 of the Partnership Agreement.
- \$500,000 for the administrative time spent by covered state employees serving as an Officer or Steward of COWINS. Employees serving in these roles must keep accurate record of their time fulfilling their duties. Additionally, employees must be approved by their supervisor for release from their regular duties as a state employee at least five days in advance of their taking administrative time. This request aligns with Article 5.2 of the Partnership Agreement.

This request is associated with the collective bargaining agreement (Partnership Agreement) between the State and Colorado Workers for Innovative and New Solutions (COWINS), which will expire on July 31, 2024. The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

R11 COLORADO DISABILITY FUNDING COMMITTEE RESOURCES [REQUIRES LEGISLATION]: The request includes a refinance of \$100,000 cash fund in the Disability Fund Committee line item from the Disability Support Fund (Section 24-30-2205.5 (1), C.R.S.) to the Disabled Parking Education and Enforcement Fund (Section 42-1-226, C.R.S.) for FY 2022-23 and ongoing. The Disability Fund Committee line item provides appropriations to the Colorado Disability Funding Committee (CDFC), created in Section 24-30-2203 (1), C.R.S., which administers the Laura Hershey Disability Support Act (H.B. 16-1362). The CDFC, through revenue generated from the sale and auction of license plate registration numbers, funds projects and programs to assist persons with disabilities in accessing disability benefits.

Additionally, the Department requests the Committee sponsor legislation to make technical changes to statute to clarify the processes for the CDFC, including the transfer of the Disabled Parking Education and Enforcement Fund to the Department, with oversight and spending authority given to the CDFC. The Disabled Parking Education and Enforcement Fund is currently administered by the Department of Revenue.

The request indicates that funding is for the implementation of a theory-informed program as defined by S.B. 21-284 (Evidence-based Evaluation For Budget).

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$2.7 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
SB 21-088 Child sexual abuse account. act	\$2,707,615	(\$1,198,355)	\$0	\$3,905,970	\$0	0.1
HB 21-1311 Income tax	252,574	0	0	252,574	0	0.0
SB 18-200 PERA unfunded liability	134,764	43,484	3,950	87,330	0	0.0
SB 14-214 PERA studies by actuarial firm	125,000	125,000	0	0	0	0.0
SB 13-276 Disability Investig. and Pilot Support Fund	82,000	0	82,000	0	0	0.0
SB 19-196 CO quality apprenticeship training act	32,709	32,709	0	0	0	0.3
SB 21-131 Protect PII kept by state	2,423	2,423	0	0	0	0.0
HB 20-1153 CO partnership quality jobs and services act	0	960,365	(960,365)	0	0	0.0
SB 21-292 Federal COVID funding for victims services	(500,000)	0	(500,000)	0	0	0.0
SB 21-222 Repeal recovery audit program	(101,000)	0	(101,000)	0	0	0.0
HB 21-1327 State and local tax parity act for businesses	(35,342)	0	0	(35,342)	0	0.0
HB 21-1257 Recog of veterans in capitol complex parks	(10,000)	(10,000)	0	0	0	0.0
SB 21-154 988 suicide prevention lifeline network	(1,966)	0	0	(1,966)	0	0.0
HB 21-1312 Increase premium property sales sev tax	(512)	0	0	(512)	0	0.0
HB 21-1303 Global warming potential for public project	(37)	(37)	0	0	0	0.0
TOTAL	\$2,688,228	(\$44,411)	(\$1,475,415)	\$4,208,054	\$0	0.4

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
Legal services	\$1,219,095	\$179,988	(\$389,949)	\$1,429,056	\$0	0.0
Salary survey	912,404	382,286	30,794	499,324	0	0.0
Capitol Complex leased space	285,874	905,948	(908)	(619,166)	0	0.0
Paid family leave	62,419	26,171	2,107	34,141	0	0.0
Utilities	20,771	0	0	20,771	0	0.0
CORE adjustment	12,643	6,215	294	6,134	0	0.0
ALJ services	8,156	9,194	(1,038)	0	0	0.0
Payments to OIT	(238,582)	(41,237)	(8,282)	(189,063)	0	0.0
Payment to risk management and property funds	(152,751)	(38,722)	(4,859)	(109,170)	0	0.0
Vehicle lease payments	(76,188)	0	96	(76,284)	0	0.0
Workers' compensation	(45,090)	(12,680)	(1,389)	(31,021)	0	0.0
Health, life, and dental	(21,500)	(77,881)	18,844	37,537	0	0.0
PERA Direct Distribution	(19,744)	(7,024)	(4,561)	(8,159)	0	0.0
AED	(4,011)	993	(8,465)	3,461	0	0.0
SAED	(4,011)	993	(8,465)	3,461	0	0.0
Shift differential	(3,860)	0	0	(3,860)	0	0.0
Short-term disability	(94)	44	(268)	130	0	0.0
TOTAL	\$1,955,531	\$1,334,288	(\$376,049)	\$997,292	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$1.3 million total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R10 Statewide planning svcs	\$980,000	\$980,000	\$0	\$0	\$0	0.0
FY 20-21 R2 Telematics for state fleet	345,144	0	0	345,144	0	0.0
FY 15-16 R1 Total comp vendor	300,000	300,000	0	0	0	0.0
FY 21-22 R5 IDS infrastructure refresh	0	0	0	0	0	0.0
FY 21-22 R4 OAC translation services	0	0	(15,000)	15,000	0	0.0
FY 13-14 CP2 employee engagement survey	(215,000)	(215,000)	0	0	0	0.0
FY 21-22 Disparity study outreach	(100,000)	(100,000)	0	0	0	0.0
Annualize prior year salary survey	(782)	(782)	0	0	0	0.0
TOTAL	\$1,309,362	\$964,218	(\$15,000)	\$360,144	\$0	0.0

TECHNICAL ADJUSTMENTS: The request includes a net increase of \$1.2 million total funds for technical adjustments, summarized in the following table.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
ALD equivalent payments	\$1,147,262	\$486,078	\$661,184	\$0	\$0	0.0
Digital storage adjustment	43,118	43,118	0	0	0	0.0
Gov transition funding	25,000	25,000	0	0	0	0.0
DPS adjustment	11,908	0	0	11,908	0	0.0
Admin Courts adjustments	0	(15,444)	(6,478)	21,922	0	0.0
TOTAL	\$1,227,288	\$538,752	\$654,706	\$33,830	\$0	0.0

RISK MANAGEMENT BASE ADJUSTMENT: The request includes an increase of \$181,054 reappropriated funds for adjustments to the Risk Management program for anticipated payments to be required by the liability, property, and workers' compensation components of the common policies.

NON-PRIORITIZED REQUESTS: The request includes the following non-prioritized request items, which are linked to decision items in other departments and common policy decisions.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
NP1 DPA Paid Family Medical Leave Act Funding	\$27,923	\$0	\$633	\$27,290	\$0	0.0
NP4 OIT Budget package	21,382	6,900	627	13,855	0	0.0
NP5 DHS Food services and housekeeping comp request	12,314	0	0	12,314	0	0.0
NP2 DPA CSEAP resources	3,690	1,190	108	2,392	0	0.0
TOTAL	\$65,309	\$8,090	\$1,368	\$55,851	\$0	0.0

PROCUREMENT CARD REBATE REFINANCE: The request includes a net-zero refinance of \$386,000 General Fund with an equivalent amount of cash funds from rebates anticipated from the state purchasing card program. The Procurement Card Program has realized an increase in rebate revenue, which is used to offset General Fund.

CORE OPERATIONS BASE ADJUSTMENT: The request includes a decrease of \$3.8 million total funds, including \$1.9 million cash funds and \$2.0 million reappropriated funds, for CORE operations base adjustments.

INDIRECT COST ASSESSMENT: The request includes net adjustments to indirect costs across the Department.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

THE COWINS PARTNERSHIP AGREEMENT AND FY 2022-23 BUDGET REQUESTS: In accordance with the provisions of the H.B. 20-1153 (Colorado Partnership for Quality Job and Services Act) and the Partnership Agreement (Agreement) between the State of Colorado (State) and Colorado Workers for Innovative and New Solutions (COWINS), the Department of Personnel and the Governor have submitted a suite of FY 2022-23 budget requests (R1, R3, and R10). The requested appropriations will support the creation of the Colorado Equity Office and a variety of programs for covered employees, including tuition reimbursement, union stewardship, and mental health and counseling.

OPERATING COMMON POLICIES – OVERVIEW AND REQUESTS: The Department of Personnel currently administers centralized budgeting policies described as Operating Common Policies. These policies refer to an array of statewide services, including Administrative Law Judge Services, Workers’ Compensation, Payment to Risk Management and Property Funds, Capitol Complex Leased Space and Utilities, CORE Operations, Vehicle Lease Payments, and the Document Solutions Group.

PAID FAMILY MEDICAL LEAVE FUNDING (R2): A discussion of the Department’s request for funding to backfill costs associated with increasing the number of hours made available to state employees for paid family medical leave from 80 to 160. Please see the JBC Staff briefing for Statewide Compensation and PERA, dated November 15, 2021, for this issue.

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Department of Public Health and Environment

The Department of Public Health and Environment is responsible for responsible for protecting and improving the health of the people of Colorado and ensuring the quality of Colorado's environment. The Department's FY 2021-22 appropriation represents approximately 1.8 percent of statewide operating appropriations and 0.6 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	625,090,752	63,026,643	198,032,718	48,258,812	315,772,579	1,416.2
Other legislation	45,902,508	14,572,291	32,465,945	(1,135,728)	0	161.4
TOTAL	\$670,993,260	\$77,598,934	\$230,498,663	\$47,123,084	\$315,772,579	1,577.6
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$670,993,260	77,598,934	\$230,498,663	\$47,123,084	\$315,772,579	1,577.6
R1 Air quality transformation	24,759,015	24,759,015	0	0	0	75.0
R2 Colorado dairy protection	400,000	400,000	0	0	0	0.0
R3 Colorado general licensure health facility protection	500,000	500,000	0	0	0	0.0
R4 Emergency medical and trauma services support	2,000,000	2,000,000	0	0	0	0.0
R5 Administrative division policy staff	357,580	0	0	357,580	0	3.0
R6 Enterprise phone system	222,125	0	0	222,125	0	0.0
R7 Provider rate increase	92,316	73,762	18,554	0	0	0.0
Non-prioritized decision items	262,062	54,889	6,517	195,361	5,295	0.0
Centrally appropriated line items	18,190,305	7,090,497	2,946,095	87,799	8,065,914	0.0
Staff-initiated adjustments	14,500,000	14,500,000	0	0	0	0.0
Annualize prior year budget actions	3,439,790	(1,846)	3,700,000	(258,364)	0	1.7
Indirect cost assessment	275,577	0	135,309	9,301	130,967	0.0
Other technical adjustments	24,648	0	24,648	0	0	0.0
Annualize prior year legislation	(18,728,518)	5,977,580	(25,088,564)	59,980	322,486	23.4
TOTAL	\$717,288,160	\$132,952,831	\$212,241,222	\$47,796,866	\$324,297,241	1,680.7
INCREASE/(DECREASE)	\$46,294,900	\$55,353,897	(\$18,257,441)	\$673,782	\$8,524,662	103.1
Percentage Change	6.9%	71.3%	(7.9%)	1.4%	2.7%	6.5%

R1 AIR QUALITY TRANSFORMATION: The request includes an increase of \$24,759,015 General Fund and 75.0 FTE in FY 2022-23 to achieve emission reductions in specific industries and increase permitting capacity in anticipation of the expected downgrade of the Denver Metro/North Front Range area to severe ozone nonattainment status. The request annualizes to \$27,359,968 General Fund and 138.0 FTE in FY 2023-24. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

R2 COLORADO DAIRY PROTECTION: The request includes a \$400,000 General Fund increase for FY 2022-23 and FY 2023-24 to supplement the Department's milk program, which is currently funded with revenue from the Dairy Protection Cash Fund. The Department indicates that current cash fund balances are not sufficient to inspect and test pasteurization equipment in accordance with national standards. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

R3 COLORADO GENERAL LICENSURE HEALTH FACILITY PROTECTION: The request includes a \$500,000 General Fund appropriation to the General Licensure Cash Fund in FY 2022-23 and FY 2023-24. The request is intended to supplement the cash fund balance as an alternative to increasing inspection fees on health care facilities. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

R4 EMERGENCY MEDICAL & TRAUMA SERVICES PROGRAM SUPPORT: The request includes a one-time appropriation of \$2.0 million General Fund to the Emergency Medical Services subaccount in the Highway Users Tax Fund in FY 2022-23. The request is intended to supplement decreased revenue during the pandemic and seeks to fund additional EMS provider grants and increase funding to Regional Emergency Medical and Trauma Councils (RETACs). The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

R5 ADMINISTRATIVE DIVISION POLICY STAFF: The request includes an increase of \$357,580 reappropriated funds from indirect cost recoveries and 3.0 FTE in FY 2022-23 and beyond to hire three policy analysts within the Executive Directors Office. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

R6 ENTERPRISE PHONE SYSTEM: The request includes an increase of \$222,125 reappropriated funds from indirect cost recoveries in FY 2022-23, annualizing to \$395,250 in FY 2023-24 and beyond. The request will address the instillation and ongoing contract costs of upgrading to a new Managed IP Communications phone system at three locations, and is at the direction of the Governor’s Office of Information Technology (OIT).

R7 PROVIDER RATE INCREASE: The request includes an increase of \$92,316 total funds, including \$73,762 General Fund and \$18,554 cash funds from the Marijuana Tax Cash Fund, for a 1.0 percent provider rate increase for local public health agencies. This decision item is linked to actions the Committee takes on the Community Provider Rate common policy. The Department indicates that funding is for the expansion of a theory informed program as defined in S.B. 21-284 (evidence-based evaluation for budget).

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$262,062 total funds, including \$54,889 General Fund, for adjustments related to budget requests from the Department of Personnel for its annual fleet vehicle request, paid family leave, and the Governor’s Office of Information Technology package of request items for FY 2022-23. *These request items will be addressed in separate staff briefings for the Department of Personnel and the Governor’s Office.*

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid Family Medical Leave Act Funding	\$268,051	\$39,372	\$0	\$228,679	\$0	0.0
OIT Budget package	40,732	14,256	6,517	14,664	5,295	0.0
DPA CSEAP resources	8,583	1,261	0	7,322	0	0.0
Annual fleet vehicle request	(55,304)	0	0	(55,304)	0	0.0
TOTAL	\$262,062	\$54,889	\$6,517	\$195,361	\$5,295	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items for the following line items. *These request items will be addressed in separate staff briefings for Compensation Common Policies, the Department of Personnel and the Governor's Office.*

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$5,015,751	\$934,199	\$1,495,223	\$405,599	\$2,180,730	0.0
Health, life, and dental	4,893,215	2,499,263	424,023	52,264	1,917,665	0.0
Payments to OIT	3,171,686	3,027,756	865,008	(1,488,043)	766,965	0.0
AED	1,407,158	416,367	74,067	25,747	890,977	0.0
SAED	1,407,158	416,367	74,067	25,747	890,977	0.0
Legal services	1,053,221	221,176	0	832,045	0	0.0
Lab depreciation	349,264	324,889	24,375	0	0	0.0
Payment to risk management and property funds	308,179	60,329	0	247,850	0	0.0
PERA Direct Distribution	264,645	(1,061,205)	(16,440)	(39,148)	1,381,438	0.0
CORE adjustment	208,700	65,263	0	143,437	0	0.0
Leased space	127,809	127,809	0	0	0	0.0
Short-term disability	44,262	12,794	2,730	924	27,814	0.0
ALJ services	30,773	5,093	0	25,680	0	0.0
Shift differential	12,614	224	3,042	0	9,348	0.0
Workers' compensation	(103,066)	37,400	0	(140,466)	0	0.0
Capitol Complex leased space	(1,064)	2,773	0	(3,837)	0	0.0
TOTAL	\$18,190,305	\$7,090,497	\$2,946,095	\$87,799	\$8,065,914	0.0

STAFF-INITIATED ADJUSTMENTS: Staff has made an adjustment of adding \$14.5 million General Fund to the Department's appropriation to account for a General Fund Transfer made in SB 21-243 (Public Health Infrastructure). SB 21-243 made a \$14.5 million transfer from the General Fund to the Economic Recovery and Relief Cash Fund, however, the bill did not identify which Department was responsible for the transfer. CDPHE made the transfer as the rest of the bill was concerning Department appropriations. The corresponding annualization can be found in the "annualize prior year legislation" section.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$3.4 million total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R05 Marijuana education	\$3,700,000	\$0	\$3,700,000	\$0	\$0	1.7
FY 20-21 R05 State lab maintenance	(258,364)	0	0	(258,364)	0	0.0
Annualize prior year salary survey	(1,846)	(1,846)	0	0	0	0.0
TOTAL	\$3,439,790	(\$1,846)	\$3,700,000	(\$258,364)	\$0	1.7

INDIRECT COST ASSESSMENT: The request includes a net increase in adjustments to indirect costs across the Department.

OTHER TECHNICAL ADJUSTMENTS: The request includes technical adjustments around a transfer to the Department of Law and a net zero alignment of funds relating to HB 21-1266 (Environmental Justice Disproportionate Impacted Community)

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$18.7 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 21-1266 Environmental Justice	\$839,451	\$867,977	(\$28,526)	\$0	\$0	10.6
SB18-200 PERA unfunded liability	724,697	124,210	218,021	59,980	322,486	0.0
HB 21-1189 Regulate air toxics	712,290	800,000	(87,710)	0	0	2.2
SB 21-260 Sustainability of the transportation system	579,302	(1,702,187)	2,281,489	0	0	8.0
HB 21-1286 Energy performance for buildings	64,271	64,271	0	0	0	0.5
HB 19-1279 Reg of firefighting foam	55,278	55,278	0	0	0	0.7
HB21-1005 Health care reserve task force	38,367	38,367	0	0	0	0.1
SB 21-194 Maternal health providers	29,437	29,437	0	0	0	0.3
HB 21-1286 Energy performance for buildings	13,824	13,824	0	0	0	0.0
SB 21-158 Increase providers for seniors	0	0	0	0	0	(0.2)
SB 21-243 Public health infrastructure	(14,500,000)	6,590,149	(21,090,149)	0	0	0.0
SB 21-137 Behavioral health recovery	(6,650,000)	(750,000)	(5,900,000)	0	0	(1.0)
HB 21-1317 Regulating marijuana concentrates	(168,952)	71,832	(240,784)	0	0	(1.1)
HB 19-1010 Freestanding emergency dept	(109,625)	0	(109,625)	0	0	(1.6)
SB 21-1001 Sunset direct entry midwives	(80,080)	0	(80,080)	0	0	(0.6)
HB 21-1251 Approp use chemical restraint	(68,061)	(68,061)	0	0	0	(0.3)
HB 19-1237 License behavioral health	(67,381)	(36,181)	(31,200)	0	0	4.3
HB 21-1085 Secure Transportation	(46,490)	(46,490)	0	0	0	(0.6)
SB 21-193-Protect pregnant people	(35,858)	(35,858)	0	0	0	(0.4)
SB 21-264 Reduce greenhouse gas	(26,232)	(26,232)	0	0	0	0.1
SB 21-006 Human remains natural soil	(20,000)	0	(20,000)	0	0	0.0
SB 21-181 Equity strategic plan	(8,970)	(8,970)	0	0	0	0.2
HB 21-1171 Kidney disease task force	(3,208)	(3,208)	0	0	0	0.0
HB 21-1281 Community behavioral health	(436)	(436)	0	0	0	0.2
HB 21-1299 Office of gun violence prevention	(142)	(142)	0	0	0	2.0
TOTAL	(\$18,728,518)	\$5,977,580	(\$25,088,564)	\$59,980	\$322,486	23.4

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R1 AIR QUALITY TRANSFORMATION: This issue is covering a Department request of \$24,759,015 General Fund and 75.0 FTE in FY 2022-23 and \$27,359,968 General Fund and 138.0 FTE in FY 2023-24 to address several factors concerning air quality in the state, including targeting specific industries for emission reductions and addressing the downgrade of the Denver Metro/North Front Range to severe ozone non-attainment status under the 2008 Clean Air Act standards.

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Department of Public Safety

The Department of Public Safety is responsible for maintaining, promoting, and enhancing public safety through law enforcement, criminal investigations, fire and crime prevention, emergency management, recidivism reduction, and victim advocacy.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF PUBLIC SAFETY						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	531,711,038	168,742,644	241,553,361	53,042,492	68,372,541	1,948.9
Other legislation	13,746,590	5,142,646	7,103,944	1,500,000	0	22.6
TOTAL	\$545,457,628	\$173,885,290	\$248,657,305	\$54,542,492	\$68,372,541	1,971.5
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$545,457,628	\$173,885,290	\$248,657,305	\$54,542,492	\$68,372,541	1,971.5
R1 Right-sizing CBI	6,809,699	6,809,699	0	0	0	47.0
R2 Capitol Complex plus-up	4,546,860	4,546,860	0	0	0	27.9
R3 State recovery section staff	255,047	255,047	0	0	0	3.0
R4 School Safety refinance	299,619	0	299,619	0	0	0.0
R5 State toxicology lab funding	1,152,316	0	1,152,316	0	0	4.0
R6 State Emergency Operations Center	611,314	945,085	0	0	(333,771)	8.0
R7 State support for DFPC training	490,000	490,000	0	0	0	0.0
R8 DPS Communications salary increase	1,651,203	89,657	1,479,752	76,148	5,646	0.0
R9 Central evidence facility lease funding	1,346,178	0	1,346,178	0	0	2.0
R10 Communication tech and equipment	1,700,000	0	1,700,000	0	0	0.0
R11 State cybersecurity program	385,943	385,943	0	0	0	3.0
R12 Community corrections billing	425,922	425,922	0	0	0	0.0
R13 Prevent bias-motivated violence grant	1,000,000	1,000,000	0	0	0	1.0
R14 State Patrol admin staff	656,237	0	656,237	0	0	7.0
R15 Combine vehicle lease payment lines	0	0	0	0	0	0.0
R16 Reroute enhanced state assistance	0	0	600,000	(600,000)	0	0.0
R17 Community corrections provider rate	785,730	732,111	0	53,619	0	0.0
Centrally appropriated line items	5,550,166	8,162,527	7,991,285	(10,993,485)	389,839	0.0
Non-prioritized requests	654,947	233,822	365,788	2,554	52,783	0.0
Technical adjustments	0	0	(5,998,891)	(2,139)	6,001,030	(1.0)
Annualize prior year budget actions	(5,662,565)	(5,652,181)	(10,198)	(204)	18	0.0
Indirect cost assessment	(4,210,731)	(4,925,994)	(6,725,844)	6,941,850	499,257	0.0
Annualize prior year legislation	(1,427,072)	(2,484,250)	1,087,615	(48,800)	18,363	18.9
TOTAL	\$562,478,441	\$184,899,538	\$252,601,162	\$49,972,035	\$75,005,706	2,092.3
INCREASE/(DECREASE)	\$17,020,813	\$11,014,248	\$3,943,857	(\$4,570,457)	\$6,633,165	120.8
Percentage Change	3.1%	6.3%	1.6%	(8.4%)	9.7%	6.1%

R1 RIGHT-SIZING CBI: The request includes an increase of \$6.8 million General Fund and 47.0 FTE in FY 2022-23 to increase the size and capacity of CBI. The request implements a phased approach for hiring over three years that totals \$12.0 million General Fund and 83.0 FTE in FY 2023-24, and \$15.4 million General Fund and 107.0 FTE in FY 2024-25 and ongoing. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R2 CAPITOL COMPLEX PLUS-UP: The request includes an increase of \$4.5 million General Fund and 27.9 FTE in FY 2022-23 and \$4.2 million General Fund and 29.0 in FY 2023-24 and ongoing to increase Capitol Complex security. This amount includes \$40,000 General Fund in FY 2022-23 and \$5,000 in ongoing maintenance costs to add an X-ray magnetometer in the Legislative Services Building (LSB). The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R3 STATE RECOVERY SECTION STAFF: The request includes an increase of \$255,047 General Fund and 3.0 FTE in FY 2022-23, and \$234,047 General Fund and 3.0 FTE in FY 2023-24 and ongoing to increase staffing for the State Recovery Section under the DHSEM. The department requested and the Committee initially approved 4.0 FTE for this purpose during the FY 2020-21 budget process, but reduced the final appropriation to 1.0 FTE during budget balancing. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R4 SCHOOL SAFETY RESOURCE CENTER REFINANCE: The request includes a net-zero refinance of the School Safety Resource Center from the School Safety Resource Center Cash Fund to the Marijuana Tax Cash Fund, as well as an increase of \$299,619 cash funds from the Marijuana Tax Cash Fund in FY 2022-23 and ongoing. This results in a total increase of \$1.2 million cash funds from the Marijuana Cash Tax Fund, offset by the decreased appropriation from the School Safety Resource Center Cash Fund.

Increased funding would support Safe School Summits in Grand Junction and the Denver Metro Area. A transfer of \$1.0 million was made from the School Safety cash fund for budget balancing during the FY 2020-21 budget process, and the request states that the cash fund no longer has the fund balance necessary to sustain the program.

R5 STATE TOXICOLOGY LABORATORY FUNDING: The request includes an increase of \$1.2 million cash fund spending authority from the Marijuana Tax Cash Fund and 4.0 FTE for FY 2022-23, and \$1,124,316 cash funds for FY 2023-24 and ongoing to process DUI and DUID blood samples. Demand for processing blood samples has significantly increased since the Committee approved a refinance of the State Toxicology Lab that eliminated fees for local law enforcement agencies in FY 2019-20. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R6 STATE EMERGENCY OPERATIONS CENTER: The request includes an increase of \$611,314 total funds and 8.0 FTE in FY 2022-23, and \$896,085 General Fund and 8.0 FTE in FY 2023-24 and ongoing for the State Emergency Operations Center. The request includes an increase of \$945,085 General Fund and a decrease of \$333,771 federal funds to offset the loss of federal grants expiring in June 2022. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R7 DFPC TRAINING SUPPORT AND STATE MATCH: The request includes an increase of \$490,000 General Fund in FY 2022-23 and ongoing to increase training support and state match for federal grants in DFPC. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R8 COMMUNICATIONS OFFICERS SALARY INCREASE: The request includes an increase of \$1.7 million total funds in FY 2022-23, including \$89,657 General Fund, \$1,479,752 cash funds from the Highway Users Tax Fund Off-the-Top, \$76,148 reappropriated funds, and \$5,646 federal funds to increase base salaries for 133.5 FTE within the Colorado State Patrol's Communications Programs. The request also includes \$1,514,263 total funds in FY 2023-24 and ongoing. Request amounts were established in coordination with the Department of Personnel. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R9 CENTRAL EVIDENCE FACILITY LEASE FUNDING: The request includes an increase of \$1.3 million cash funds from the Highway Users Tax Fund and 2.0 FTE for FY 2022-23, and \$732,178 cash funds in FY 2023-24 and ongoing to acquire and lease a new centralized facility for evidence storage. The request indicates that funding is for the implementation of a theory-informed program (Step 2) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R10 COMMUNICATIONS TECHNOLOGY AND EQUIPMENT: The request includes an increase of \$1.7 million cash funds from the Highway Users Tax Fund for FY 2022-23 and ongoing for the replacement and maintenance of communications equipment. The request indicates that funding is for the implementation of a theory-informed program (Step 1) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R11 STATE CYBERSECURITY PROGRAM: The request includes an increase of \$385,943 General Fund and 3.0 FTE in FY 2022-23 and ongoing to create a Whole of State Cybersecurity Program under DHSEM at the recommendation of the Homeland Security and All-Hazards Senior Advisory Committee. The request indicates that funding is for the implementation of a theory-informed program (Step 1) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R12 COMMUNITY CORRECTIONS BILLING: The request includes an increase of \$425,922 General Fund in FY 2022-23 and \$286,602 General Fund in FY 2023-24. The Department also requests a 3.0 percent increase every year thereafter, beginning in FY 2024-25.

The purpose of the request is to allow DCJ to maintain a new Community Corrections Information and Billing (CCIB) system. The CCIB system is the central hub for community corrections funding. It is used by DCJ's Office of Community Corrections, staff from each of the 22 Community Corrections boards, and staff from each of the 30 residential and nonresidential Community Corrections facilities in Colorado. The new CCIB system was originally funded through an IT Capital request, replacing an older system that was developed in 2008.

In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b). JBC staff for Information Technology Projects will present this recommendation in a single document for Committee action at a later date.

R13 PREVENT BIAS-MOTIVATED VIOLENCE GRANT [REQUIRES LEGISLATION]: The request includes an increase of \$1.0 million General Fund and 1.0 FTE in FY 2022-23 and ongoing to create a "Preventing Bias-Motivated Violence" grant program under DHSEM. This request requires legislation. The request indicates that funding is for the implementation of a theory-informed program (Step 1) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R14 STATE PATROL ADMINISTRATIVE STAFF: The request includes an increase of \$656,237 cash funds from the Highway Users Tax Fund Off-the-Top and 7.0 FTE in FY 2022-23 for additional State Patrol administrative support to decrease the administrative burden on troopers. The request includes \$607,237 cash funds and 7.0 FTE for FY 2023-24 and ongoing. The request indicates that funding is for the implementation of a theory-informed program (Step 3) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R15 COMBINE VEHICLE LEASE PAYMENT LINES: The request includes a net-zero consolidation of vehicle lease payment lines into a single line in the EDO. The Department currently has separate vehicle lease payment lines with different fund sources in the EDO, CSP, and CBI. This has historically caused administrative burden and confusion during common policy figure setting.

R16 REROUTE ENHANCED STATE ASSISTANCE FUNDING TO WERF [REQUIRES LEGISLATION]: The request is a net-zero adjustment to appropriate Enhanced State Assistance (ESA) funding to the Wildfire Emergency Response Fund (WERF) rather than the Colorado Firefighting Air Corp and Wildfire Preparedness Funds as requested and approved under the Wildfire Stimulus Package during the FY 2021-22 budget process. This request requires legislation. The request indicates that funding is for the implementation of a theory-informed program (Step 1) as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R17 PROVIDER RATE INCREASE: The request includes an increase of \$785,730 total funds, including \$732,111 General Fund, in FY 2022-23. This amount aligns with the 1.0 percent common policy increase requested in the Governor’s FY 2022-23 budget request.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$5.6 million total funds for centrally appropriated line items, summarized in the table below.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$5,160,772	\$1,462,790	\$3,249,084	\$323,068	\$125,830	0.0
Payment to risk management	518,702	400,429	1,028,201	(909,928)	0	0.0
Health, life, and dental	484,359	1,441,361	(404,835)	(721,111)	168,944	0.0
Paid family leave	348,961	98,843	219,685	21,932	8,501	0.0
Leased space	237,448	72,400	165,048	0	0	0.0
CORE adjustment	78,451	411,644	0	(333,193)	0	0.0
Shift differential	14,265	(575)	2,062	12,778	0	0.0
ALJ services	3,125	3,125	0	0	0	0.0
Workers’ compensation	(677,147)	0	0	(677,147)	0	0.0
Payments to OIT	(225,357)	3,643,588	4,299,726	(8,162,998)	(5,673)	0.0
PERA Direct Distribution	(120,575)	146,695	(155,847)	(111,423)	0	0.0
AED	(73,850)	277,132	(199,539)	(196,852)	45,409	0.0
SAED	(73,850)	277,132	(199,539)	(196,852)	45,409	0.0
Legal services	(69,645)	(36,794)	0	(32,851)	0	0.0
Capitol Complex leased space	(51,789)	(43,856)	(5,268)	(2,665)	0	0.0
Short-term disability	(3,704)	8,613	(7,493)	(6,243)	1,419	0.0
TOTAL	\$5,550,166	\$8,162,527	\$7,991,285	(\$10,993,485)	\$389,839	0.0

NON-PRIORITIZED REQUESTS: The request includes a net increase of \$654,947 total funds for non-prioritized requests, summarized in the table below.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP3 Annual fleet vehicle request	\$567,239	\$186,229	\$325,673	\$2,554	\$52,783	0.0
NP1 Paid Family Medical Leave Act	43,460	3,345	40,115	0	0	0.0
NP4 OIT Budget package	37,704	37,704	0	0	0	0.0
NP2 CSEAP resources	6,544	6,544	0	0	0	0.0
TOTAL	\$654,947	\$233,822	\$365,788	\$2,554	\$52,783	0.0

TECHNICAL ADJUSTMENTS: The request includes a net-zero reallocation of cash funds as federal funds.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net decrease of \$5.7 million total funds for prior year budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R4 Body cam grant funding	(\$4,000,000)	(\$4,000,000)	\$0	\$0	\$0	0.0
FY 16-17 Cognitive behavioral therapy pilot	(1,648,106)	(1,648,106)	0	0	0	0.0
Annualize prior year salary survey	(7,859)	(4,075)	(3,598)	(204)	18	0.0
FY 21-22 BA2 Licensing behavioral health	(6,600)	0	(6,600)	0	0	0.0
TOTAL	(\$5,662,565)	(\$5,652,181)	(\$10,198)	(\$204)	\$18	0.0

INDIRECT COST ASSESSMENT: The request includes net adjustments to indirect costs across these Divisions.

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$1.4 million total funds to reflect the FY 2022-23 impact of bill passed in previous legislative sessions, summarized in the table below.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 18-200 PERA unfunded liability	\$751,351	\$213,256	\$472,592	\$47,140	\$18,363	0.0
SB 20-217 Law enforcement integrity	148,017	(362,437)	606,394	(95,940)	0	2.2
SB 21-113 Firefighting Aircraft	0	0	0	0	0	15.4
HB 21-1250 Law enforcement accountability	(2,175,523)	(2,200,758)	25,235	0	0	0.5
SB 21-166 Fire commission recommendations	(97,805)	(97,805)	0	0	0	0.7
HB 21-1280 Pretrial detention reform	(19,500)	(19,500)	0	0	0	0.0
SB 21-021 Audiology and speech compact	(16,606)	0	(16,606)	0	0	(0.1)
HB 21-1214 Record sealing collateral	(9,806)	(9,806)	0	0	0	0.2
HB 21-1064 Update juv. sex offender registry	(7,200)	(7,200)	0	0	0	0.0
TOTAL	(\$1,427,072)	(\$2,484,250)	\$1,087,615	(\$48,800)	\$18,363	18.9

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

CBI CAPACITY (R1): This issue summarizes the Department's first prioritized request, R1 Right-sizing CBI, and describes overall capacity and workload constraints for the CBI.

CAPITOL SECURITY (R2): This issue summarizes the Department's second prioritized request, R2 Capitol Security Plus-up, and describes the statutory responsibility of the Executive Security Unit tasked with providing security to Capitol Complex.

STATEWIDE EMERGENCY RESPONSE (R3, R6): This issue summarizes two of the Department's requests under the Division of Homeland Security and Emergency Management that would increase capacity for emergency planning and response.

WILDFIRE FUNDING: This issue provides an update related to the Wildfire Stimulus Package and federal grants.

PERFORMANCE-BASED CONTRACTING IN COMMUNITY CORRECTIONS: This issue discusses performance-based contracting in community corrections.

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Department of Regulatory Agencies

The Department of Regulatory Agencies is statutorily-tasked with ensuring that individuals and businesses who provide Colorado with professional services are doing so ethically and responsibly. These duties are carried out through regulatory programs that license, establish standards, approve rates, investigate complaints, and conduct enforcement through boards, commissions, and advisory committees. The Department's FY 2021-22 appropriation represents approximately 0.3 percent of statewide operating appropriations and 0.0 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF REGULATORY AGENCIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	121,515,244	2,867,019	111,118,498	5,639,571	1,890,156	607.7
Other legislation	5,133,288	(10)	5,133,298	0	0	27.8
TOTAL	\$126,648,532	\$2,867,009	\$116,251,796	\$5,639,571	\$1,890,156	635.5
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$126,648,532	\$2,867,009	\$116,251,796	\$5,639,571	\$1,890,156	635.5
R1 Implement primary care and maternal health apms	250,000	0	250,000	0	0	0.0
R2 Actuarial review of insurance coverages	237,924	0	237,924	0	0	0.3
R3 Align state surprise billing law with feds	159,912	0	159,912	0	0	2.0
R4 Increase EDO resources	0	0	(392,392)	392,392	0	5.0
R5 Reduce payments to TUDF	(59,541)	0	(59,541)	0	0	0.0
Non-prioritized decision items	249,374	96,677	142,670	9,209	818	1.0
Centrally appropriated line items	4,950,707	41,936	5,038,479	153,338	(283,046)	0.0
Annualize prior year legislation	1,635,928	0	1,635,928	0	0	11.2
Indirect cost assessment	160,102	0	155,156	0	4,946	0.0
TOTAL	\$134,232,938	\$3,005,622	\$123,419,932	\$6,194,510	\$1,612,874	655.0
INCREASE/(DECREASE)	\$7,584,406	\$138,613	\$7,168,136	\$554,939	(\$277,282)	19.5
Percentage Change	6.0%	4.8%	6.2%	9.8%	(14.7%)	3.1%

R1 IMPLEMENTATION OF PRIMARY CARE AND MATERNAL HEALTH APMS: The Department is requesting an increase of \$250,000 cash funds from the Division of Insurance Cash Fund for FY 2022-23 to support the implementation of statewide, all-payer alternative payment models (APM). The Department indicates that funding is for the implementation of an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R2 ACTUARIAL REVIEW OF INSURANCE COVERAGES: The Department is requesting an increase of \$237,924 cash funds from the Division of Insurance Cash Fund and 0.3 FTE for FY 2022-23 to establish a uniform, evidence-based process to evaluate the costs and benefits of new coverages to private health insurance. The Department has specified that this request will require legislation to establish the timeline and parameters for the review process. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R3 ALIGN STATE SURPRISE BILLING LAW WITH THE FEDERAL NO SURPRISES ACT: The Department is requesting an increase of \$159,912 cash funds from the Division of Insurance Cash Fund and 2.0 FTE for FY 2022-23 to implement and align state statutory provisions regarding out-of-network billing restrictions with the federal No Surprises Act. The Department has specified that this request will require legislation to change statute to come in line

with federal law. The Department indicates that funding is for the implementation of a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R4 INCREASE RESOURCES FOR THE EXECUTIVE DIRECTOR’S OFFICE: The Department is requesting a net-zero, \$392,392 cash fund offset that would reduce cash funded indirect line items in every division and increase funding to the Executive Director’s Office to support an increase of 5.0 FTE. The Department indicates that funding is for a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

R5 REDUCE DISABLED TELEPHONE PAYMENTS: The Department is requesting a decrease of \$59,541 cash funds from the Telephone Users with Disabilities Fund to realign costs with the expected level of service provided by Relay Colorado. The Department indicates that funding is for a theory-informed practice as defined in S.B. 21-284 (Evidence-based evaluation for budget).

NON-PRIORITIZED DECISION ITEMS: The request includes a net increase of \$249,374 total funds including \$96,677 General Fund for decision items requested by other departments that impact the agencies covered in this briefing document.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid family leave	\$106,338	\$3,165	\$96,147	\$6,208	\$818	0.0
CO equity office placeholder	91,635	91,635	0	0	0	1.0
DPA Paid Family Medical Leave Act Funding	36,163	1,216	32,162	2,785	0	0.0
OIT Budget package	15,529	566	14,963	0	0	0.0
DPA CSEAP resources	2,813	95	2,502	216	0	0.0
Fleet vehicle request	(3,104)	0	(3,104)	0	0	0.0
TOTAL	\$249,374	\$96,677	\$142,670	\$9,209	\$818	1.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes a net increase of \$4.9 million total funds, including \$41,936 General Fund, for adjustments to centrally appropriated line items. The following table itemizes each requested change.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$1,553,423	\$46,237	\$1,404,553	\$90,682	\$11,951	0.0
Health, life, and dental	1,151,566	(16,992)	1,300,383	29,359	(161,184)	0.0
Payments to OIT	718,822	(28,884)	747,706	0	0	0.0
Legal services	639,881	17,305	589,058	36,424	(2,906)	0.0
AED	241,726	(4,431)	302,950	4,437	(61,230)	0.0
SAED	241,726	(4,431)	302,950	4,437	(61,230)	0.0
Payment to risk management and property funds	154,906	5,202	131,456	12,193	6,055	0.0
Administrative Law Judge services	105,533	4,768	100,765	0	0	0.0
Leased space	82,882	28,745	68,537	(25,930)	11,530	0.0
CORE adjustment	58,079	403	49,175	3,238	5,263	0.0
PERA Direct Distribution	24,843	(4,968)	63,889	(3,299)	(30,779)	0.0
Short-term disability	8,269	(123)	10,152	176	(1,936)	0.0
Workers’ compensation	(30,949)	(895)	(33,095)	1,621	1,420	0.0
TOTAL	\$4,950,707	\$41,936	\$5,038,479	\$153,338	(\$283,046)	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net increase of \$1.6 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB21-1012 PDMP	\$1,137,685	\$0	\$1,137,685	\$0	\$0	3.7
SB21-246 Promote beneficial electrification	375,261	0	375,261	0	0	4.6
HB21-1232 Health benefit plan	284,670	0	284,670	0	0	0.0
SB21-264 Reduce ghg emissions	179,657	0	179,657	0	0	1.9
SB21-103 Sunset office of consumer counsel	96,622	0	96,622	0	0	0.8
HB21-1195 Regulate radon pros	55,652	0	55,652	0	0	0.6
HB21-1013 Divide domestic stock ins	10,252	0	10,252	0	0	0.1
SB21-021 Audiology & speech-language	7,671	0	7,671	0	0	0.1
SB21-126 Timely credentialing	2,821	0	2,821	0	0	0.1
SB21-261 PUC encourage renewables	1,431	0	1,431	0	0	0.0
SB21-175 Rx drug affordability	(301,012)	0	(301,012)	0	0	0.0
SB21-108 PUC gas utility inspection	(139,047)	0	(139,047)	0	0	(0.7)
HB21-1276 Prevent subst use disorder	(25,400)	0	(25,400)	0	0	0.0
HB21-1201 Transparency telecoms cor	(18,600)	0	(18,600)	0	0	0.0
HB21-1068 Ins coverage mental health	(13,000)	0	(13,000)	0	0	0.0
HB21-1233 Cons ease tax credit	(12,400)	0	(12,400)	0	0	0.0
HB21-1269 PUC community choice energy	(6,335)	0	(6,335)	0	0	0.0
TOTAL	\$1,635,928	\$0	\$1,635,928	\$0	\$0	11.2

INDIRECT COST ASSESSMENT: The request includes a net increase to indirect costs of \$160,102 across the Department.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

R4 INCREASE RESOURCES FOR THE EXECUTIVE DIRECTOR’S OFFICE: This issue brief outlines the Department’s request for additional resources in the Executive Director’s Office to be better equipped to carry out its statutory responsibilities.

R1 IMPLEMENTATION OF PRIMARY CARE AND MATERNAL HEALTH APMS: This issue brief describes what an alternative payment model is, the difference between an alternative payment model and the standard fee-for-service payment model, a discussion on the positives and negatives of alternative payment models, and a brief summary of the Department’s request.

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Department of Revenue

The Department has three functional groups: the Taxation Business Group collects revenue for the state and for many local governments and assists taxpayers in tax-related matters; the Division of Motor Vehicles regulates motor vehicle safety, issues personal identification documents, and regulates commercial vehicles; and the Specialized Business Group regulates alcohol, tobacco, marijuana, horse racing and off-track betting, sports betting, limited gaming, and automobile dealers and sales persons. The three functional groups are supported by the Executive Director's Office. The Department also operates the Colorado Lottery. The Department's FY 2021-22 appropriation represents approximately 1.2 percent of statewide operating appropriations and 1.1 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF REVENUE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB21-205 (Long Bill)	424,034,637	136,883,528	277,724,783	8,361,740	1,064,586	1,597.2
Other legislation	5,684,245	4,629,247	946,798	108,200	0	29.0
TOTAL	\$429,718,882	\$141,512,775	\$278,671,581	\$8,469,940	\$1,064,586	1,626.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$429,718,882	141,512,775	\$278,671,581	\$8,469,940	\$1,064,586	1,626.2
R1 DMV drives system support	3,075,916	0	3,075,916	0	0	11.0
R2 Lottery retailer payments	0	0	0	0	0	0.0
R3 Lease space savings	(448,194)	(448,194)	0	0	0	0.0
R4 Operational funding realignment	0	0	0	0	0	0.0
R5 DMV safety expansion	179,720	0	179,720	0	0	0.0
R6 Refinance HB 21-1314	(140,000)	0	(140,000)	0	0	0.0
Centrally appropriated line items	11,272,488	6,599,868	4,874,656	(264,520)	62,484	0.0
Annualize prior year budget actions	4,299,743	(2,825,931)	7,095,986	0	29,688	0.0
Technical adjustments	937,004	525,566	411,438	0	0	0.0
Non-prioritized decision items	557,438	193,309	75,153	286,943	2,033	3.0
Annualize prior year legislation	(941,759)	(1,942,923)	1,104,835	(108,064)	4,393	20.9
TOTAL	\$448,511,238	\$143,614,470	\$295,349,285	\$8,384,299	\$1,163,184	1,661.1
INCREASE/(DECREASE)	\$18,792,356	\$2,101,695	\$16,677,704	(\$85,641)	\$98,598	34.9
Percentage Change	4.4%	1.5%	6.0%	(1.0%)	9.3%	2.1%

R1 DMV DRIVES SYSTEM SUPPORT: The request includes an increase of \$3.1 million in spending authority from the DRIVES Cash Fund and an additional 11.0 FTE to address a growing backlog of maintenance and system enhancements to DRIVES. Additionally, the request asks the Joint Budget Committee to sponsored legislation to merge two operational cash funds, the DRIVES fund, and the Licensing Services Cash Fund. [Requires Legislation]

R2 LOTTERY RETAILER PAYMENTS: The Department's request includes continuous spending authority for the Lottery's Retailer Compensation appropriation in both the current and all future fiscal years. This line item is utilized only for the payment of contractually obligated payables to lottery retailers. These payments are based on a standardized fixed percentage of Lottery sales. [Requires Legislation]

R3 LEASE SPACE SAVINGS AND REMOTE WORK: The request includes a permanent General Fund appropriation shift from leased space to operating expenses for \$109,000 in FY 2022-23 and in subsequent years. Additionally, the request offers a permanent General Fund reduction of \$448,194 to be repurposed for the Equity, Diversity, and

Inclusion (EDI) request submitted as R1 Colorado Office of Equity by the Department of Personnel and Administration.

R4 OPERATIONAL FUNDING REALIGNMENT: The request includes a permanent net-zero realignment in FY 2022-23 and in subsequent years of \$826,876 in General Fund personal services and 13.0 FTE, and \$9,000 in General Fund operating from the Taxation Business Group to the Executive Director’s Office (EDO). The realignment moves the GenTax System Support Office (SSO) team from the Taxation Business Group into the Innovation Strategy and Delivery (ISD) team in EDO. Additionally, the Department requests a permanent net-zero realignment in FY 2022-23 and in subsequent years of \$1,062,746 in cash fund spending authority for personal services and 17.0 FTE, and \$8,500 in cash fund spending authority for operating from the DMV Administration and Driver Services to the EDO. The realignment moves the DRIVES Development Support (DDS) team from DMV into the Innovation, Strategy, and Delivery team in the EDO.

R5 DMV SAFETY EXPANSION: The request includes a permanent increase of \$179,720 in cash fund spending authority for the Division of Motor Vehicles (DMV) in FY 2022-23 and in subsequent years for security guards at four additional driver license offices. Currently, the DMV has thirty-seven driver’s license offices, of which fourteen have existing security in place. The Department has identified four of the twenty-three remaining unsecured locations as high risk for altercations.

R6 REFINANCE HB 21-1314: The request asks the JBC to sponsor legislation to change the funding source identified in H.B. 21-1314 (Section 39-28.8-501 (7)(a), C.R.S.), Department of Revenue Action Against Certain Documents and requests a 10 percent reduction to the amounts appropriated for this purpose. The revision would eliminate the funding transferred from the Marijuana Tax Cash Fund (MTCF) to fund DMV hearings and license services activities, and instead provide “off-the-top” spending authority from the Highway Users Tax Fund (HUTF). [Requires Legislation]

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$11.3 million in total funds, including a \$6.6 million General Fund, increase related to employee benefits and other centrally appropriated items. This total includes the following changes:

CENTRALLY APPROPRIATED LINE ITEMS							
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE	
Salary survey	\$3,791,912	\$1,851,197	\$1,939,792	\$923	\$0	0.0	
Payments to OIT	2,365,283	903,479	1,461,804	0	0	0.0	
Health, life, and dental	2,353,386	2,016,661	287,588	(3,911)	53,048	0.0	
Legal services	964,602	541,066	423,536	0	0	0.0	
CORE adjustment	671,529	251,429	420,100	0	0	0.0	
AED	354,587	347,610	(4,428)	(928)	12,333	0.0	
SAED	354,587	347,610	(4,428)	(928)	12,333	0.0	
Payment to risk management and property funds	326,251	122,306	203,945	0	0	0.0	
Department indirect cost recoveries adjustment	312,827	0	312,827	0	0	0.0	
Leased space	233,490	21,075	212,415	0	0	0.0	
Short-term disability	545	844	(660)	(30)	391	0.0	
FY2022-23 Department indirect entries	0	259,537	0	(259,537)	0	0.0	
Workers’ compensation	(195,660)	(75,608)	(120,052)	0	0	0.0	
Document Management	(125,288)	(86,769)	(38,519)	0	0	0.0	
Indirect cost assessment	(53,687)	(397)	(53,687)	397	0	0.0	
PERA Direct Distribution	(38,540)	105,142	(127,555)	(506)	(15,621)	0.0	
Capitol Complex leased space	(27,990)	(5,314)	(22,676)	0	0	0.0	
ALJ services	(12,459)	0	(12,459)	0	0	0.0	
Shift differential	(2,887)	0	(2,887)	0	0	0.0	
TOTAL	\$11,272,488	\$6,599,868	\$4,874,656	(\$264,520)	\$62,484	0.0	

ANNUALIZE PRIOR-YEAR BUDGET ACTIONS: The request includes a net increase of \$4.3 million total funds, including \$2.9 million General Fund, for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR-YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year FY21-22 R1 lottery reimagined	\$6,643,691	\$0	\$6,643,691	\$0	\$0	0.0
Annualize FY19-20 R4 driver's license documents	428,495	0	428,495	0	0	0.0
Driver's license documents	23,800	0	23,800	0	0	0.0
Annualize prior year R8 DMV digital transformation	(2,520,072)	(2,520,072)	0	0	0	0.0
Annualize prior year salary survey	(250,333)	(280,021)	0	0	29,688	0.0
FY21-22 R2 Sales and use tax simplification	(23,515)	(23,515)	0	0	0	0.0
Proposition EE funding	(2,323)	(2,323)	0	0	0	0.0
TOTAL	\$4,299,743	(\$2,825,931)	\$7,095,986	\$0	\$29,688	0.0

TECHNICAL ADJUSTMENTS: The request includes a technical adjustment adding \$525,566 General Fund including \$174,348 for a GenTax vendor (FAST Enterprises) contract escalator.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Driver's license documents	\$296,823	\$0	\$296,823	\$0	\$0	0.0
Contract escalator Fast Enterprises	282,231	174,348	107,883	0	0	0.0
Technical adjustments ids print production	245,361	245,361	0	0	0	0.0
Indirect related refinancing	112,589	105,857	6,732	0	0	0.0
TOTAL	\$937,004	\$525,566	\$411,438	\$0	\$0	0.0

NON-PRIORITIZED REQUESTS: The request includes adjustments related to budget requests made by other departments that affect the Department of Revenue in FY 2022-23, which are summarized in the following table.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Equity Officer policy	\$286,880	\$0	\$0	\$286,880	\$0	3.0
DPA Paid family leave	232,817	105,511	125,210	63	2,033	0.0
DPA Paid Family Medical Leave Act Funding	143,618	54,368	89,250	0	0	0.0
OIT Budget package	57,672	57,672	0	0	0	0.0
DPA CSEAP resources	5,892	2,231	3,661	0	0	0.0
NP5 CDHS NP CBBR	1,045	0	1,045	0	0	0.0
NP3 Annual fleet vehicle	(170,486)	(26,473)	(144,013)	0	0	0.0
TOTAL	\$557,438	\$193,309	\$75,153	\$286,943	\$2,033	3.0

ANNUALIZE PRIOR-YEAR LEGISLATION: The request includes a net decrease of \$941,759 total funds, including a decrease of \$1.9 million General Fund, to reflect the FY 2022-23 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR-YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB21-1311 Income tax bill for FY 2022	\$1,412,765	\$1,412,765	\$0	\$0	\$0	12.2
SB18-200 PERA unfunded liability	502,106	227,901	269,676	136	4,393	0.0
SB21-069 LP expiration change of ownership	393,090	(102,600)	495,690	0	0	0.0
HB21-082 Alcohol beverage festival	303,286	0	303,286	0	0	4.7
SB21-257 Special mobile machinery exemption	194,495	194,495	0	0	0	1.7
HB21-1327 State and local tax parity	59,866	59,866	0	0	0	5.2
HB21-1301 Cannabis outdoor cultivation	39,764	0	39,764	0	0	1.1
HB21-1141 Electric vehicle LP	37,256	0	37,256	0	0	0.0
HB19-1159 Modify motor vehicle income	33,160	33,160	0	0	0	0.8
HB21-1027 Alcohol takeout and delivery	4,636	0	4,636	0	0	0.2
HB21-1044 Winery license include non contiguous	2,309	0	2,309	0	0	0.1
SB21-076 Fund electronic third party	(1,295,594)	(1,631,792)	336,198	0	0	(3.9)
HB21-260 Sustainability of transportation	(899,328)	(877,391)	(21,937)	0	0	(1.9)
SB21-131 Protect personal identifying	(256,500)	(256,500)	0	0	0	0.0
HB21-1312 Insurance premium property	(218,789)	(218,789)	0	0	0	(0.3)
HB21-1314 DOR action against certain	(211,500)	0	(211,500)	0	0	0.0
HB21-1233 Conservation easement modifications	(204,722)	(204,722)	0	0	0	0.0
SB21-249 Keep Colorado wild pass	(108,200)	0	0	(108,200)	0	0.0
HB20-1420 Limit tax expenditure for e	(107,434)	(107,434)	0	0	0	0.0
HB21-1265 Qualified retailer sales tax	(101,600)	(101,600)	0	0	0	0.0
HB21-1014 Disability symbol id doc	(85,800)	(85,800)	0	0	0	0.0
SB21-199 Remove barriers to certain p	(83,881)	(83,881)	0	0	0	0.0
HB21-1002 Reductions to certain taxpayer tax liability	(82,785)	(82,785)	0	0	0	(0.7)
SB21-154 Suicide prevention	(72,966)	(72,966)	0	0	0	0.0
SB20-055 Collection of state debts	(50,625)	(50,625)	0	0	0	0.0
HB21-1317 Regulating marijuana concentrates	(48,329)	0	(48,329)	0	0	0.0
HB20-1236 Health care coverage easy enrollment	(28,372)	(28,372)	0	0	0	0.0
HB20-1024 Net operating loss deduction	(22,859)	(22,859)	0	0	0	0.0
HB21-1145 Support Pollinator license plate	(20,400)	0	(20,400)	0	0	0.0
SB21-253 Women's veteran's license plate	(5,400)	0	(5,400)	0	0	0.0
HB21-1219 Nurse special license plate	(5,400)	0	(5,400)	0	0	0.0
HB21-1128 Hospice and palliative care	(5,021)	0	(5,021)	0	0	0.0
HB21-1323 Special Olympics license plate	(3,385)	0	(3,385)	0	0	0.0
HB21-1073 Support foster families license plate	(3,208)	0	(3,208)	0	0	0.0
SB21-271 Misdemeanor reform for FY20	(2,394)	57,006	(59,400)	0	0	1.7
TOTAL	(\$941,759)	(\$1,942,923)	\$1,104,835	(\$108,064)	\$4,393	20.9

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

DIVISION OF MOTOR VEHICLES UPDATE: The FY 2020-21 DMV digital transformation has begun to return measurable results to Colorado citizens. However, the License Service Cash Fund (LSCF), which supports the issuance of drivers' licenses, is projected to end FY 2022-23 with a deficit balance. An FY 2022-23 Departmental request to merge the two primary cash funds of the DMV, DRIVES and LSCF, will delay the insolvency of LSCF, but based on current forecasts, the combined cash fund would deplete all reserves by FY 2024-25.

SPORTS BETTING UPDATE: On November 5, 2019, Colorado became the seventeenth state to allow legalized sports wagering. Since then nearly \$3.5 billion has been wagered on sporting events in the state, and \$8.6 million has been distributed to the program beneficiaries: The Water Implementation Cash Fund, a Hold Harmless Fund, and The Office of Behavioral Health. Additionally, in March of 2021, the Division of Gaming transferred \$1.6 million to the General Fund to repay the State’s initial investment to set up the legalized market.

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Department of State

The Department of State administers statutory provisions that pertain to elections; manages the statewide voter registration database; oversees campaign finance reporting; registers lobbyists and monitors the filing of required disclosures; collects, maintains, and provides public access to business filings; regulates charities and charitable gaming; and certifies notaries public. The Department's FY 2021-22 appropriation represents approximately 0.1 percent of statewide operating appropriations and 0.0 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF STATE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	32,664,385	271,360	32,393,025	0	0	146.5
Other legislation	534,018	0	534,018	0	0	0.7
TOTAL	\$33,198,403	\$271,360	\$32,927,043	\$0	\$0	147.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$33,198,403	271,360	\$32,927,043	\$0	\$0	147.2
R1 Security services	184,800	184,800	0	0	0	0.0
R2 Maintenance costs	171,075	0	171,075	0	0	0.0
R3 Money-in-politics system	1,500,000	1,500,000	0	0	0	0.0
Non-prioritized decision items	7,828	0	7,828	0	0	0.0
Annualize prior year legislation and budget actions	1,586,766	609,000	977,766	0	0	(0.7)
Centrally appropriated line items	1,031,508	0	1,031,508	0	0	0.0
Indirect cost assessment	110,824	(457,349)	110,824	457,349	0	0.0
TOTAL	\$37,791,204	\$2,107,811	\$35,226,044	\$457,349	\$0	146.5
INCREASE/(DECREASE)	\$4,592,801	\$1,836,451	\$2,299,001	\$457,349	\$0	(0.7)
Percentage Change	13.8%	676.8%	7.0%	0.0%	0.0%	(0.5%)

R1 SECURITY SERVICES: The Department is requesting an ongoing annual General Fund appropriation \$184,800 to address election-related security concerns around the Department and Secretary of State. The Department would implement a two-pronged approach with this funding: 1) work with a vendor to track threats to the office and Department personnel across major social media platforms; and 2) engage professional personal security services to accompany the Secretary and other staff as needed for key public events.

R2 MAINTENANCE COSTS: The Department requests \$171,075 in additional spending authority from the DOS Cash Fund in FY 2022-23 and an additional \$147,000 on top of this amount in FY 2023-24 and in each even fiscal year thereafter. The Department notes the recent rapid transition to a flexible workplace, ever-evolving cybersecurity threats to critical systems, and a continuing expansion in online services, have substantially increased the Department's IT expenses in recent years. In particular, the Department cites new election-related systems like statewide ballot tracking and the TXT2CURE/TXT2SIGN system as well as increasing election security needs and inflation levels.

R3 MONEY IN POLITICS SYSTEM: The Department is requesting a \$1.5 million General Fund appropriation for development of a combined campaign finance and lobbyist disclosure system. The Department believes that both TRACER and Lobby, the existing systems, could be updated to improve user experience, functionality, and ease of maintenance. These systems were introduced in 2010 and 2002 respectively, and are maintained by different teams. The Department believes they could be updated and merged to be easier to maintain and better reflect mobile device needs. Additionally, a linked platform would make it easier to extract and analyze data on campaign financing and lobbying in Colorado. In consultation with JBC staff for information technology projects and Joint Technology Committee (JTC) staff, staff recommends that the JBC refer this request to the JTC, pursuant to Joint Rule 45(b).

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$7,828 in cash funds for items requested by other departments that impact the agencies covered in this briefing document.

ANNUALIZE PRIOR YEAR LEGISLATION AND BUDGET ACTIONS: The request includes adjustments for the second- and third-year impacts of prior year legislation.

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items outlined in the table below.

INDIRECT COST ASSESSMENT: The request includes an increase of \$110,824 cash funds in the Department's indirect cost assessment, as well as related adjustments to General Fund and reappropriated fund amounts.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

SECURITY SERVICES FOR THE DEPARTMENT OF STATE: The Department is requesting an ongoing annual \$184,800 General Fund appropriation to address election-related security concerns around the Department and Secretary of State. This funding would be put towards several measures to ensure the Department and Secretary's safety and well-being including working with a vendor to track threats to the office and Department personnel across major social media platforms as well as engaging professional personal security services to accompany the Secretary and other staff as needed for key public events.

COMBINED MONEY IN POLITICS DISCLOSURE SYSTEM: The Department is requesting a one-time \$1.5 million General Fund appropriation in order to combine and modernize the campaign finance and lobbyist systems in Colorado. The Department seeks to create a joint system that houses disclosure for both campaign finance and lobbyist disclosure, centralizing and modernizing the reporting of money spent to influence Colorado's government.

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Department of Transportation

The Colorado Department of Transportation (CDOT) is primarily responsible for the construction, maintenance, and operation of Colorado's state highway system, with additional responsibilities relating to aviation, inter-regional bus service, transit, multimodal transportation, and other state transportation systems. Most policy and budget authority for the Department rests with the Transportation Commission, which is composed of eleven governor-appointed members who represent specific districts around the state. Department staff provide support to the Commission as it adopts budgets, establishes policies, and implements Commission decisions. The Department's FY 2021-22 appropriation represents approximately 5.6 percent of statewide operating appropriations and 0.0 percent of statewide General Fund appropriations. Though CDOT does not typically receive General Fund appropriations, it does receive occasional transfers from the General Fund and other sources.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF TRANSPORTATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
SB 21-205 (Long Bill)	1,898,659,905	0	1,250,978,446	5,478,096	642,203,363	3,326.0
Other Legislation	163,599,957	0	163,599,957	0	0	3.0
TOTAL	\$2,062,259,862	\$0	\$1,414,578,403	\$5,478,096	\$642,203,363	3,329.0
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2022-23 revenue forecast compared to FY 2021-22 forecast						
Bridge and Tunnel Enterprise revenue	19,842,296	0	19,842,296	0	0	0.0
Multimodal Transportation and Mitigation Options Fund revenue	17,600,442	0	17,600,442	0	0	0.0
Clean Transit Enterprise revenue	8,280,329	0	8,280,329	0	0	0.0
Air Pollution Enterprise revenue	7,125,226	0	7,125,226	0	0	0.0
High Performance Transportation Enterprise revenue	1,233,132	0	1,183,132	50,000	0	0.0
R1 Temporary fuel products fee reduction revenue [requires legislation]	(1,849,809)	0	(1,849,809)	0	0	0.0
CM&O* revenue	(466,335,803)	0	(469,007,295)	0	2,671,492	0.0
Total revenue adjustments	(\$414,104,187)	\$0	(\$416,825,679)	\$50,000	\$2,671,492	0.0
FY 2022-23 revenue forecast	\$1,648,155,675	\$0	\$997,752,724	\$5,528,096	\$644,874,855	3,329.0
Offsetting revenue allocation adjustments						
Other common policy changes in Administration						
Admin impact	3,066,876	0	3,066,876	0	0	0.0
CM&O impact	(3,066,876)	0	(3,066,876)	0	0	0.0
Annualize prior year R1 Efficiency Savings						
Admin impact	1,075,612	0	1,075,612	0	0	0.0
CM&O impact	(1,075,612)	0	(1,075,612)	0	0	0.0
Total-compensation changes in Administration						
Admin impact	852,713	0	852,713	0	0	0.0
CM&O impact	(852,713)	0	(852,713)	0	0	0.0
NP4 OIT Budget request package						
Admin impact	93,084	0	93,084	0	0	0.0
CM&O impact	(93,084)	0	(93,084)	0	0	0.0
NP2 CSEAP resources						
Admin impact	35,741	0	35,741	0	0	0.0
CM&O impact	(35,741)	0	(35,741)	0	0	0.0
NP1 Paid Family Medical Leave funding						
Admin impact	31,381	0	31,381	0	0	0.0

DEPARTMENT OF TRANSPORTATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CM&O impact	(31,381)	0	(31,381)	0	0	0.0
Annualize SB 21-260 Administration appropriation						
Admin impact	(18,598)	0	(18,598)	0	0	0.0
CM&O impact	18,598	0	18,598	0	0	0.0
Total offsetting changes						
Admin impact	5,136,809	0	5,136,809	0	0	0.0
CM&O impact	(5,136,809)	0	(5,136,809)	0	0	0.0
Net impact of offsetting expenditure adjustments	\$0	\$0	\$0	\$0	\$0	0.0
Non-offsetting expenditure adjustments						
R3 First Time Drunk Driving Offender Account	900,000	0	900,000	0	0	0.0
Repeal Southwest Chief	(400,000)	0	(400,000)	0	0	(2.0)
Annualize prior year legislation	(163,340,000)	0	(163,340,000)	0	0	0.0
Total non-offsetting expenditure adjustments	(\$162,840,000)	\$0	(\$162,840,000)	\$0	\$0	(2.0)
TOTAL	\$1,485,315,675	\$0	\$834,912,724	\$5,528,096	\$644,874,855	3,327.0
INCREASE/(DECREASE)	(\$576,944,187)	\$0	(\$579,665,679)	\$50,000	\$2,671,492	(2.0)
Percentage Change	(28.0%)	0.0%	(41.0%)	0.9%	0.4%	(0.1%)

* CM&O refers to Construction, Maintenance, and Operations.

R1 TEMPORARY FUEL PRODUCTS FEE REDUCTION [REQUIRES LEGISLATION]: The Department requests legislation to change the statutory distribution of perfluoroalkyl and polyfluoroalkyl substances (PFAS) fees by reducing the \$25 fee by \$6.25 and removing CDOT as a beneficiary in FY 2022-23 and FY 2023-24. The PFAS fee was established by S.B. 20-218 (CDPHE Hazardous Substances Response) and first collected in FY 2020-21, with \$1.7 million transferred to CDOT in the first year. The Department has reflected this request as an informational revenue decrease of \$1.8 million in the Construction, Maintenance, and Operations line.

R2 MULTIMODAL TRANSPORTATION AND MITIGATION OPTIONS FUND: The Department requests three years of roll-forward authority be provided in the Long Bill for FY 2022-23 and future appropriations from the Multimodal Transportation and Mitigation Options Fund (MMOF). This request does not have a monetary impact and is not reflected in the table above. Prior to the enactment of S.B. 21-260 this fund consisted primarily of one-time transfers that were subsequently appropriated in the Long Bill over multiple years. The MMOF will receive an ongoing source of revenue from retail delivery fees created by S.B. 21-260 (Sustainability of the Transportation System). The request indicates that this is a theory-informed program as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

R3 FIRST TIME DRUNK DRIVING OFFENDER ACCOUNT: The FY 2022-23 request reflects an increase of \$900,000 cash funds from the First Time Drunk Driving Offender Account for High Visibility Enforcement periods required by statute. This account receives revenue from a portion of the reinstatement fee after a driver's license is cancelled or denied. Revenue to the account varies significantly from year to year and is often insufficient to fulfill the program's purpose. H.B. 21-1317 (Regulation Marijuana Concentrates) provided a \$2.0 million transfer from the Marijuana Tax Cash Fund to the First Time Drunk Driving Offender Account and corresponding appropriation in FY 2021-2022. The Department requests an increased appropriation for this program to reflect the higher available fund balance and perform the required amount of enforcement. The request indicates that funding is for the continuation of an evidence-based program as defined in S.B. 21-284 (Evidence-based Evaluation for Budget).

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

INFORMATIONAL ISSUE - TEN-YEAR PLAN AND REVENUE UPDATE: This issue describes the status of CDOT's 10-Year Plan, including revenue projections and funding streams for each phase. The Plan is now entering years 5-8, which will include revenue from the final tranche of S.B. 17-267 COPs, the Federal Infrastructure Investment and Jobs Act, new fees created by S.B. 21-260 credited to the Highway Users Tax Fund and the MMOF, and revenue from existing and newly created enterprises. CDOT will be engaging stakeholders this winter and spring with the goal of adopting an updated version of the Plan in March 2022.

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Department of the Treasury

The State Treasurer is one of five independently elected constitutional officers of the state. The Department of the Treasury consists of three sections: Administration, Unclaimed Property Program, and Special Purpose. The Department's FY 2021-22 appropriation represents approximately 2.3 percent of statewide operating appropriations and 2.8 percent of statewide General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF THE TREASURY					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FTE
FY 2021-22 APPROPRIATION:					
SB 21-205 (Long Bill)	841,188,651	343,996,903	422,198,881	74,992,867	41.4
Other Legislation	222,062	222,062	0	0	0.4
TOTAL	\$841,410,713	\$344,218,965	\$422,198,881	\$74,992,867	41.8
FY 2022-23 REQUESTED APPROPRIATION:					
FY 2021-22 Appropriation	\$841,410,713	\$344,218,965	\$422,198,881	\$74,992,867	41.8
R1 Department staffing	803,398	323,960	479,438	0	7.0
R2 Staff salary adjustments	173,811	122,433	51,378	0	0.0
R3 Departmental technology	517,067	451,256	65,811	0	0.0
R4 CBB feasibility reports	60,000	60,000	0	0	0.0
R5 Financial audit cost	16,000	16,000	0	0	0.0
R6 Secure Savings Program	870,991	870,991	0	0	0.0
R7 UP leased space decrease	(62,146)	0	(62,146)	0	0.0
Technical adjustments	98,352,933	98,961,281	(615,004)	6,656	0.0
Centrally appropriated line items	178,517	131,346	47,171	0	0.0
Annualize prior year funding	61,644	42,360	19,284	0	0.0
Non-prioritized decision items	6,784	4,377	2,407	0	0.0
Annualize prior year legislation	(191,607)	(196,365)	4,758	0	0.0
TOTAL	\$942,198,105	\$445,006,604	\$422,191,978	\$74,999,523	48.8
INCREASE/(DECREASE)	\$100,787,392	\$100,787,639	(\$6,903)	\$6,656	7.0
Percentage Change	12.0%	29.3%	(0.0%)	0.0%	16.7%

R1 DEPARTMENT STAFFING: The Department is requesting an increase of \$803,398 total funds including \$323,960 General Fund and \$479,438 cash funds from the Unclaimed Property Trust Fund and 7.0 FTE for FY 2022-23 to increase staffing levels within the Department. Of the FTE requested, 4.0 will be department-wide and supported by General Fund while 3.0 will be for the Unclaimed Property Division and supported by the Unclaimed Property Trust Fund.

R2 STAFF SALARY ADJUSTMENTS: The Department is requesting an increase of \$173,811 total funds including \$122,433 General Fund and \$51,378 cash funds from the Unclaimed Property Cash Fund for FY 2022-23 to enact targeted salary increases to align employee compensation with market rates.

R3 DEPARTMENTAL TECHNOLOGY: The Department is requesting an increase of \$517,067 total funds including \$451,256 General Fund and \$65,811 cash funds from the Unclaimed Property Cash Fund for FY 2022-23 to purchase technology updates to assist with management of the State's investment portfolio.

RECOMMENDATION: In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b). **JBC staff for Information Technology Projects will present this recommendation in a single document for Committee action at a later date.**

R4 CBB FEASIBILITY REPORTS: The Department is requesting an increase of \$60,000 General Fund for FY 2022-23 to hire an actuarial firm to determine the best options for the implementation of S.B. 18-247 (Local Government Medical Benefits in Work-related Death).

R5 FINANCIAL AUDIT COST: The Department is requesting an increase of \$16,000 General Fund for FY 2022-23 to pay for the annual cost of audit work done by the State Auditor related to non-General Fund activities. The State Auditor relies on this funding for staff to complete the audits in a timely fashion.

R6 SECURE SAVINGS PROGRAM: The Department is requesting an increase of \$870,991 General Fund for FY 2022-23 to continue the implementation of the Secure Savings Program, with the hope of implementing a pilot program in October 2022.

R7 UNCLAIMED PROPERTY LEASED SPACE: The Department is requesting a decrease of \$62,146 cash funds for FY 2022-23 from the Unclaimed Property Trust Fund to remove the leased space appropriation from that division. The division is currently working remotely, and has no plans to return to any office, so the Department no longer needs the appropriation.

TECHNICAL ADJUSTMENTS: The request includes an increase of \$98.3 million total funds including \$98.9 million General Fund for FY 2022-23 for technical adjustments. These adjustments include changes to expected reimbursements to counties and municipalities for the Homestead Exemption and distributions from the Highway Users Tax Fund as projected in the September revenue forecast from the Office of State Planning and Budgeting. There is also an adjustment to the amount received from the Department of Higher Education for lease-purchase payments, and finally an adjustment related to the Certificates of Participation (COPs) issued as a result of S.B. 17-267. The following table outlines these adjustments.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB17-267 COP adjustment	\$75,000,000	\$87,000,000	(\$12,000,000)	\$0	\$0	0.0
OSPB september forecast adjustment	23,346,277	11,961,281	11,384,996	0	0	0.0
Lease purchase adjustment	6,656	0	0	6,656	0	0.0
TOTAL	\$98,352,933	\$98,961,281	(\$615,004)	\$6,656	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes an increase of \$178,517 total funds including \$131,346 General Fund and \$47,171 cash funds for FY 2022-23 for adjustments to centrally appropriated line items as outlined in the following table.

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
CORE adjustment	\$59,340	\$26,703	\$32,637	\$0	\$0	0.0
Health, life, and dental	34,260	39,705	(5,445)	0	0	0.0
Payments to OIT	28,158	35,976	(7,818)	0	0	0.0
Salary survey	16,149	12,590	3,559	0	0	0.0
Workers' compensation	12,802	12,802	0	0	0	0.0
AED	12,464	11,045	1,419	0	0	0.0
SAED	12,464	11,045	1,419	0	0	0.0
Legal services	3,473	6,275	(2,802)	0	0	0.0
PERA Direct Distribution	1,248	2,433	(1,185)	0	0	0.0
Short-term disability	396	350	46	0	0	0.0
Capitol Complex leased space	(2,237)	(27,578)	25,341	0	0	0.0
TOTAL	\$178,517	\$131,346	\$47,171	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR FUNDING: The request includes an increase of \$61,644 total funds including \$42,360 General Fund and \$19,284 cash funds for annualizations to prior year funding decisions. The changes are outlined in the following table.

ANNUALIZE PRIOR YEAR FUNDING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$74,044	\$45,560	\$28,484	\$0	\$0	0.0
Annualize FY 21-22 department personnel costs	(6,400)	(3,200)	(3,200)	0	0	0.0
Annualize FY 21-22 UP tech upgrades	(6,000)	0	(6,000)	0	0	0.0
TOTAL	\$61,644	\$42,360	\$19,284	\$0	\$0	0.0

NON-PRIORITIZED DECISION ITEMS: The request includes an increase of \$6,784 total funds including \$4,377 General Fund and \$2,407 cash funds for FY 2022-23 for requests made by other departments but which impact this Department. The changes are outlined in the following table.

NON-PRIORITIZED DECISION ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
DPA Paid family leave	\$6,174	\$3,981	\$2,193	\$0	\$0	0.0
OIT Budget package	427	213	214	0	0	0.0
DPA CSEAP resources	183	183	0	0	0	0.0
TOTAL	\$6,784	\$4,377	\$2,407	\$0	\$0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a decrease of \$191,607 total funds including a decrease of \$196,365 General Fund and an increase of \$4,758 cash funds for FY 2022-23 to annualize legislative actions taken in prior legislative sessions. The changes are outlined in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB18-200 PERA unfunded liability	\$13,393	\$8,635	\$4,758	\$0	\$0	0.0
HB21-1134 CO housing & finance authority	(205,000)	(205,000)	0	0	0	0.0
TOTAL	(\$191,607)	(\$196,365)	\$4,758	\$0	\$0	0.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

S.B. 17-267 COLLATERALIZATION LEASE PURCHASE PAYMENTS: This issue brief contains a description of efforts undertaken in the legislative interim by JBC Staff, the Department of the Treasury, the Department of Transportation, the State Controller's Office, the Attorney General, and the Trustee of the Certificates of Participation (COPs) issued as a result of Senate Bill 17-267 to ensure that adequate funding is available to satisfy the obligation of the State to repay COPs issued in 2018, 2020, and 2021.

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Capital Construction

The capital construction section of the Long Bill includes funding appropriated to state departments and institutions of higher education for controlled maintenance, capital renewal and recapitalization, and capital expansion. Capital construction appropriations are primarily supported by General Fund transferred to the Capital Construction Fund. The FY 2021-22 General Fund transfers to the Capital Construction Fund (\$348.9 million) represent 2.4 percent of FY 2021-22 General Fund revenues, based on the September 2021 Legislative Council Staff forecast.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

		CAPITAL CONSTRUCTION					ADD'L OUT-YEAR STATE FUNDS
		TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROP FUNDS	FEDERAL FUNDS	
		FY 2021-22 APPROPRIATION:					
		FY 2021-22 Long Bill (S.B. 21-205)					
		\$301,716,984	\$217,395,025	\$79,429,276	\$1,800,000	\$3,092,683	
		SB 21-064 Retaliation against elected officials					
		109,462	109,462	0	0	0	
		TOTAL	\$301,826,446	\$217,504,487	\$79,429,276	\$1,800,000	\$3,092,683
Priority		FY 2022-23 STATE-FUNDED REQUESTED APPROPRIATION:					
OSP	CCHE						
n/a	n/a	HED: CSU NWC COP Payments ¹					52,497,110
1		Controlled Maintenance Level 1					0
2		Controlled Maintenance Level 2					0
3		DOC: AVCF Utility Water Lines Repl (CR)					0
4		DOC: BVCF Sanitary Sewer Line Repl (CR)					0
5		DOC: AVCF Critical Living Unit Shower & Toilet Room Improve (CR)					0
6		DHS: CMHIP HVAC Repl 4 Bldgs ph 2/3 (CR)					29,701,999
7	13	HED: UNC Gray Hall (CR)					0
8		DHS: CMHIFL Camp Util Infra ph 2/3 (CR)					11,410,960
9		DHS: OBH Transitional Housing					0
		SUBTOTAL - Most Urgent, Recommended					\$93,610,069
10		Controlled Maintenance Level 3					0
11		AGR: Replace Roof, HVAC & Windows at Palace of Agriculture (CR)					0
12		DOC: ECCPC Water Tank Repair & Replacement (CR)					0
13		DOC: FCF ADA Improvements (CR)					0
14	5	HED: FLC Berndt Hall (CR)					0
15	14	HED: WCU Hurst Hall Lab Renovation (CR)					0
16	5	HED: LCC Bowman ph 1/2 (CR)					5,850,030
17		DHS: CMHIP Camp Util Infra ph 1/3 (CR)					31,649,491

CAPITAL CONSTRUCTION							ADD'L	
		TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROP FUNDS	FEDERAL FUNDS	OUT-YEAR STATE FUNDS	
18		DOC: SCF Kitchen Renovation ph 1/2 (CR)	2,800,000	2,800,000	0	0	42,546,904	
19	20	HED: LWCU Leslie J. Savage Library (CR)	3,191,946	3,066,231	125,715	0	0	
20		EDU: State Board Room Renovation	1,774,654	1,774,654	0	0	0	
21		DHS: Continuation of Suicide Risk Mitigation	5,123,993	5,123,993	0	0	0	
22		DHS: Visitation Centers at Three DYS Campuses	3,239,873	3,239,873	0	0	0	
23		DHS: DYS Transitional Housing	997,879	997,879	0	0	0	
24		AGR: Insectary Greenhouse Repair & Replacement	625,629	625,629	0	0	0	
25	23	HED: ASU Facilities Services Center Replacement	18,948,014	18,758,534	189,480	0	0	
26	4	HED: TSJC Freudenthal Library Renov ph 2/2	1,165,125	1,165,125	0	0	0	
27	3	HED: CCD Boulder Creek Health Education Center of Excellence ph 3/3	22,938,121	21,080,133	1,857,988	0	0	
		SUBTOTAL - Important, Recommended	\$126,859,499	\$124,301,427	\$2,558,072	\$0	\$0	\$80,046,425
¹ The appropriation for this item originates as General Fund transferred to the National Western Center Trust Fund pursuant to section 23-31-902 (3), C.R.S., and is included in the Long Bill as a cash funds appropriation.								
Priority								
OSP	CCHE	FY 2022-23 CASH-FUNDED REQUESTED APPROPRIATION:						
1		Depreciation Fund Capital Improvements	1,037,372	0	1,037,372	0	0	
2		HistCO: Georgetown Loop Preservation Projects (CR)	385,000	0	385,000	0	0	
3		DNR: Infrastructure & Real Property Maintenance	46,502,450	0	46,502,450	0	0	
4		DNR: Property Acquisitions & Improvements	11,000,000		11,000,000			
		SUBTOTAL - Cash Funded, Recommended	\$58,924,822	\$0	\$58,924,822	\$0	\$0	\$0
		TOTAL -FY 2022-23 Governor's Request	\$369,636,560	\$308,107,666	\$61,528,894	\$0	\$0	\$173,656,494
		INCREASE/(DECREASE)	\$67,810,114	\$90,603,179	(\$17,900,382)	(\$1,800,000)	(\$3,092,683)	
FY 2022-23 JBC staff technical adjustments to Governor's Request (add to FY 2022-23 total)								
		HED: CSU National Western Center Lease Purchase Payments ¹	0	(17,496,791)	17,496,791	0	0	
		SUBTOTAL - Technical Adjustments	\$0	(\$17,496,791)	\$17,496,791	\$0	\$0	
		TOTAL - FY 2022-23 Adjusted Governor's Request	\$369,636,560	\$290,610,875	\$79,025,685	\$0	\$0	
		INCREASE/(DECREASE)	\$67,810,114	\$73,106,388	(\$403,591)	(\$1,800,000)	(\$3,092,683)	
		Percentage Change	22.5%	33.6%	(0.5%)	(100.0%)	(100.0%)	

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

ALTERING THE JBC AND CDC JOINT MEETING REQUIREMENT: Statute requires that if the JBC wishes to alter the priority of capital projects established by the Capital Development Committee (CDC), the JBC must notify the CDC and allow for a joint meeting of the two committees. This is problematic in years in which the CDC prioritizes new building projects ahead of controlled maintenance, capital renewal, and previously funded, phased projects; the JBC has no choice but to fund further down the list than they might otherwise to reach those types of projects without triggering the joint meeting requirement. Staff recommends the JBC pursue legislation to amend Section 2-3-203 (1)(b.1)(I)(B), C.R.S., to provide for a joint meeting only if the JBC's recommendation will "alter the determinations of priority FOR NEW CAPITAL EXPANSION PROJECTS established by the capital development committee...".

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IT Capital Projects

The IT Capital section of the Long Bill includes funding appropriated to state departments and institutions of higher education for IT Capital projects. IT Capital appropriations are primarily supported by General Fund transferred to the Information Technology Capital Account in the Capital Construction Fund.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

		INFORMATION TECHNOLOGY PROJECTS					ADD'L OUT-YEAR STATE FUNDS
		TOTAL FUNDS	CAPITAL CONSTRUCTION FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	
		FY 2021-22 APPROPRIATION					
		FY 2021-22 Long Bill (S.B. 21-205)	65,935,383	28,711,790	29,977,393	0	7,246,200
		TOTAL	\$65,935,383	\$28,711,790	\$29,977,393	\$0	\$7,246,200
Priority							
		FY 2022-23 OSPB PRIORITIZED REQUEST					
1		GOV OeHI Rural Connectivity	10,978,008	5,489,004	0	0	5,489,004
2		DOC Modernize Timekeeping Scheduling Sys	1,282,965	1,282,965	0	0	0
?		Placeholder - forthcoming Budget Amendments	34,282,827	23,500,000	10,782,827	0	0
		SUBTOTAL - OSPB Prioritized Requests	\$46,543,800	\$30,271,969	\$10,782,827	\$0	\$5,489,004
							\$231,568
		FY 2022-23 CCHE PRIORITIZED REQUEST					
np 1		CSU Upgrade Network Hardware	1,137,120	646,119	491,001	0	0
np 2		ASU/FLC/WCU Digital Transformation Initiative for Rural Higher Education	15,721,200	15,563,988	157,212	0	0
np 3		MSU-D Reimagining the Campus Digital Experience	3,685,000	3,350,000	335,000	0	0
np 4		MSU-D Network Infrastructure Modernization	1,045,000	795,000	250,000	0	0
np 5		CCD Classroom and Conference Room Technology	1,629,936	1,532,140	97,796	0	0
np 6		CSM Re-envisioning Mines ERP and SIS	2,543,000	2,304,000	239,000	0	0
np 7		CMU ERP Modernization	4,598,000	4,133,602	464,398	0	0
np 8		UNC ERP Modernization and Cloud Migration	4,510,515	4,325,584	184,931	0	0
np 9		CNCC/LCC/MSCC/NJC/OC/TSC Rural College Consortium	8,627,000	8,627,000	0	0	0
np 10		CCA Improving Student Access to Technology	529,915	476,923	52,992	0	0
np 11		CSU-P Communications System Upgrade	2,754,622	2,754,622	0	0	0
		SUBTOTAL - CCHE Prioritized Requests	\$46,781,308	\$44,508,978	\$2,272,330	\$0	\$0
		HED Continuation Projects (1-6)	25,761,256	24,191,247	1,570,009	0	0
		HED New Projects (7-11)	21,020,052	20,317,731	702,321	0	0
		TOTAL - All IT Capital Requests	\$93,325,108	\$74,780,947	\$13,055,157	\$0	\$5,489,004
							\$20,009,610
		INCREASE/(DECREASE)	\$27,389,725	\$46,069,157	(\$16,922,236)	\$0	(\$1,757,196)
		Percentage Change	41.5%	160.5%	(56.4%)	n/a	(24.2%)

REQUEST DESCRIPTIONS – OSPB PRIORITIZED

1. GOV OEHI RURAL CONNECTIVITY: This request, from the Governor's Office of eHealth Innovation, includes an increase of \$11.0 million total funds, including \$5.5 million Capital Construction Fund and \$5.5 million federal funds. This is the second year of funding for this project to increase rural health providers' access to health information, analytics, and technical support to improve the health and safety of rural communities. FY 2021-22 funding for this project totaled \$6.5 million, including \$1.1 million Capital Construction Fund and \$5.4 million federal funds. This project is anticipated to require state funding of \$116,000 in both FY 2023-24 and FY 2024-25.

Technical note: This project was similarly requested as a Governor's Office-OeHI project last year. At the time of the Long Bill it was determined that the project should instead be appropriated to the Department of Health Care Policy and Financing (HCPF). The current request narrative specifies that the request intends this appropriation to be located in an OeHI line item located in HCPF. However, if approved, this appropriation will be located in the IT Capital section of the budget, and therefore would not be located in the HCPF operating budget as described in the request. Nevertheless, it appears that this funding, if approved, will be appropriated to HCPF. At this time staff is reflecting the request as an appropriation to the Governor's Office as submitted by OSPB.

2. DOC MODERNIZE TIMEKEEPING AND SCHEDULING SYSTEMS: This one-time request, from the Department of Corrections (DOC), includes an increase of \$1.3 million Capital Construction Fund, to modernize the Department's timekeeping and scheduling systems. The project is a system replacement with a customizable off-the-shelf (COTS) system from Kronos, tailored for the Department's scheduling and timekeeping requirements.

? PLACEHOLDER - FORTHCOMING BUDGET AMENDMENTS: The placeholder amount includes an increase of \$34.3 million total funds, including \$23.5 million Capital Construction Fund and \$10.8 million cash funds for a forthcoming budget amendment submission. There is no information in the request regarding out-year requirements for this budget amendment submission.

REQUEST DESCRIPTIONS – CCHE PRIORITIZED

1. CSU UPGRADE NETWORK HARDWARE: The request includes an increase of \$1.1 million total funds, including \$646,000 Capital Construction Fund and \$491,000 cash funds. This request funds the second phase of a three-phase project for Colorado State University – Fort Collins to upgrade out-of-date networking hardware. FY 2021-22 funding for this project totaled \$760,000 total funds, including \$541,000 Capital Construction Fund and \$219,000 cash funds. This project is anticipated to require state funding of \$2.2 million in FY 2023-24.

2. ASU/FLC/WCU DIGITAL TRANSFORMATION INITIATIVE FOR RURAL HIGHER EDUCATION: The request includes an increase of \$15.7 million total funds, including \$15.6 million Capital Construction Fund and \$157,000 cash funds. This request funds the second phase of a two-phase project for Adams State University, Fort Lewis College, and Western Colorado University. The joint project modernizes the institutions' Enterprise Resource Planning (ERP) systems, which manage human resources and finance components, and student information systems (SIS), and the move to a cloud-based ERP/SIS solution. FY 2021-22 funding for this project totaled \$9.3 million total funds, including \$9.2 million Capital Construction Fund and \$93,000 cash funds.

3. MSU-D REIMAGINING THE CAMPUS DIGITAL EXPERIENCE: The request includes an increase of \$3.7 million total funds, including \$3.4 million Capital Construction Fund and \$335,000 cash funds. This request funds the second phase of a four-phase project for the Metropolitan State University of Denver to replace ERP and SIS systems. FY 2021-22 funding for this project totaled \$1.5 million total funds, including \$1.3 million Capital Construction Fund and \$200,000 cash funds. This project is anticipated to require state funding of \$4.6 million in FY 2023-24 and \$4.7 million in FY 2024-25.

4. MSU-D NETWORK INFRASTRUCTURE MODERNIZATION: The request includes an increase of \$1.0 million total funds, including \$795,000 Capital Construction Fund and \$250,000 cash funds. This request funds the second phase of a three-phase project for the Metropolitan State University of Denver to modernize network infrastructure and address deferred maintenance on current IT infrastructure. FY 2021-22 funding for this project totaled \$1.5 million total funds, including \$1.3 million Capital Construction Fund and \$250,000 cash funds. This project is anticipated to require state funding of \$750,000 in FY 2023-24.

5. CCD CLASSROOM AND CONFERENCE ROOM TECHNOLOGY: The request includes an increase of \$1.6 million total funds, including \$1.5 million Capital Construction Fund and \$98,000 cash funds. This request funds the second phase of a three-phase project for the Community College of Denver to replace, update, and standardize the College's classroom and conference room technology. FY 2021-22 funding for this project totaled \$1.7 million total funds, including \$1.6 million Capital Construction Fund and \$102,000 cash funds. This project is anticipated to require state funding of \$1.6 million in FY 2023-24.

6. CSM RE-ENVISIONING MINES ERP AND SIS: The request includes an increase of \$2.5 million total funds, including \$2.3 million Capital Construction Fund and \$239,000 cash funds. This request funds the second phase of a four-phase project for the Colorado School of Mines to modernize ERP and SIS systems. FY 2021-22 funding for this project totaled \$911,000 total funds, including \$789,000 Capital Construction Fund and \$122,000 cash funds. This project is anticipated to require state funding of \$2.8 million in FY 2023-24 and \$3.2 million in FY 2024-25.

7. CMU ERP MODERNIZATION: The request includes an increase of \$4.6 million total funds, including \$4.1 million Capital Construction Fund and \$464,000 cash funds. This request funds a one-phase project for the Colorado Mesa University to modernize its ERP system.

8. UNC ERP MODERNIZATION AND CLOUD MIGRATION: The request includes an increase of \$4.5 million total funds, including \$4.3 million Capital Construction Fund and \$185,000 cash funds. This request funds a one-phase project for the University of Northern Colorado to modernize its ERP system to include cloud migration.

9. CNCC/LCC/MSCC/NJC/OC/TSC RURAL COLLEGE CONSORTIUM: The request includes an increase of \$8.6 million Capital Construction Fund. This request funds a one-phase consortium project for the Colorado Northwestern Community College, Lamar Community College, Morgan State Community College, Northeastern Junior College, Otero College, and Trinidad State College to modernize technology infrastructure that includes network, server, and security infrastructure and classroom technology.

10. CCA IMPROVING STUDENT ACCESS TO TECHNOLOGY: The request includes an increase of \$530,000 total funds, including \$477,000 Capital Construction Fund and \$53,000 cash funds. This request funds a one-phase project for the Community College of Aurora to address wireless access and classroom computing.

11. CSU-P COMMUNICATIONS SYSTEM UPGRADE: The request includes an increase of \$2.8 million Capital Construction Fund. This request funds a one-phase project for Colorado State University – Pueblo to replace the campus traditional PBX telephone system with a voice-over internet protocol (VOIP) system.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

STATEWIDE AGENCY ACCESS TO THE IT CAPITAL BUDGET PROCESS AND FUNDING: Current statute limits access to the IT Capital budget process and IT Capital dedicated funding to state agencies in the executive branch and institutions of higher education. This limits the opportunity for state agencies from the independent branches and elected official departments from the opportunity to submit project requests for dedicated state funding for large-scale, IT projects. This gap in process also reduces the specialized, technical, and ongoing legislative oversight of the development and implementation of large-scale IT projects provided by the Joint Technology Committee.

JBC STAFF ANALYST:

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Statewide Compensation and PERA

Statewide compensation refers to state employee salary and benefit costs. Compensation common policies are funded through a group of centrally appropriated line items generally found in each department's Executive Director's Office. The annual budget request for total compensation is driven by employee salaries, benefit elections, requested policy changes, and statutory contributions for PERA payments for the unfunded liability. The statewide FY 2021-22 appropriation for: the estimated salary base represents approximately 9.0 percent of statewide operating General Fund appropriations; standard PERA and Medicare represent approximately 1.1 percent of statewide operating General Fund appropriations; compensation common policies represents approximately 1.9 percent of statewide operating General Fund appropriations; and PERA payments for the unfunded liability (AED, SAED, and PERA Direct Distribution) represent approximately 1.2 percent of statewide operating General Fund appropriations.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

SALARY BASE, COMPENSATION COMMON POLICIES, AND PERA					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
Base salary estimate	\$1,995,668,714	\$1,125,169,833	\$448,502,662	\$219,551,726	\$202,444,494
PERA	222,029,092	125,417,999	50,365,033	24,137,561	22,108,499
Medicare (FICA)	28,937,194	16,314,961	6,503,290	3,183,499	2,935,444
Shift differential	19,993,498	15,908,039	770,360	2,238,323	1,076,776
Salary survey	67,661,572	38,024,868	15,387,857	7,423,089	6,825,758
Merit pay	0	0	0	0	0
Minimum wage	0	0	0	0	0
Health, life, dental	323,239,697	184,703,695	72,455,165	34,419,425	31,661,411
Paid family and medical leave insurance	0	0	0	0	0
Short-term disability	3,234,767	1,836,926	711,955	358,274	327,612
AED	103,255,763	58,232,643	23,142,000	11,407,257	10,473,863
SAED	103,255,763	58,232,643	23,142,000	11,407,257	10,473,863
PERA direct distribution	57,559,623	31,451,770	16,625,625	6,210,053	3,272,175
TOTAL	\$2,924,835,682	\$1,655,293,376	\$657,605,947	\$320,336,464	\$291,599,895
FY 2022-23 REQUEST					
Base salary estimate	\$2,098,366,201	\$1,181,558,215	\$466,652,996	\$218,627,953	\$231,527,037
PERA	253,279,090	143,252,650	56,558,972	26,040,759	27,426,709
Medicare (FICA)	31,667,108	17,871,542	7,006,935	3,307,383	3,481,248
Shift differential	16,018,598	12,699,428	742,385	1,755,688	821,097
Salary survey	62,215,562	36,666,318	14,660,094	5,377,454	5,511,696
Merit pay	0	0	0	0	0
Minimum wage	858,030	123,613	695,742	33,365	5,310
Health, life, dental	348,654,676	200,277,796	78,146,082	33,420,547	36,810,250
Paid family and medical leave insurance	4,263,337	2,139,639	1,072,372	511,063	540,263
Short-term disability	3,401,367	1,926,739	743,502	356,033	375,093
AED	108,934,267	61,409,617	24,161,857	11,356,955	12,005,838
SAED	108,934,267	61,409,617	24,161,857	11,356,955	12,005,838
PERA direct distribution	80,061,138	52,371,218	16,777,839	5,423,466	5,488,616
TOTAL	\$3,116,653,640	\$1,771,706,390	\$691,380,635	\$317,567,621	\$335,998,994
Increase/(Decrease)	\$191,817,958	\$116,413,014	\$33,774,688	(\$2,768,843)	\$44,399,099
Percent Change	6.6%	7.0%	5.1%	(0.9%)	15.2%

FY 2022-23 TOTAL COMPENSATION REQUEST

The FY 2022-23 total compensation request is estimated to be \$3.12 billion total funds, including \$1.77 billion General Fund, an increase of \$191.8 million over the prior year appropriation, which represents a 6.6 percent increase in total compensation-related appropriations.

BASE SALARY, PERA, AND MEDICARE (FICA)					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
Base salary estimate	\$1,995,668,714	\$1,125,169,833	\$448,502,662	\$219,551,726	\$202,444,494
PERA	222,029,092	125,417,999	50,365,033	24,137,561	22,108,499
Medicare (FICA)	28,937,194	16,314,961	6,503,290	3,183,499	2,935,444
TOTAL	\$2,246,635,000	\$1,266,902,793	\$505,370,985	\$246,872,786	\$227,488,437
FY 2022-23 REQUEST					
Base salary estimate	\$2,098,366,201	\$1,181,558,215	\$466,652,996	\$218,627,953	\$231,527,037
PERA	253,279,090	143,252,650	56,558,972	26,040,759	27,426,709
Medicare (FICA)	31,667,108	17,871,542	7,006,935	3,307,383	3,481,248
TOTAL	\$2,383,312,399	\$1,342,682,407	\$530,218,903	\$247,976,095	\$262,434,994
Increase/(Decrease)	136,677,399	75,779,614	24,847,918	1,103,310	34,946,557
Percent Change	6.1%	6.0%	4.9%	0.4%	15.4%

BASE SALARY ESTIMATE: The request includes a base salary estimate of \$2.1 billion total funds, including \$1.2 billion General Fund, for FY 2022-23 employee salaries.

PERA: The request includes an estimate of \$253.3 million total funds, including \$143.3 million General Fund, for employer payroll-related contributions to PERA.

MEDICARE (FICA): The request includes an estimate of \$31.7 million total funds, including \$17.9 million General Fund, for employer payroll-related contributions to Medicare.

OTHER SALARY RELATED ADJUSTMENTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
Shift differential	19,993,498	15,908,039	770,360	2,238,323	1,076,776
Salary survey	67,661,572	38,024,868	15,387,857	7,423,089	6,825,758
Merit pay	0	0	0	0	0
Minimum wage	0	0	0	0	0
TOTAL	\$87,655,070	\$53,932,907	\$16,158,217	\$9,661,412	\$7,902,534
FY 2022-23 REQUEST					
Shift differential	16,018,598	12,699,428	742,385	1,755,688	821,097
Salary survey	62,215,562	36,666,318	14,660,094	5,377,454	5,511,696
Merit pay	0	0	0	0	0
Minimum wage	858,030	123,613	695,742	33,365	5,310
TOTAL	\$79,092,190	\$49,489,359	\$16,098,221	\$7,166,507	\$6,338,103
Increase/(Decrease)	(8,562,880)	(4,443,548)	(59,996)	(2,494,905)	(1,564,431)
Percent Change	(9.8%)	(8.2%)	(0.4%)	(25.8%)	(19.8%)

SHIFT DIFFERENTIAL: Shift differential funds are used for adjustments to some employee wages for work that is performed outside of standard 8:00 a.m. to 5:00 p.m. business hours. Shift differential is requested at 100 percent of prior year actual expenditures. The request includes \$16.0 million total funds, including \$12.9 million General Fund.

SALARY SURVEY: The request includes \$62.2 million total funds, including \$36.7 million General Fund, for a 3.0 percent across-the-board increase for state employees.

MERIT PAY: The request does not include funding for merit pay increases for state employees.

MINIMUM WAGE: The request includes \$0.9 million total funds, including \$0.1 million General Fund, for adjustments to wages for those employees who earned less than the required minimum wage.

INSURANCE BENEFITS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
Health, life, dental	323,239,697	184,703,695	72,455,165	34,419,425	31,661,411
Paid family and medical leave Insurance	0	0	0	0	0
Short-term Disability	3,234,767	1,836,926	711,955	358,274	327,612
SUBTOTAL - Benefits	\$326,474,464	\$186,540,621	\$73,167,120	\$34,777,699	\$31,989,023
FY 2022-23 REQUEST					
Health, Life, Dental	348,654,676	200,277,796	78,146,082	33,420,547	36,810,250
Paid family and medical leave Insurance	4,263,337	2,139,639	1,072,372	511,063	540,263
Short-term disability	1,926,739	743,502	356,033	375,093	0
SUBTOTAL - Benefits	\$354,392,641	\$203,160,937	\$79,574,488	\$34,306,703	\$37,350,513
Increase/(Decrease)	27,918,177	16,620,316	6,407,368	(470,996)	5,361,490
Percent Change	8.6%	8.9%	8.8%	(1.4%)	16.8%

HEALTH, LIFE, DENTAL: The request includes \$348.7 million total funds, including \$200.3 million General Fund, for employee health, life, and dental benefits elected by employees as of July 2021. Health premiums are projected to increase 7.5 percent and dental premiums are projected to increase 3.0 percent. Additional adjustments may be included in a budget amendment based on new actuarial recommendations received in December. The base adjustment request reflects an increase of \$25.4 million total funds, including \$15.6 million General Fund, in FY 2022-23.

PAID FAMILY AND MEDICAL LEAVE INSURANCE: The request includes \$4.3 million total funds, including \$2.1 million General Fund, for employee insurance related to paid family and medical leave pursuant to Proposition 118 as approved by voters in November 2020. It requires employers and employees in Colorado to pay a payroll premium (.90 percent with a minimum of half paid by the employer) to finance paid family and medical leave insurance benefits beginning January 1, 2023 in order to finance up to 12 weeks of paid family medical leave to eligible employees beginning January 1, 2024.

STD: Short term disability is requested at a rate of 0.16 percent of revised base salaries. STD is estimated at \$3.4 million total funds, including \$1.9 million General Fund.

PERA PAYMENTS FOR UNFUNDED LIABILITY (NON-BENEFIT COMPONENTS)					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
AED	\$103,255,763	\$58,232,643	\$23,142,000	\$11,407,257	\$10,473,863
SAED	103,255,763	58,232,643	23,142,000	11,407,257	10,473,863
PERA Direct Distribution	57,559,623	31,451,770	16,625,625	6,210,053	3,272,175
TOTAL	\$264,071,148	\$147,917,055	\$62,909,625	\$29,024,567	\$24,219,901

PERA PAYMENTS FOR UNFUNDED LIABILITY (NON-BENEFIT COMPONENTS)					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2022-23 REQUEST					
AED	\$108,934,267	\$61,409,617	\$24,161,857	\$11,356,955	\$12,005,838
SAED	108,934,267	61,409,617	24,161,857	11,356,955	12,005,838
PERA Direct Distribution	80,061,138	52,371,218	16,777,839	5,423,466	5,488,616
TOTAL	\$297,929,672	\$175,190,451	\$65,101,553	\$28,137,376	\$29,500,292
Increase/(Decrease)	33,858,524	27,273,396	2,191,928	(887,191)	5,280,391
Percent Change	12.8%	18.4%	3.5%	(3.1%)	21.8%

AED: Amortization Equalization Disbursement is set at a statutory rate of 5.0 percent, except for judges set at 4.6 percent in 2022 and 5.0 percent in 2023. AED is estimated to be \$108.9 million total funds, including \$61.4 million General Fund.

SAED: Supplemental Amortization Equalization Disbursement is set at a statutory rate of 5.0 percent, except for judges set at 4.6 percent in 2021 and 5.0 percent in 2022. SAED is estimated to be \$108.9 million total funds, including \$61.4 million General Fund.

PERA DIRECT DISTRIBUTION: In FY 2019-20, a common policy allocation to state agencies was added for the state's \$225.0 million statutory PERA Direct Distribution payment in order to charge cash and federal funds sources for what would otherwise be a General Fund payment. The PERA Direct Distribution totals \$80.1 million, including \$52.4 million General Fund in FY 2022-23.

The following table outlines all PERA payments included in total compensation.

ALL PERA PAYMENTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
FY 2021-22 APPROPRIATION					
PERA (standard employer contrib.)	\$222,029,092	\$125,417,999	\$50,365,033	\$24,137,561	\$22,108,499
AED	103,255,763	58,232,643	23,142,000	11,407,257	10,473,863
SAED	103,255,763	58,232,643	23,142,000	11,407,257	10,473,863
PERA Direct distribution	57,559,623	31,451,770	16,625,625	6,210,053	3,272,175
SUBTOTAL - Benefits	\$486,100,240	\$273,335,054	\$113,274,658	\$53,162,128	\$46,328,400
FY 2022-23 REQUEST					
PERA (standard employer contrib.)	\$253,279,090	\$143,252,650	\$56,558,972	\$26,040,759	\$27,426,709
AED	108,934,267	61,409,617	24,161,857	11,356,955	12,005,838
SAED	108,934,267	61,409,617	24,161,857	11,356,955	12,005,838
PERA Direct distribution	1,926,739	52,371,218	16,777,839	5,423,466	5,488,616
SUBTOTAL - Benefits	\$551,208,763	\$318,443,101	\$121,660,526	\$54,178,135	\$56,927,001
Increase/(Decrease)	65,108,522	45,108,047	8,385,868	1,016,007	10,598,601
Percent Change	13.4%	16.5%	7.4%	1.9%	22.9%

DEPARTMENT OF PERSONNEL FY 2022-23 PRIORITIZED BUDGET REQUESTS

In addition to the Department’s total compensation request, the Department of Personnel submitted two prioritized budget requests related to compensation.

DEPARTMENT OF PERSONNEL FY 2022-23 PRIORITIZED BUDGET REQUESTS					
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
R2 Paid family medical leave funding	\$5,400,366	\$3,029,606	\$0	\$2,441,882	\$0
R4 Total compensation and compensation analyst	(144,505)	(144,505)	0	0	0
TOTAL	\$5,255,861	\$2,885,101	\$0	\$0	\$0

R2 PAID FAMILY MEDICAL LEAVE FUNDING: The request includes \$5,400,366 total funds, including \$3,029,606 General Fund, to cover the backfill costs associated with state employees utilizing 160 hours or four weeks of Paid Family Medical Leave (PFML) in FY 2022-23. This request annualizes to \$5,562,374 total funds, including \$3,120,492 General Fund, in FY 2023-24.

R4 TOTAL COMPENSATION AND COMPENSATION ANALYST [REQUIRES LEGISLATION]: The request includes a decrease of \$144,505 General Fund and 1.0 FTE to realign the total compensation survey process and provide resources for ongoing analysis of the state’s compensation framework for classified staff. This request annualizes to an increase of \$148,895 General Fund in FY 2023-24. The Department requests Joint Budget Committee sponsorship of the required legislation.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

PAID FAMILY MEDICAL LEAVE FUNDING (R2): A discussion of the Department’s request for funding to backfill costs associated with increasing the number of hours made available to state employees for paid family medical leave from 80 to 160.

PERA UPDATE: An informational PERA update based on PERA's 2020 Comprehensive Annual Financial Report and related documents. PERA experienced an investment return of 17.4 percent in 2020, compared with a 20.3 percent in 2019. The net investment income of the plan in 2020 was \$9.5 billion. Member contributions totaled \$1.2 billion and employer contributions totaled \$2.0 billion.

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APPENDIX A: MID-YEAR CHANGES FOR FY 2021-22

FY 2021-22 INTERIM SUPPLEMENTAL <i>OPERATING</i> REQUESTS APPROVED BY THE JBC							
DEPARTMENT	REQUEST TITLE	TOTAL FUNDS	FTE	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Revenue	State Lottery Retailer Compensation	\$13,500,000	0.0	\$0	\$13,500,000	\$0	\$0
State	November 2021 Coordinated Election Ballot Tracking (shift of spending authority between two line items)	0	0.0	0	0	0	0
TOTAL		\$13,500,000	0.0	\$0	\$13,500,000	\$0	\$0

FY 2021-22 INTERIM SUPPLEMENTAL <i>CAPITAL</i> REQUESTS APPROVED BY THE JBC							
DEPARTMENT	REQUEST TITLE	TOTAL FUNDS	FTE	GENERAL FUND (TRANSFER TO CAPITAL CONSTRUCTION FUND)	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
Human Services	Emergency Suicide Mitigation, Colorado Mental Health Institute at Pueblo	\$4,113,216	0.0	\$4,113,216	\$0	\$0	\$0
Public Health and Environment	Electronic Birth Registration System Replacement Project (two year extension of spending authority)	0	0	0	0	0	0
TOTAL		\$4,113,216	0.0	\$4,113,216	\$0	\$0	\$0

GOVERNOR'S PLANNED FY 2021-22 SUPPLEMENTAL <i>OPERATING</i> REQUESTS				
DEPARTMENT	REQUEST TITLE	TOTAL FUNDS	GENERAL FUND	OTHER FUNDS
Health Care Policy and Financing (HCPF)	Medical Services Premiums	(\$193,724,244)	(\$102,340,617)	(\$91,383,627)
HCPF	Behavioral Health Programs	100,335,065	14,033,780	86,301,285
HCPF	Child Health Plan Plus	(8,778,202)	(5,351,109)	(3,427,093)
HCPF	Medicare Modernization Act State Contribution	3,803,082	3,803,082	0
HCPF	Office of Community Living	(11,250,010)	(22,214,472)	10,964,462
TOTAL		(\$109,614,309)	(\$112,069,336)	\$2,455,027

APPENDIX B: JBC STAFF CONTACTS AND ASSIGNMENTS

The Joint Budget Committee (JBC) main office telephone number is 303-866-2061. Each staff member may be reached at the main number or by dialing 303-866- and the extension number shown below.

KEY CONTACTS	STAFF	EXT.	EMAIL
Office Administration: Staff Director Administrator IV Administrative Assistant III	Carolyn Kampman Jessi Neuberg Diva Mardones	4959 2061 2587	carolyn.kampman@state.co.us jessi.neuberg@state.co.us diva.mardones@state.co.us
Appropriations Committee Coordinators: House Senate	Justin Brakke Andrea Uhl	4958 4956	justin.brakke@state.co.us andrea.uhl@state.co.us
Capital Construction: Information Technology Projects Controlled Maintenance Capital Renewal and Recapitalization, and Capital Expansion: State facilities, including higher education	Alfredo Kemm Andrea Uhl	4549 4956	alfredo.kemm@state.co.us andrea.uhl@state.co.us
Community Provider Rate Common Policy	Justin Brakke	4958	justin.brakke@state.co.us
Marijuana Tax Policy	Craig Harper	3481	craig.harper@state.co.us
Tobacco Master Settlement Agreement	Andrew Forbes	2062	andrew.forbes@state.co.us

STATE AGENCIES	STAFF ANALYST	EXT.	EMAIL
Agriculture	Andrew Forbes	2062	andrew.forbes@state.co.us
Corrections	Justin Brakke	4958	justin.brakke@state.co.us
Early Childhood (established 7/1/2022)	Eric Kurtz	4952	eric.kurtz@state.co.us
Education			
Management and Administration Assistance to Public Schools: Grant Programs, Distributions, and Other Assistance Library Programs School for the Deaf and the Blind	Amanda Bickel	4960	amanda.bickel@state.co.us
Assistance to Public Schools: Public School Finance Categorical Programs	Craig Harper	3481	craig.harper@state.co.us
Governor <i>OIT Common Policies</i>	Scott Thompson	4957	scott.thompson@state.co.us

APPENDIX B: JBC STAFF CONTACTS AND ASSIGNMENTS

STATE AGENCIES	STAFF ANALYST	EXT.	EMAIL
Health Care Policy & Financing			
Executive Director's Office Medical Services Premiums Office of Community Living	Robin Smart	4955	robin.smart@state.co.us
Behavioral Health Community Programs Indigent Care Program Other Medical Services	Eric Kurtz	4952	eric.kurtz@state.co.us
DHS Medicaid-funded Programs: Executive Director's Office <i>Indirect Cost line items</i> Office of Information Technology Services Office of Self Sufficiency Services for People with Disabilities Adult Assistance Programs	Tom Dermody	4963	tom.dermody@state.co.us
DHS Medicaid-funded Programs: Division of Child Welfare Division of Youth Services	Emily Hansen	4961	emily.hansen@state.co.us
DHS Medicaid-funded Programs: Office of Early Childhood	Eric Kurtz	4952	eric.kurtz@state.co.us
DHS Medicaid-funded Programs: Office of Behavioral Health	Craig Harper	3481	craig.harper@state.co.us
Higher Education	Amanda Bickel	4960	amanda.bickel@state.co.us
Human Services			
(1) Executive Director's Office <i>Indirect Costs (lead)</i> (2) Office of Information Technology Services HIPPA Security Remediation; and CBMS Emergency Processing Unit (in EDO) (3) Office of Operations (4) County Administration (7) Office of Self Sufficiency SNAP Quality Assurance (in EDO) (9) Services for People with Disabilities Developmental Disabilities Council (in EDO) Colorado Commission for the Deaf, Hard of Hearing, and Deaf Blind (in EDO) (10) Adult Assistance Programs Records & Reports of At-Risk Adult Abuse or Neglect (in EDO)	Tom Dermody	4963	tom.dermody@state.co.us
(5) Division of Child Welfare Administrative Review Unit (in EDO) (11) Division of Youth Services Juvenile Parole Board (in EDO) Other - Necessary Expenditures Due to COVID-19 (in EDO)	Emily Hansen	4961	emily.hansen@state.co.us
(6) Office of Early Childhood	Eric Kurtz	4952	eric.kurtz@state.co.us
(8) Office of Behavioral Health Office of the Ombudsman for Behavioral Health Access to Care (in EDO)	Craig Harper	3481	craig.harper@state.co.us
Judicial <i>Correctional Treatment Cash Fund (lead)</i>	Alfredo Kemm	4549	alfredo.kemm@state.co.us
Labor & Employment	Abby Magnus	2149	abby.magnus@state.co.us

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STATE AGENCIES	STAFF ANALYST	EXT.	EMAIL
Law (Attorney General's Office) <i>Legal Services Common Policy</i>	Scott Thompson	4957	scott.thompson@state.co.us
Legislature	Carolyn Kampman	4959	carolyn.kampman@state.co.us
Local Affairs <i>Federal Mineral Lease Revenues (lead)</i>	Andrea Uhl	4956	andrea.uhl@state.co.us
Military & Veterans Affairs	Jon Catlett	4386	jon.catlett@state.co.us
Natural Resources			
Executive Director's Office Division of Parks & Wildlife Colorado Water Conservation Board Division of Water Resources	Justin Brakke	4958	justin.brakke@state.co.us
Division of Reclamation, Mining & Safety Oil & Gas Conservation Commission State Board of Land Commissioners <i>Severance Tax Policy</i>	Mitch Burmeister	3147	mitch.burmeister@state.co.us
Personnel			
Executive Director's Office Division of Human Resources Constitutionally Ind. Entities (Personnel Board) Division of Central Services Division of Accounts and Control Administrative Courts Division of Capital Assets <i>Operating Common Policies</i>	Tom Dermody	4963	tom.dermody@state.co.us
<i>Compensation Common Policies (including PERA)</i>	Robin Smart	4955	robin.smart@state.co.us
Public Health & Environment	Andrew Forbes	2062	andrew.forbes@state.co.us
Administration and Support (A&S) Laboratory Services Air Pollution and Control Water Quality Control Hazardous Materials and Waste Management Div. of Environmental Health & Sustainability			
Office of Health Equity; Office of Planning, Partnerships, and Improvement (in A&S) Center for Health & Environ. Information Disease Control & Environ. Epidemiology Prevention Services Division Health Facilities & Emergency Medical Services Emergency Preparedness and Response			
Public Safety			
Executive Director's Office Colorado State Patrol (<i>HUTF off-the-top limit</i>) Division of Fire Prevention and Control Colorado Bureau of Investigation School Safety Resource Center (in EDO) Div. of Homeland Security & Emergency Mgmt. <i>Disaster Emergency Fund (lead)</i>	Emily Hansen	4961	emily.hansen@state.co.us
Division of Criminal Justice	Justin Brakke	4958	justin.brakke@state.co.us
Regulatory Agencies	Mitch Burmeister	3147	mitch.burmeister@state.co.us

APPENDIX B: JBC STAFF CONTACTS AND ASSIGNMENTS

STATE AGENCIES	STAFF ANALYST	EXT.	EMAIL
Revenue	Jon Catlett	4386	jon.catlett@state.co.us
Executive Director's Office Taxation Business Group Division of Motor Vehicles Specialized Business Group <i>Limited Gaming revenues (lead)</i> State Lottery Division			
State (Secretary of State)	Abby Magnus	2149	abby.magnus@state.co.us
Transportation	Andrea Uhl	4956	andrea.uhl@state.co.us
Treasury <i>Unclaimed Property Trust Fund (lead)</i>	Mitch Burmeister	3147	mitch.burmeister@state.co.us

This document is current as of September 29, 2021.