



FY 2019-20 Budget Request

November 1, 2018 | Governor John W. Hickenlooper



Photo: Courtesy of Austin Louis-Drake



All other photos: Courtesy of the Colorado Tourism Office

STATE OF COLORADO

OFFICE OF THE GOVERNOR

November 1, 2018

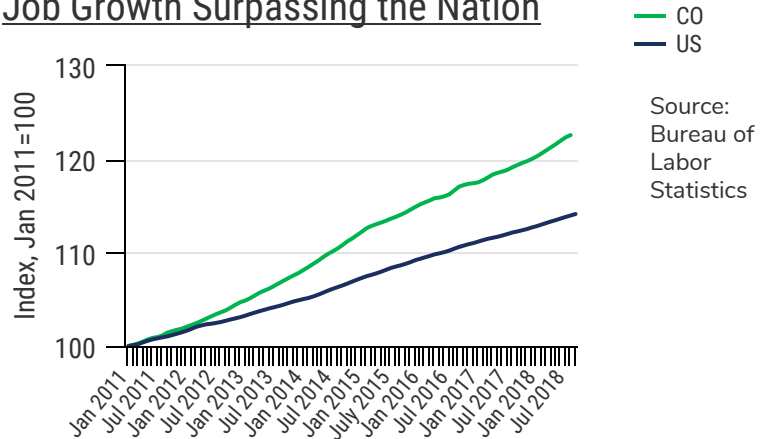


John W. Hickenlooper
Governor

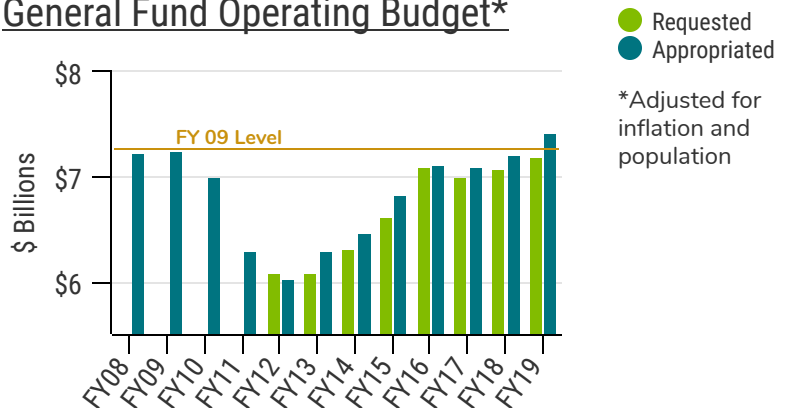
To the Joint Budget Committee, General Assembly, and the people of Colorado,

As we prepared this final Budget for Colorado, under strong financial conditions and with multiple opportunities for investments, I could not help but look back to 8 years ago and the deep cuts to our state budget from the Great Recession. Since that time, Colorado has worked hard to rebuild, and our economic recovery has surpassed the nation's. Colorado's giddy-up attitude has achieved this boom while keeping one of the lowest revenue per capita burdens in the country, with only 8 states that have a lower burden; keeping state growth below 2009 levels when adjusted for inflation and population; and strengthening our financial position by building reserves and paying down unfunded liabilities for our retirement system.

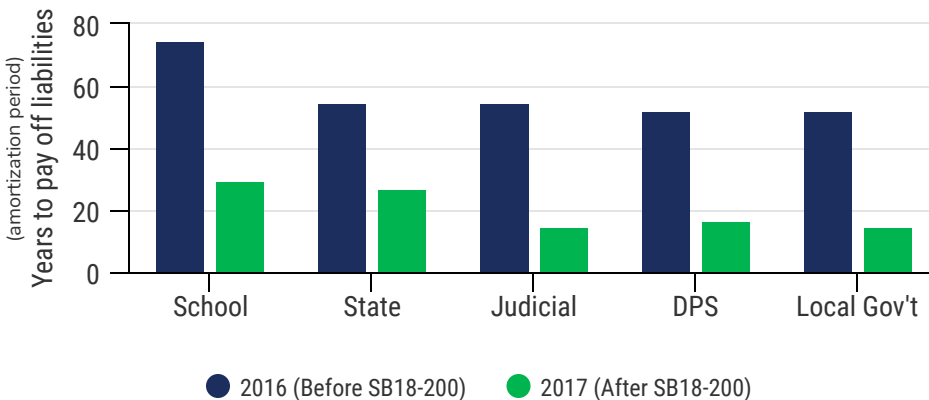
Job Growth Surpassing the Nation



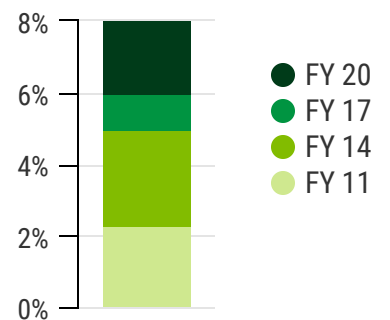
General Fund Operating Budget*



Paying Down Unfunded Pension Liabilities



Reserve Growth



That's why we present to you a budget proposal that harnesses our strong economic times to make strategic investments in our people and our reserves to protect Colorado's prosperity through the next downturn.



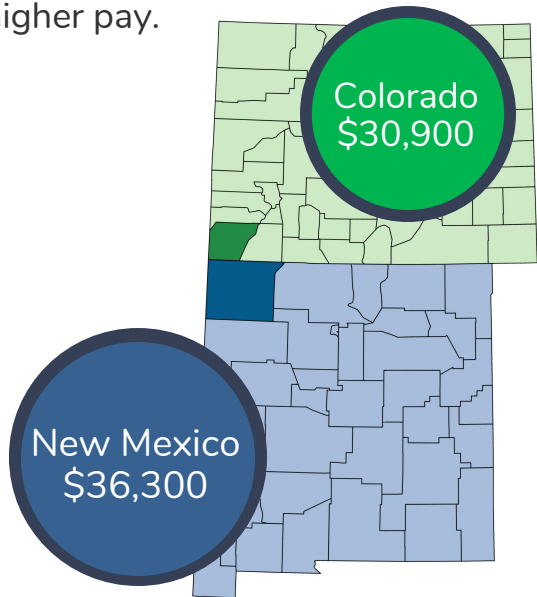
FY 2019-20 Budget

The FY 2019-20 Budget request is for \$33.4 billion or a 4.8% increase in total funds. This includes a General Fund request of \$13.2 billion or a 4.7% increase over the FY 2018-19 budget. Of the requested increases for the General Fund, 41% is for strategic investments. This Budget also funds the important day-to-day operations to serve a growing Colorado population and economy. Highlights include the following:

- **Building opportunity** so all Colorado communities can expect a quality education and reliable infrastructure like roads, water, and internet;
- **Protecting families** from crime, health and environmental risks, and potential unforeseen financial crises;
- **Expanding the middle class** by making child care and college more affordable, while building a strong workforce for the economy of tomorrow.

Building Opportunity

We believe that your zip code should not determine if you have access to a quality education. It should not be so easy to recruit Colorado teachers across state lines for higher pay.



The starting salary for a school teacher in the Montezuma-Cortez District is about \$30,900.

But after a short drive to Ship Rock, New Mexico, that same teacher could get a 17% raise with a starting salary of \$36,300.

Investments towards the Budget Stabilization Factor helps fund K-12 education, which can be used to resolve teacher pay disparities like these.

This Budget makes a significant investment for our teachers and K-12 education more broadly. It pays back recession-era funding cuts, reducing the Budget Stabilization Factor by \$77 million to \$595 million. We have reduced the Budget Stabilization Factor by more than 40 percent since FY 2012-13. This Budget also includes \$10 million to invest in key initiatives emerging from the bipartisan Education Leadership Council, such as investments to address teacher shortages, and incentives for students completing industry credentials, internships, and apprenticeships. This Budget makes these additional investments possible even when the required increase to public schools from the General Fund is \$261 million, more than double the operating increase public schools received from the General Fund this year.



FY 2019-20 Budget

Building Opportunity, cont.

Teacher shortages are a critical problem facing Colorado, and we know teachers are a good investment. It is difficult to recruit teachers in the areas most in need. That's why this Budget proposes another \$6.5 million for scholarships to those college students committed to the profession and to teaching in rural and underserved school districts.



This year, when our economy is strong, we have the capacity to make significant investments in education, while also continuing to support our statewide infrastructure. Thanks to the bipartisan passage of SB18-001, this Budget will add \$200 million to serve as a down payment on the \$8.8 billion infrastructure needs of our growing population and business community.

Building opportunity for Colorado's agricultural industry requires a new General Fund investment, particularly in an economic environment beset with the uncertainty of trade wars and tariffs that have harmed some agricultural businesses in Colorado. This Budget makes an investment to support international marketing efforts to promote Colorado's agriculture industry, that will support new jobs and business growth in rural Colorado.





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Protecting Families

This Budget requests the funding necessary to preserve services that protect our families -- services that would be eroded given the growth and shift of our state’s population. For example, with more drivers on the road, Colorado needs an additional \$2 million for more state troopers. With more homes built near wildlands and our forests drier than ever due to climate change, our costs to prevent, mitigate, and fight forest fires are growing. This Budget requests \$40 million to the controlled maintenance fund for the fires that devastated our rural communities this season.

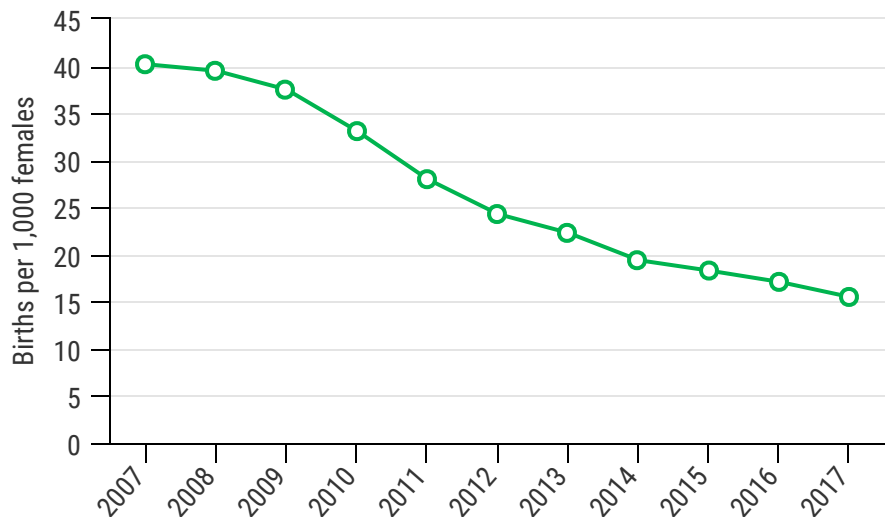


Colorado is an innovator in ways to improve quality and reduce costs in the area of health, including with the State Innovation Model that has become a national model for the integration of physical and behavioral health. This Budget continues funding for the State Innovation Model beyond the federal grant expiration.

But we cannot avoid the rising costs associated with demographic shifts as more of the population ages and prepares for retirement. This year, the budgetary impact on Medicaid due to this demographic shift is an increase of \$292 million total funds, including \$147 million General Fund. On the other end of the age spectrum, we have made significant strides in reducing teen pregnancy and teen abortion.

Thanks to our investment in access to long-acting reversible contraceptives like IUDs and implants, both teen pregnancy and teen abortion have fallen by nearly 60 percent. To further those efforts, and in response to restrictions on federal funding, this Budget proposes an additional \$1 million investment in family planning.

Colorado Teen Pregnancy Down by Nearly 60%



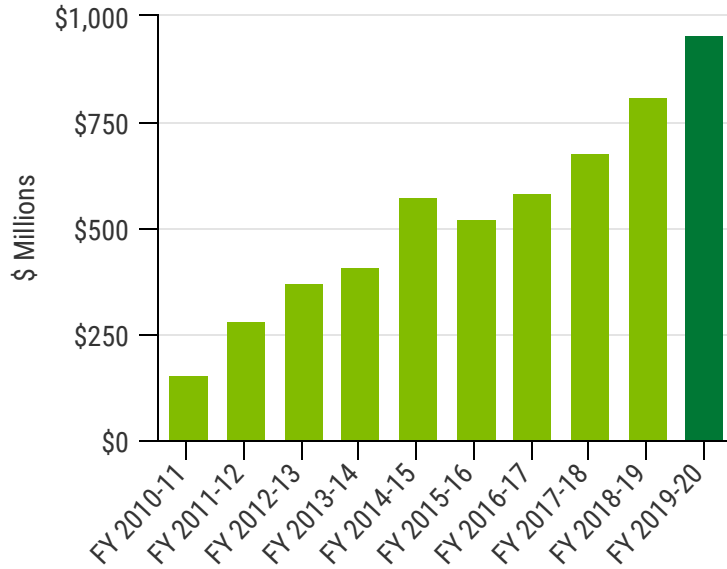
Source: Colorado Department of Public Health and Environment



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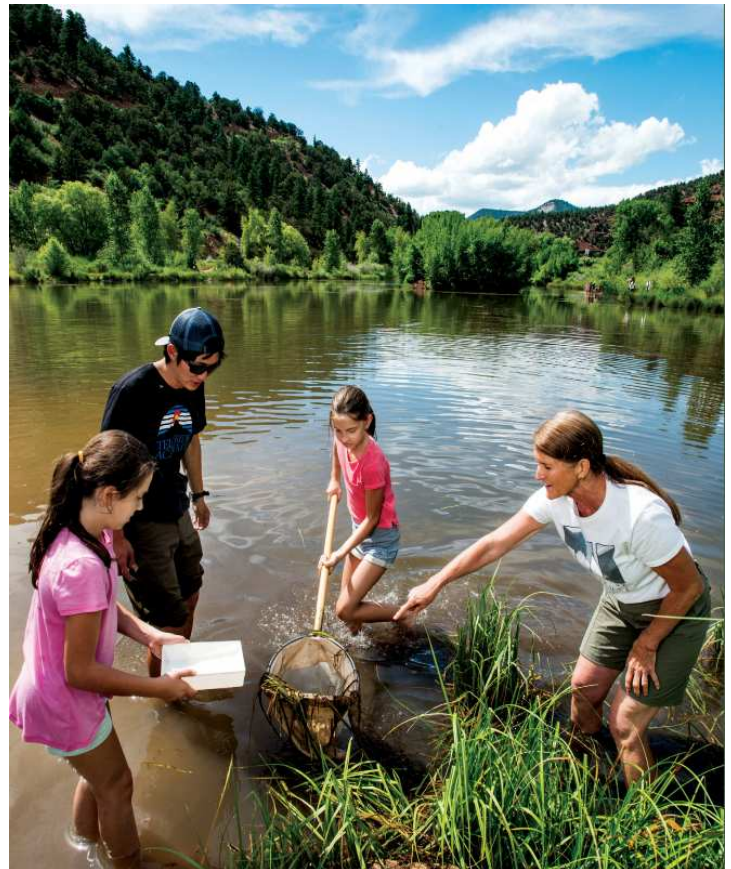
Protecting Families, cont.

Reserve Growth



While Colorado’s population is growing and our economy is strong, we recognize the need to prepare for the next economic downturn. We are currently in the second longest expansion period in history. That is why this Budget proposes to increase the General Fund reserve from 7.25% to 8%. Every dollar we neglect to save when times are good, means we come up a dollar short in the next economic downturn - a dollar short for state troopers, firefighting, and healthcare.

No discussion of protecting families in Colorado would be complete without including the increasing dangers of drought and water availability for our semi-arid, but growing state. Finding a long-term, sustainable funding source for implementation of our water plan presents unique challenges, a fact that reinforces the importance of pursuing a General Fund investment when times are good. For that reason, this Budget makes an unprecedented three-year \$30 million General Fund investment towards implementation of Colorado's Water Plan. The proposed investment leverages local and federal dollars and will serve as a down payment for protecting against the economic devastation of drought while Colorado continues efforts to identify a long-term, sustainable funding source.





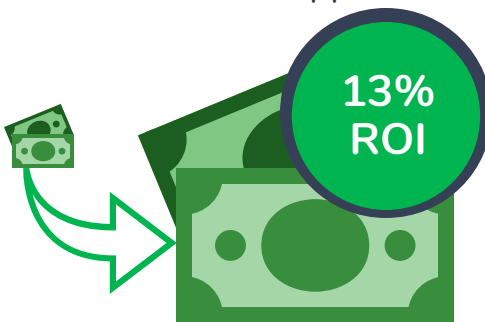
FY 2019-20 Budget

Expanding the Middle Class

One of the most crucial factors for creating a sustainable economy is to build a middle class that is thriving and expanding. Higher education needs to be accessible and affordable so Colorado can grow its own talent and ensure economic mobility for those that need it the most. That's why this Budget invests \$121 million General Fund to keep tuition flat - yes flat - at all public institutions of higher education for school year 2019-20.



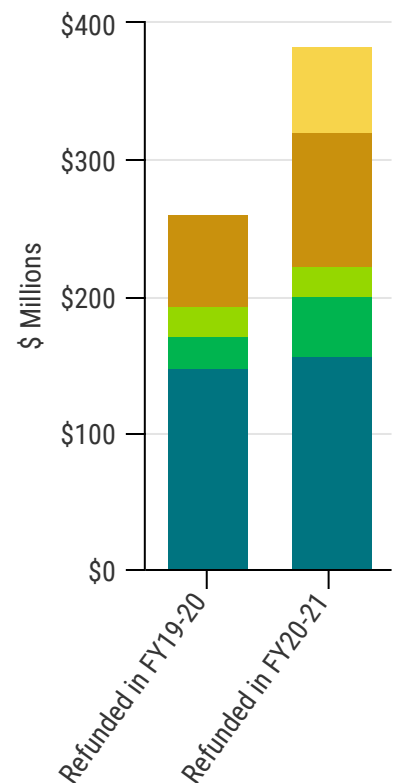
Keeping government responsibly small is a priority, but refunding what amounts to \$2.67 per month to every Coloradan misses an opportunity to use these dollars strategically. This Budget proposes to allocate the TABOR surplus to childcare, workforce development and working families via tax credits. These tax credits, in addition to the existing Senior Homestead Act, support and expand the middle class.



According to 2016 research from Nobel Laureate Dr. James Heckman, the return on investment from quality early care and education for disadvantaged children has been estimated to be as high as 13% per year.

- **Child care:** This Budget proposes \$24 million in tax credits to reduce childcare expenses for families making up to \$150,000. For a family with two children making \$60,000 per year, the savings could be as much as \$100 a month, a significant impact as rents have risen to record levels. This proposal also includes \$21 million in credits to be phased in to help providers increase their quality of care, especially for infants.
- **Workforce development:** In addition, this Budget proposes \$22 million in tax credits for workforce development, to defray the cost of higher education and encourage lifelong learning and retraining for the economy of tomorrow.
- **Working families:** Last, this Budget proposes a phased-in expansion of \$64-\$99 million in tax credits for low-income families with jobs. Encouraging more work by expanding the earned income tax credit will help position more families to reach the middle class.

Targeting TABOR Surplus



- Sales Tax Refund
- Earned Income Tax Credit
- Workforce and Education
- Childcare
- Sr. & Vet Homestead Exemption



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Conclusion

In the pages following this letter, please find my Dashboard Budget Highlights, analysis about our Fiscal Condition and the Economy, detailed Budget Tables, proposed Tax Credits, and all Requests by Department.

Colorado is on the rise. General fund revenue has recovered from the Great Recession, and our economy is booming. This Budget request keeps Colorado moving forward. Giddy Up!

Sincerely,

A handwritten signature in blue ink, which appears to read 'John W. Hickenlooper', is written over a large, faint, light blue watermark of the same signature.

John W. Hickenlooper
Governor

Copy:

Representative Millie Hamner, Joint Budget Committee Chair
Senator Kent D. Lambert, Joint Budget Committee Vice Chair
Senator Kevin Lundberg, Joint Budget Committee
Senator Dominick Moreno, Joint Budget Committee
Representative Bob Rankin, Joint Budget Committee
Representative Dave Young, Joint Budget Committee
Senate President Kevin Grantham
Speaker of the House of Representatives Crisanta Duran
Mr. John Ziegler, Joint Budget Committee Staff Director

Attachments

1. Dashboard Budget Highlights
2. Fiscal Condition and the Economy
3. Budget Tables and Tax Credits
 - A. Decision Items List by Department
 - B. Placeholders (legislative, amendments, supplementals, other)
 - C. Fund Sources by Department
 - D. General Fund Overview
 - E. Marijuana Revenue Overview
4. Requests by Department (Operating)
5. Requests for Capital



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FY20 Budget Highlights

by dashboard priority area

(click links for full requests)



ECONOMIC & INFRASTRUCTURE DEVELOPMENT

- Capital funds for higher education and state agencies
- Film industry incentives
- Agricultural marketing
- Transportation - SB18-001

- Capital Request
- Gov (OEDIT): R-01
- CDA: R-02
- SB18-001



ENVIRONMENT AND ENERGY

- Water plan 3 year investment
- Oil and gas regulation to protect and improve service

- DNR: Non-prioritized Informational Letter
- DNR: R-02



HEALTH

- Medicaid funding for our aging demographic shift
- Medicaid cost savings investments
- Lifelong Colorado Initiative grants
- Family planning expansion
- Colorado mental health crisis system enhancements
- County workers to fight child abuse and neglect
- Improve nutrition in rural and underserved communities
- Competency restorations, reduce jail backlog
- Employment opportunities for disabled
- Housing vouchers for elderly and disabled

- HCPF: R-01
- HCPF: R-06, R-07, R-08, R-09, R-15
- DOLA: R-06
- CDPHE: R-01
- DHS: R-11 IT Capital: CO Crisis System
- DHS: R-08
- DHS: R-05
- DHS: R-01 Capital: Restoration
- HCPF: R-16
- DOLA: R-01



QUALITY GOVERNMENT

- Reserve increase to help weather a recession
- Customer service improvements (DOR, DNR, and HCPF)
- Corrections facilities swap to improve services and treatment
- State troopers to reduce highway deaths
- Fire fighting emergency funds
- Resiliency Office
- Staff retention and provider rates
- Census outreach so every person counts

- General Fund Overview
- HCPF: R-10 DNR: R-01, R-02 DOR: R-05
- DOC: R-03A Capital: Population Swap
- DPS: R-02, R-06
- General Fund Overview: Transfer
- DOLA: R-02
- HCPF: R-13 DOC: R-01, R-08
- DOLA R-04



WORKFORCE AND EDUCATION

- Flat tuition for Higher Education
- Colorado Teacher Scholarships
- K-12 Education Leadership Council emerging initiatives
- K-12 Payback recession funding cuts (Budget Stabilization Factor)
- K-12 General Fund backfill other state funds
- Tax Credits: Child care, Education/Lifelong Learning, Earned Income

- DHE: R-01, R-02
- DHE: R-04
- CDE: R-08, R-09
- CDE: R-01
- CDE: R-01
- Tax Credit Proposal



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Dashboard Budget Highlights

Through the SMART Act and data-driven investments, the State has undertaken the hard work to align Colorado’s budget with performance outcomes. See below for highlights and accomplishments by priority area in the Governor’s Dashboard.



Economic and Infrastructure Development

“I think we have transformed the way we think about the state. We’ve transformed the culture to be more pro-business but with high standards that protect our values.”

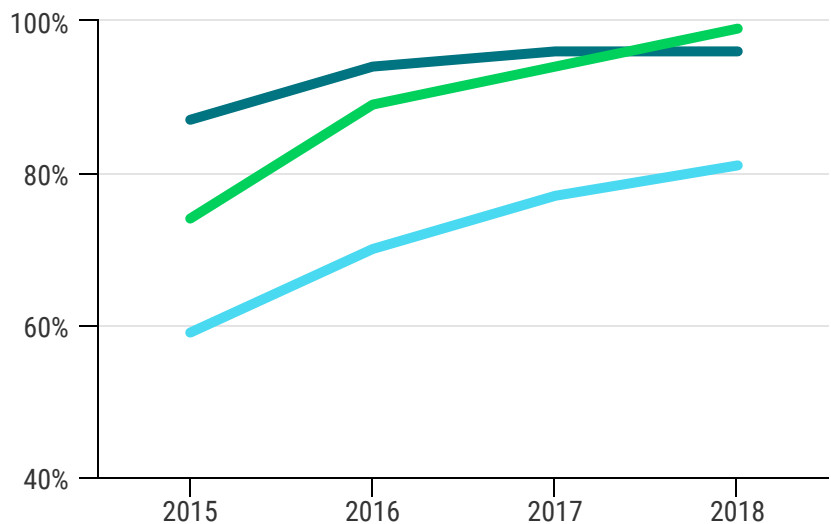
- Governor Hickenlooper to
The Durango Herald

We have made it easier to do business in Colorado. We have cut or modified half of our 24,500 rules and regulations, making it easier to start or own a business. Last year alone, that effort delivered more than \$7.9 million in cost avoidance and a reduction of 2.3 million hours saved for Colorado businesses.

One of the most important efforts is closing the gap on internet connectivity, especially in rural Colorado. In 2015, only 87% of all homes had access to high-speed broadband internet. In today’s economy, being connected can be just as crucial as having running water or electricity. As of 2017, 96% of all homes and nearly all Colorado schools have access to broadband internet. Although there is still work to do in rural Colorado, we have closed the gap significantly in the past two years thanks to bipartisan efforts. Where only 59% of rural households had broadband access in 2015, today that has increased to 81%.

In this Budget, we continue to support development in our rural communities. Our investment in the Water Plan, our increased marketing efforts for the agricultural industry, and new efforts to enroll more individuals in the Supplemental Nutrition Assistance Program (SNAP), will help spur growth and spending in rural Colorado. Colorado is attracting investments in our new Opportunity Zones.

% with access to basic broadband



Legend: Rural Households (light blue), All Households (dark blue), School Districts (green). Federal Communications Commission (FCC) defined - 25/3Mbps



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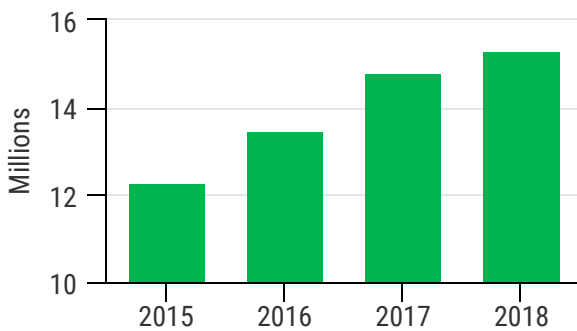
Environment and Energy

In 2015, the Governor unveiled the Colorado the Beautiful initiative, with the intent to build on existing efforts to grow, enhance and connect recreation resources so that in the next generation every Coloradan will live within 10 minutes of a park, trail, or vibrant green space. We have made significant progress, with \$41.5 million in local, state and federal funds committed to achieving this goal last year.

And our work is paying off. We continue to be a national destination for outdoor recreation, with state park attendance of almost 15 million and 1.1 million hunting and fishing licenses last year. And since FY 2011-12, bipartisan efforts have yielded \$36 million total funds for native species conservation projects, including the greenback cut throat trout.

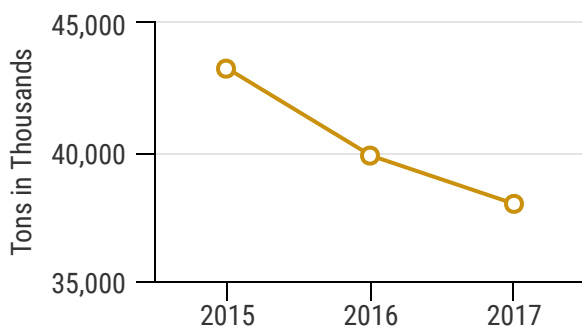


State Park Attendance



Source: Colorado Department of Natural Resources

CO2 Emissions



Source: Colorado Department of Public Health and Environment, Energy office

We have made significant strides to improve and protect our environment in a number of ways. Carbon dioxide (CO2) emissions are down 12%, and volatile organic compound (VOC) emissions have also decreased over the last several years. Our work issuing the nation’s first methane regulations for the oil and gas sector, in combination with several Executive Orders, have us well on our way to achieving the goals laid out in the Colorado Climate Plan - including a 26% reduction in greenhouse gas emissions statewide by 2025, compared to 2005. For example, although still a small piece of the overall pie, our Electric Vehicle Plan has helped to double the market share of electric vehicles on our roads.

In this Budget request, we improve oil and gas regulation, both to protect Coloradans and to improve service to regulated businesses. We also make an unprecedented three-year General Fund investment in the Water Plan.



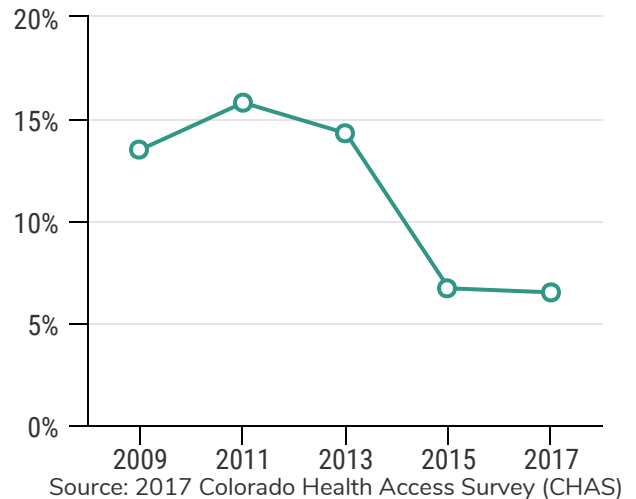
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Health

When we set our goal in 2013 of becoming the healthiest state in the nation, it was intended to be a comprehensive approach. We know that out-of-pocket medical expenses are one of the leading factors driving people into poverty, and that securing health insurance is one of the most important steps to preventing these financial burdens. With nearly 600,000 Coloradans covered under Connect for Health Colorado, our state’s uninsured rate is at an all time low of 6.5%.

Uninsured Rate at Historic Low



To support mental health, we created a statewide crisis response system in 2014 to ensure people in need are receiving the right services, at the right place and at the right time. The system includes a statewide 24-hour help line, walk-in crisis centers, and mobile crisis services. This budget includes additional investments to strengthen the capabilities of the existing system.

And we are working to integrate the delivery of behavioral health and physical health in 400 primary care practices and four community health centers through the State Innovation Model. This, in addition to the work we have done through the Accountable Care Collaborative, will ensure that insurance payments are connected to health outcomes, preventing the problem of more medical tests with fewer answers.

But we still have a looming epidemic to face. Opioid Use Disorder has changed our communities and continues to take lives every single day. A new federal grant will create new access points for treatment, expand medication-assisted treatment through six new mobile health units in rural communities, purchase naloxone to treat overdoses, and help make payments to provide treatment for the uninsured. This Budget provides rate increases for providers of substance-abuse treatment, and sets aside funds for a related budget amendment.

Despite increased funding pressure from a demographic shift to an aging population, this Budget is able to advance improvements to make Colorado the healthiest state.



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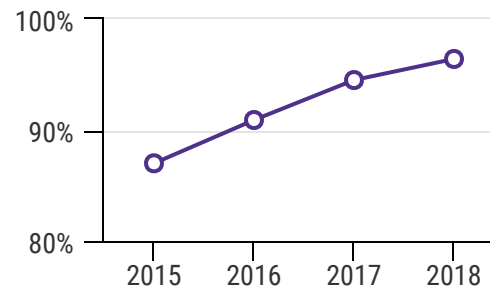
Quality Government Services



State government is more efficient and effective today. We have accomplished that by changing our approach to problem solving, measuring our efforts along the way, and instilling a data-driven culture that is focused on customer service.

For example, at the Division of Motor Vehicles (DMV), more than 96% of customers have an initial wait time of less than 15 minutes before being served. Thanks to process improvements and an investment in the new DRIVES system, more than 1,000,000 people (and counting) have renewed their licenses online, reducing those lines even further.

More Giddy Up at the DMV



% of DMV customers with initial wait times of 15 minutes or less
Source: Department of Revenue



\$37 M



\$2 M

Since 2011, the State increased its investment in affordable housing from \$2 million to more than \$37 million - seventeen times more in just 8 years. That investment helped build or rehab more than 15,000 units of affordable housing.

No group is more deserving of good customer service than Colorado's veterans experiencing homelessness. We are reducing the time it takes to find housing placements for veterans. Also addressing homelessness is our innovative model for wrap-around services at Fort Lyon Supportive Residential Community. Serving over 1,400 Colorado residents to date, the majority of whom are chronically homeless with numerous health conditions, this program has reduced long-term health, housing, and justice system costs by one-third. And the Budget invests \$15.3 million annually from the Marijuana Tax Cash Fund in housing and other services for persons who are chronically homeless -- last year with this funding, we moved over 1,300 people off the streets in a sustainable way.

Colorado is committed to reducing recidivism and improving treatment for offenders. We reduced the prison bed count by more than 2,000 beds since FY 2011-12, eliminated long-term solitary confinement, and increased funding for offender care and treatment as well as parole and community support services. This Budget requests a facilities swap designed to improve treatment and services to offenders not possible in an overcrowded prison environment.

This Budget addresses other demands of Colorado's growth, including more funding for state troopers and fire fighting. Importantly for quality government, this Budget increases the State's funding reserves to help preserve critical government services even in a fiscal downturn.



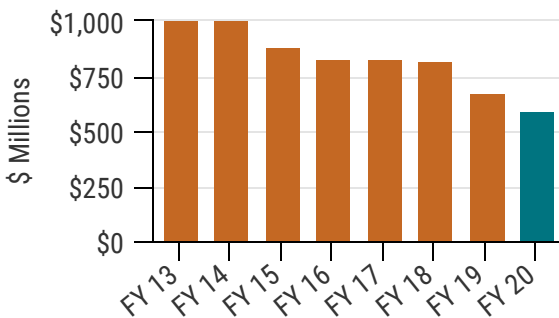
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Workforce Development and Education

Colorado’s competitive advantage in economic development is its educated workforce, which is one of the highest in the nation. As business and industry across the country confront the challenge of finding a solid talent base, our continued investments in education, and partnerships with employers, strengthen how we support statewide job growth and improve Coloradans’ quality of life. Programs like Skillful, CareerWise, and the Advanced Industries Accelerator are increasing apprenticeships, skills-based hiring, and work-based learning.

Budget Stabilization Factor Amount



This Budget makes a significant investment in K-12 education. It pays back recession-era funding cuts, reducing the Budget Stabilization Factor by \$77 million to \$595 million. We have reduced the budget stabilization factor by more than 40 percent since FY 2012-13. This Budget also requests an investment to fund key initiatives emerging from the bipartisan Education Leadership Council, and provides funding for teacher scholarships.

Our higher education system should be designed to meet the needs of the economy, while erasing existing equity gaps. Although Colorado is home to one of the most highly-educated populations in the country, it is also among the worst for educational disparities by race. For example, only 29% of Hispanics/Latinos (our fastest growing ethnic group) have earned a high quality certificate or degree, compared to 65% of white adults. Moreover, by 2020, nearly three out of four Colorado jobs will require a credential beyond a high school diploma. Our statewide plan for higher education, Colorado Rises, is designed to meet the economy’s demands, and sets a statewide goal of reaching 66% attainment by 2025. This Budget promotes that goal, requesting funding to hold tuition flat at our public institutions of higher education for school year 2019-20.

"By 2020, 3 out of 4 jobs will require post-secondary attainment."



Importantly, this Budget requests tax credits designed to expand the middle class by making child care, education, and training more affordable. See Attachment 3 for more information about targeting TABOR refunds to middle class families via these tax credits.



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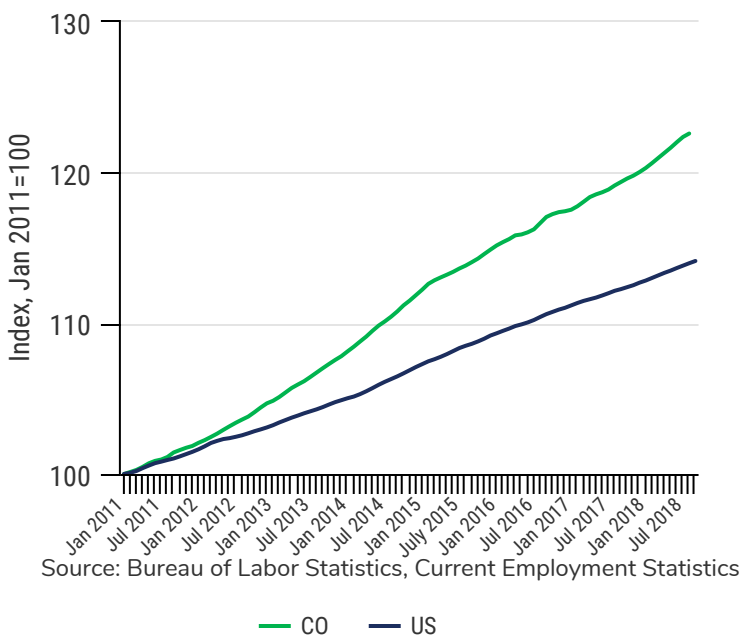
Our Fiscal Condition and the Economy

Colorado has been one of the best performing economies over the past eight years — Colorado’s economy recovered faster from the Great Recession than the nation overall. This economic growth has been fueled by the state’s high levels of new business activity, skilled workforce, and its diverse mix of growing industries, such as advanced manufacturing, energy, professional and business services, health care, information technology, and finance.

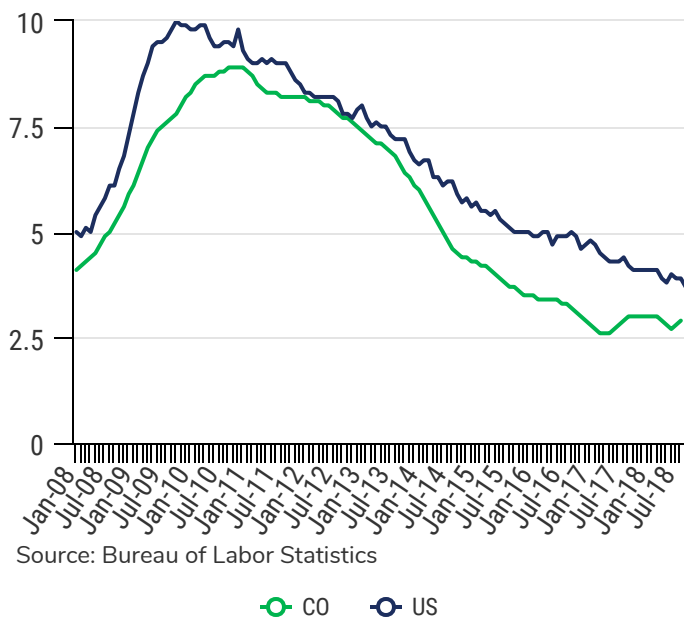
Colorado benefits from our culture of innovation and collaboration. We are well positioned for success as the economy has become increasingly knowledge-based, in which economic value is created through ideas, information, innovation, and relationships.

Growth in the state’s gross domestic product ranked 4th, tied with California. Our overall labor market recovered faster from the high unemployment of the Great Recession. Our job growth ranked third highest among states and our unemployment rate is now eighth lowest.

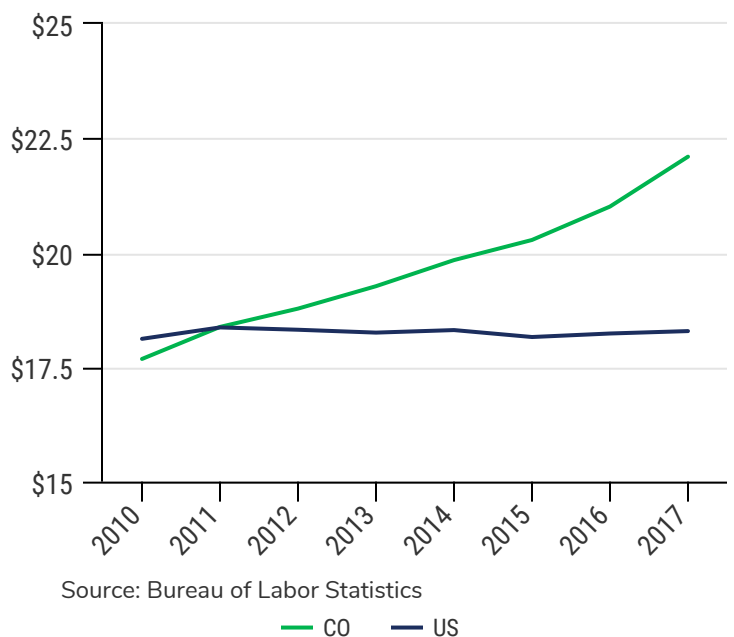
Job Growth Surpassing the Nation



Monthly Unemployment Rate, Seasonally Adjusted



Real Median Hourly Wages





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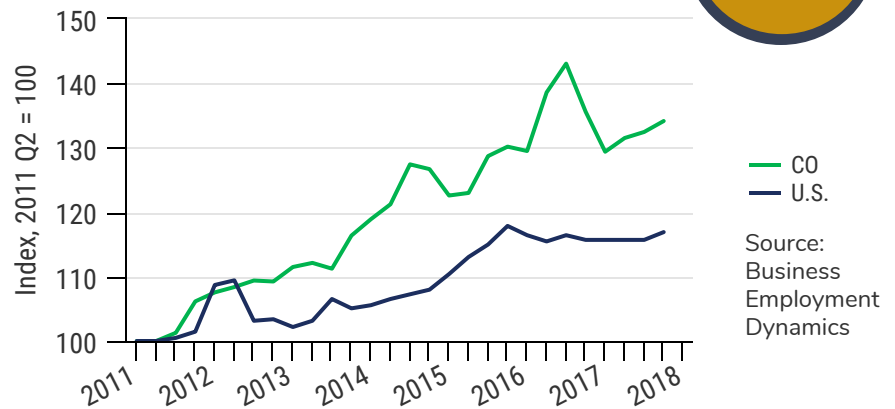
Our Fiscal Condition and the Economy

One of the Governor's priorities has been to make Colorado the best place to start and grow a business. Colorado has a higher level of entrepreneurship and new business formation than the U.S. overall.

#8 in the US

Because new businesses tend to create the most new jobs and produce the most innovation, Colorado's new business activity has been a main reason for its stronger job growth and overall economic performance. Colorado has had the 8th highest growth rate in new business establishments since 2011.

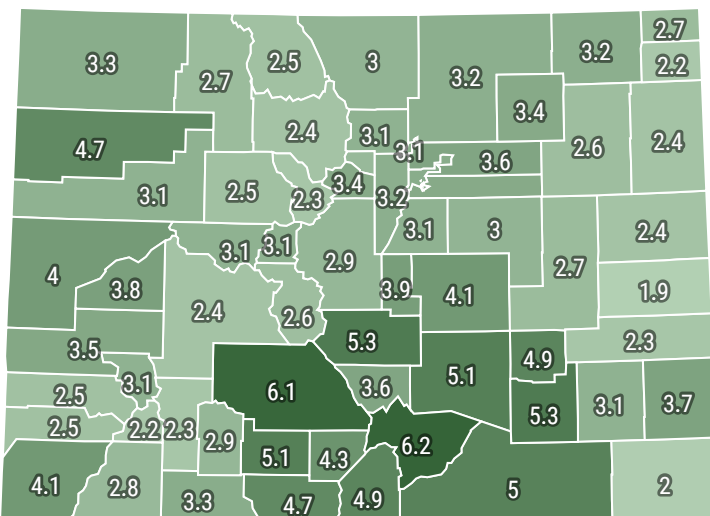
New Business Growth



Most of the state's strongest economic growth has occurred in urban areas. Regional economies outside urban areas generally have a smaller number of industries. Further, many areas are dependent upon agriculture and energy extraction, which are prone to more booms and busts due to volatile commodity prices.

Despite these challenges, many of Colorado's nonurban areas have unemployment rates below the national average. Further, the Colorado Blueprint 2.0 leverages state partnerships and specialized resources to address the unique economic development goals of rural communities.

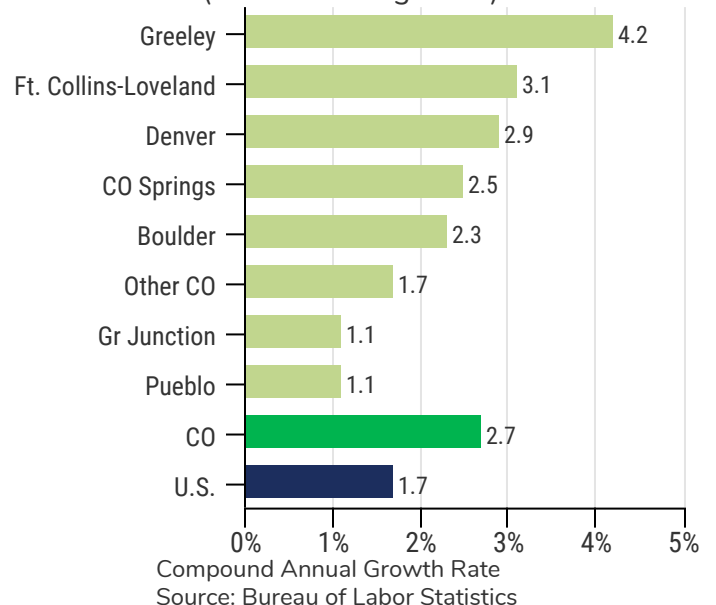
Current Unemployment Rates by County



National average is 3.7% for September 2018.
Source: Bureau of Labor Statistics

Job Growth by Region

(Jan 2011- Aug 2018)

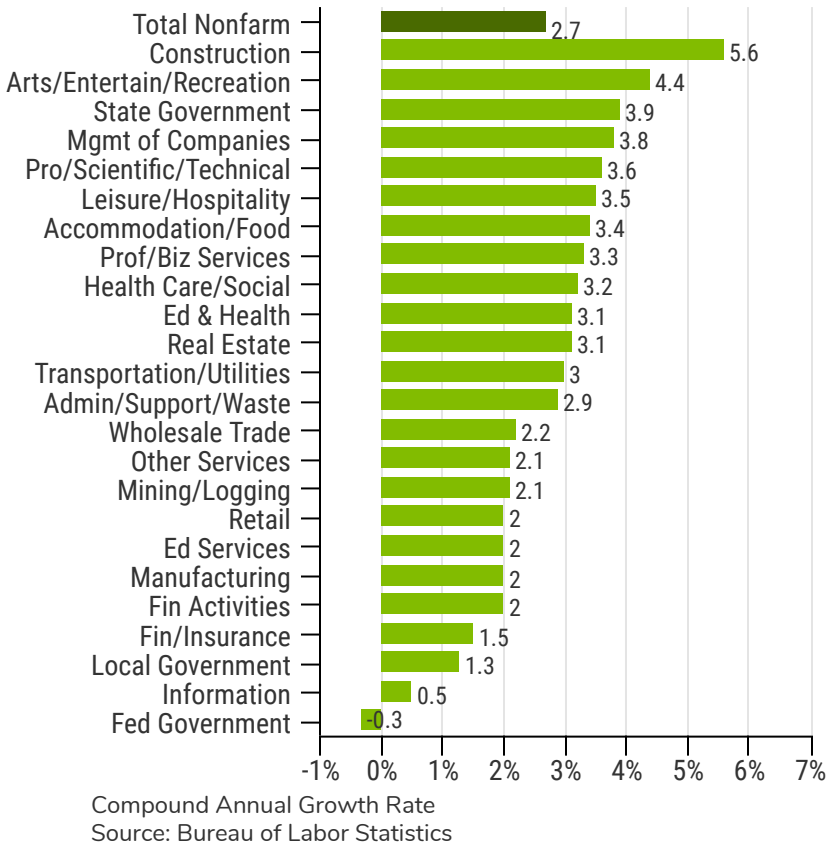




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Our Fiscal Condition and the Economy

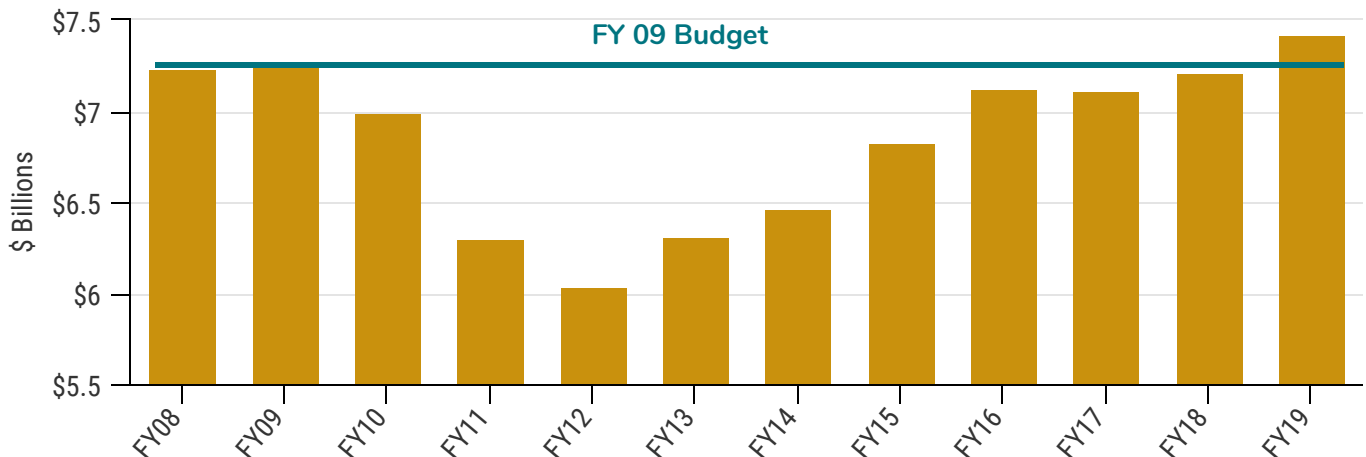
Job Growth by Sector (Jan 2011- Aug 2018)



Colorado's strong economic expansion has helped us budget to recover from the Great Recession. The General Fund is the State's main account for funding its core programs and services, such as education, health and human services, public safety, and courts. It also helps fund capital construction and maintenance needs for State facilities and, in some years, transportation projects. The largest revenue sources for the General Fund are income and sales taxes paid by households and businesses, that are heavily influenced by the performance of the economy. During the current economic expansion, General Fund revenue has grown as Coloradans earn and spend money, and businesses have increased sales.

This revenue growth has helped the State's General Fund operating budget to recover from its recessionary levels, that has only recently exceeded its pre-recession peak, adjusted for population and inflation.

General Fund Operating Budget, Population and Inflation Adjusted





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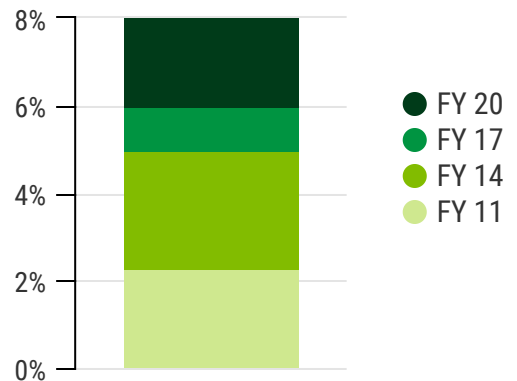
Our Fiscal Condition and the Economy

The budget’s recovery has helped meet the increased resource demands as our population grows. For instance, over the past eight years the State has funded K-12 public education above the growth in students and inflation. We have been able to increase contributions to colleges and universities to help minimize tuition increases for Coloradans. We have also used the General Fund to invest in infrastructure, both for State facilities and statewide transportation projects, and to help restore PERA to full funding.

Even with the funding increases for these priorities, we have been able to triple the reserves for the General Fund. To help further prepare the State for a future economic downturn, in this budget, the Governor proposes increasing the reserve another 0.75 percentage points, or by \$90 million. This brings the reserve to 8% of General Fund appropriations, up from 2.3% at the start of the Administration.

*"We are mindful of market forces that could quickly impact our success. That's why it's been critical for us to more than triple our reserves over the past seven years."
- Governor Hickenlooper*

Reserve Growth





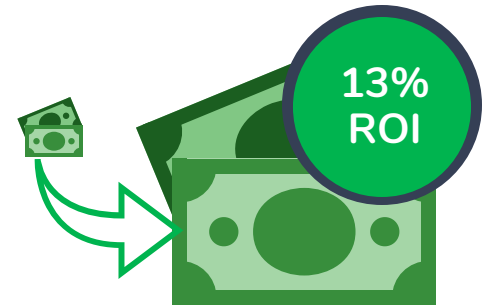
FY 2019-20 Budget

Tax Credit Proposal

One of the primary goals of this Budget is to expand the middle class. In order to accomplish this, we are proposing various tax credits to assist with the financial burdens facing middle class families. All of these credits would be structured as new TABOR refund mechanisms starting with the surplus that is collected in FY 2018-19 and distributed in FY 2019-20. This targeted approach allocates a portion of the TABOR refund to help those Colorado families that are struggling to make ends meet. The tax credits would be utilized as refund mechanisms after applying the TABOR refund for Homestead Exemption expenditures.

Child Care Tax Credits

Existing state policy provides a refundable state tax credit to individuals making \$60,000 or less for child care expenses. The credit amount is a 50% match to the federal credit for the same purpose. This Budget proposes increasing that match to 100% of the federal amount, while expanding the income cap to those families earning \$150,000 or less. Families making above \$60,000 but less than \$150,000, however, would only be eligible for a nonrefundable credit. Child care demand is naturally countercyclical. In times of economic hardship, fewer families seek help with child care costs as fewer families are working, so this tax credit expansion is particularly well suited to a TABOR refund. It is estimated that this refund mechanism would amount to approximately \$23.5 million of the FY 2018-19 TABOR refund obligation, and a similar amount in future years.



According to 2016 research from Nobel Laureate Dr. James Heckman, the return on investment from quality early care and education for disadvantaged children has been estimated to be as high as 13% per year.



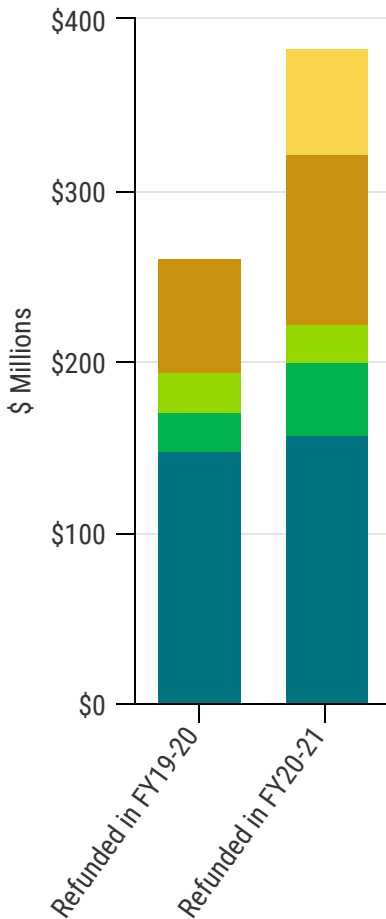
This Budget also recommends the creation of state tax credits available to childcare providers as part of the FY 2019-20 TABOR refund obligation. A credit of \$7,300 would be available to providers whose care for children includes infants (age < 12 months) as certified by the Department of Human Services. This is due to a striking decrease over several years in the capacity for our system to care for this age group. A second credit of \$2,500 would be available to providers who will accomplish a quality rating of 3 or higher, as measured by the Colorado Shines program. It is estimated that this TABOR refund mechanism would amount to \$21 million of the FY 2019-20 TABOR refund obligation, and a similar amount in future years.



FY 2019-20 Budget

Tax Credit Proposal

TABOR Proposal



- Sales Tax Refund
- Earned Income Tax Credit
- Workforce and Education
- Childcare
- Sr. & Vet Homestead Exemption

Workforce and Education Tax Credits

Existing federal policy provides two tax credits to those pursuing higher education and job training - the American Opportunity Tax Credit (AOTC) and the Lifelong Learning Tax Credit (LLC). This budget proposes creating a new refundable state tax credit matching 15% of each of the federal amounts. This assists individuals with expenses associated with pursuing a degree, as well as those who are retooling themselves for today's knowledge and technology intensive economy that increasingly demands more agile workers. It is estimated that this TABOR refund mechanism would amount to \$22.8 million of the FY 2018-19 TABOR refund obligation, and a similar amount in future years.

Earned Income Tax Credit (EITC)

To have a truly thriving middle class, our economy must provide the social mobility for every Coloradan to achieve that status. The EITC is a well-supported and proven policy that reduces poverty, encourages work, and lifts people into the middle class. State law currently provides a refundable credit that matches the federal EITC at a level of 10%. This budget proposes to increase that match rate to 17% for the FY 2018-19 TABOR refund, and to 20% in FY 2019-20. In addition, this Budget recommends providing payments in quarterly installments. It is estimated that this TABOR refund mechanism would amount to \$64 million of the FY 2018-19 TABOR refund obligation, and \$99 million of the FY 2019-20 TABOR refund obligation.

TABOR Proposal (\$ in millions)								
TABOR Surplus & Set Aside	Refunded in Fiscal Year	Homestead Exemption	Childcare - Families	Childcare - Providers	Workforce & Education	Earned Income Tax Credit	Sales Tax Refund	Total
FY 2018-19	FY 2019-20	\$ 147.7	\$ 23.5	\$ -	\$ 22.8	\$ 66.8	\$ -	\$ 260.8
FY 2019-20	FY 2020-21	\$ 156.3	\$ 23.5	\$ 20.6	\$ 22.1	\$ 99.0	\$ 62.1	\$ 383.6

Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Agriculture

Decision Items (Operating Requests)

R-01 Biological Pest Control	No	\$77,429	0.9	\$77,429	\$0	\$0	\$0
R-02 International Marketing for CO Agriculture	No	\$300,000	0.0	\$300,000	\$0	\$0	\$0
Subtotal Decision Items		\$377,429	0.9	\$377,429	\$0	\$0	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$2,705	0.0	\$0	\$0	\$2,705	\$0
NP-02 Annual Fleet Vehicle Request	No	\$61,749	0.0	\$0	\$61,749	\$0	\$0
NP-03 OIT_DI1 Essential Database Support	No	\$35,498	0.0	\$28,398	\$7,100	\$0	\$0
NP-04 OIT_DI2 Securing IT Operations	No	\$115,300	0.0	\$92,240	\$23,060	\$0	\$0
NP-05 OIT_DI4 Application Refresh and Consolidation	No	\$30,796	0.0	\$24,637	\$6,159	\$0	\$0
NP-06 OIT DI5 Optimize Self-Service Capabilities	No	\$3,242	0.0	\$2,594	\$648	\$0	\$0
Subtotal Non-Prioritized Requests		\$249,290	0.0	\$147,869	\$98,716	\$2,705	\$0

Request Total for Department of Agriculture		\$626,719	0.9	\$525,298	\$98,716	\$2,705	\$0
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Department of Corrections

Decision Items (Operating Requests)

R-01 Staff Retention	No	\$17,543,420	0.0	\$17,090,765	\$43,586	\$409,069	\$0
R-02 DeCORuM Maintenance & Support	No	\$2,796,520	0.0	\$2,796,520	\$0	\$0	\$0
R-03A Prison Capacity	Yes	\$27,895,074	222.2	\$27,866,945	\$28,129	\$0	\$0
R-03B La Vista Staff Increase	No	\$626,300	8.9	\$626,300	\$0	\$0	\$0
R-03C Offender Dress Out	No	\$270,847	0.0	\$270,847	\$0	\$0	\$0
R-04 Medical Caseload	No	\$6,101,406	0.0	\$6,101,406	\$0	\$0	\$0
R-05 Parole Caseload	No	\$1,538,131	0.0	\$1,538,131	\$0	\$0	\$0
R-06 Food Service Inflation	No	\$248,403	0.0	\$248,403	\$0	\$0	\$0
R-07 Re-Entry Grant for Parolee Support	No	\$3,194,425	0.0	\$3,194,425	\$0	\$0	\$0
R-08 Provider Rate Increase	No	\$1,195,076	0.0	\$1,159,561	\$0	\$35,515	\$0
Subtotal Decision Items		\$61,409,602	231.1	\$60,893,303	\$71,715	\$444,584	\$0

Non-Prioritized Requests

NP-01 Annual Fleet Vehicle Request	No	(\$90,076)	0.0	(\$83,873)	(\$6,203)	\$0	\$0
NP-02 OIT_DI1 Essential Database Support	No	\$9,483	0.0	\$9,428	\$55	\$0	\$0
NP-03 OIT_DI2 Securing IT Operations	No	\$2,471,322	0.0	\$2,456,954	\$14,368	\$0	\$0
NP-04 OIT_DI4 Application Refresh and Consolidation	No	\$8,799	0.0	\$8,748	\$51	\$0	\$0
NP-05 OIT_DI5 Optimize Self-Service Capabilities	No	\$69,492	0.0	\$69,088	\$404	\$0	\$0
Subtotal Non-Prioritized Requests		\$2,469,020	0.0	\$2,460,345	\$8,675	\$0	\$0

Request Total for Department of Corrections		\$63,878,622	231.1	\$63,353,648	\$80,390	\$444,584	\$0
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Department of Education

Decision Items (Operating Requests)

R-01 Total Program Increase	Yes	\$247,866,534	0.0	\$261,056,096	(\$13,189,562)	\$0	\$0
R-02 Categorical Program Inflation Increases	No	\$9,232,242	0.0	\$4,252,964	\$4,979,278	\$0	\$0
R-03 Schools of Choice	No	\$360,374	2.6	\$360,374	\$0	\$0	\$0
R-04 Funding for School Turnaround	No	\$2,352,193	1.8	\$2,352,193	\$0	\$0	\$0
R-05 Colorado Preschool Program Tax Check-off	No	\$410,000	0.0	\$0	\$410,000	\$0	\$0
R-06 Charter School Institute Mill Levy Equalization	No	\$10,000,000	0.0	\$5,000,000	\$0	\$5,000,000	\$0
R-07 Colorado School for the Deaf and Blind Teacher Salaries	No	\$396,307	0.0	\$396,307	\$0	\$0	\$0
R-08 Education Leadership Council Priorities-Career Dev.	Yes	\$6,000,000	0.0	\$0	\$6,000,000	\$0	\$0
R-09 Education Leadership Council Priorities-Educator Talent	Yes	\$4,000,000	0.0	\$0	\$4,000,000	\$0	\$0
Subtotal Decision Items		\$280,617,650	4.4	\$273,417,934	\$2,199,716	\$5,000,000	\$0

Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Education (Continued)

Non-Prioritized Requests

NP-01 Annual Fleet Vehicle Request	No	(\$4,528)	0.0	(\$4,528)	\$0	\$0	\$0
NP-02 OIT_DI2 Security IT Operations	No	\$236,799	0.0	\$101,644	\$35,252	\$99,903	\$0
NP-03 OIT_DI5 All Hours Customer Self Service	No	\$6,659	0.0	\$2,858	\$991	\$2,810	\$0
Subtotal Non-Prioritized Requests		\$238,930	0.0	\$99,974	\$36,243	\$102,713	\$0

Request Total for Department of Education		\$280,856,580	4.4	\$273,517,908	\$2,235,959	\$5,102,713	\$0
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Office of the Governor

Decision Items (Operating Requests)

R-01 (CEO) EV Grant Fund Spending Authority Increase	No	\$723,204	0.0	\$0	\$723,204	\$0	\$0
R-01 (LG) Colorado Health IT Roadmap Operating	No	\$2,008,154	2.7	\$0	\$0	\$2,008,154	\$0
R-01 (OEDIT) Colorado Film Office Increase	No	\$1,250,000	0.0	\$1,250,000	\$0	\$0	\$0
R-01 (OIT) Essential Database Support	No	\$936,776	8.0	\$0	\$0	\$936,776	\$0
R-02 (LG) State Innovation Model Office Extension	No	\$202,434	1.5	\$202,434	\$0	\$0	\$0
R-02 (OEDIT) Minority Business Office Increase	No	\$25,000	0.0	\$0	\$25,000	\$0	\$0
R-02 (OIT) Securing IT Operations	No	\$11,857,490	9.0	\$0	\$0	\$11,857,490	\$0
R-03 (LG) Administration Line Increase	No	\$75,000	1.3	\$75,000	\$0	\$0	\$0
R-03 (OIT) Operations and Administration Center Relocation	No	\$5,705,593	0.0	\$5,705,593	\$0	\$0	\$0
R-04 (OIT) Application Refresh and Consolidation	No	\$800,700	0.0	\$0	\$0	\$800,700	\$0
R-05 (OIT) Optimize Self-Service Capabilities	No	\$333,426	0.0	\$0	\$0	\$333,426	\$0
R-06 (OIT) Enterprise Data Integration Services	No	\$3,139,756	2.0	\$0	\$0	\$3,139,756	\$0
R-07 (OIT) Agency IT Staff Technical Adjustment	No	\$144,342	1.0	\$0	\$0	\$144,342	\$0
R-08 (OIT) CBMS PEAK	No	\$3,410,566	0.0	\$0	\$0	\$3,410,566	\$0
R-09 (OIT) Lottery IT Staff Consolidation	No	\$1,253,065	13.0	\$0	\$0	\$1,253,065	\$0
Subtotal Decision Items		\$31,865,506	38.5	\$7,233,027	\$748,204	\$23,884,275	\$0

Non-Prioritized Requests

NP-01 (GOV) Annual Fleet Vehicle Request	No	\$134	0.0	\$134	\$0	\$0	\$0
NP-01 (OIT) Taxation - GenTax Support Enhancements (DOR-R01)	No	\$681,477	6.0	\$0	\$0	\$681,477	\$0
NP-02 (GOV) OIT_DI1 Essential Database Support	No	\$522	0.0	\$522	\$0	\$0	\$0
NP-02 (OIT) Local Administration Transformation (HCPF R-6)	No	\$821,240	0.0	\$0	\$0	\$821,240	\$0
NP-03 (GOV) OIT_DI2 Securing IT Operations	No	\$55,161	0.0	\$55,161	\$0	\$0	\$0
NP-03 (OIT) DeCORuM Maintenance & Support (DOC R-02)	No	\$2,796,520	0.0	\$0	\$0	\$2,796,520	\$0
NP-04 (GOV) OIT_DI4 Application Refresh and Consolidation	No	\$10,999	0.0	\$10,999	\$0	\$0	\$0
NP-04 (OIT) Colorado Trails (CDHS R-13)	No	\$2,452,920	0.0	\$0	\$0	\$2,452,920	\$0
NP-05 (GOV) OIT_DI5 Optimize Self-Service Capabilities	No	\$1,551	0.0	\$1,551	\$0	\$0	\$0
NP-05 (OIT) Transform Customer Experience (HCPF R-10)	No	\$1,120,000	0.0	\$0	\$0	\$1,120,000	\$0
NP-06 (OIT) Annual Fleet Vehicle Request	No	\$3,789	0.0	\$0	\$0	\$3,789	\$0
NP-07 (OIT) UIM Operating (CDLE R-01)	No	\$601,509	4.5	\$0	\$0	\$601,509	\$0
NP-08 (OIT) Medicaid Enterprise Operations (HCPF R-12)	No	\$1,189,477	3.0	\$0	\$0	\$1,189,477	\$0
NP-09 (OIT) Crisis Services (CDHS R-11)	No	\$351,075	2.7	\$0	\$0	\$351,075	\$0
Subtotal Non-Prioritized Requests		\$10,086,367	16.2	\$68,367	\$0	\$10,018,000	\$0

Request Total for Office of the Governor		\$41,951,873	54.7	\$7,301,394	\$748,204	\$33,902,275	\$0
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Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Health Care Policy and Financing

Decision Items (Operating Requests)

R-01 Medical Services Premiums	No	\$354,643,647	0.0	\$166,725,932	\$79,381,786	\$74,999	\$108,460,930
R-02 Behavioral Health Programs	No	\$26,909,077	0.0	\$12,743,445	\$6,764,296	\$0	\$7,401,336
R-03 Child Health Plan Plus	No	\$27,968,602	0.0	\$0	\$22,506,477	\$0	\$5,462,125
R-04 Medicare Modernization Act State Contribution	No	\$1,520,436	0.0	\$1,520,436	\$0	\$0	\$0
R-05 Office of Community Living Cost and Caseload	No	\$6,298,371	0.0	\$2,526,890	\$701,023	\$0	\$3,070,458
R-06 Local Administration Transformation	No	\$3,266,842	2.5	\$2,090,396	\$202,724	\$3	\$973,719
R-07 Primary Care Alternative Payment Models	No	\$2,570,871	1.8	\$535,928	\$281,908	\$0	\$1,753,035
R-08 Benefits and Technology Advisory Committee	No	\$342,248	1.8	\$124,897	\$46,227	\$0	\$171,124
R-09 Long-Term Home Health/Private Duty Nursing Acuity Tool	No	\$358,583	0.0	\$179,292	\$0	\$0	\$179,291
R-10 Transform Customer Experience	No	\$2,215,752	1.8	\$753,356	\$354,520	\$0	\$1,107,876
R-11 All-Payer Claims Database Financing	No	\$2,619,731	0.0	\$2,811,464	\$0	\$0	(\$191,733)
R-12 Medicaid Enterprise Operations	No	\$26,407,927	1.8	\$654,663	\$1,828,468	\$0	\$23,924,796
R-13 Provider Rate Adjustments	No	\$61,064,820	0.0	\$26,768,039	\$1,750,713	\$0	\$32,546,068
R-14 Office of Community Living Governance	Yes	\$1,561,165	0.9	\$422,482	\$250,000	\$0	\$888,683
R-15 Operational Compliance and Program Oversight	No	(\$780,722)	5.5	\$0	\$5,355	\$0	(\$786,077)
R-16 Employment First Initiatives & State Programs for IDD	No	\$3,028,666	1.8	(\$800,000)	\$3,828,666	\$0	\$0
Subtotal Decision Items		\$519,996,016	17.9	\$217,057,220	\$117,902,163	\$75,002	\$184,961,631

Non-Prioritized Requests

NP-01 Colorado Health IT Roadmap Operating (LG)	No	\$1,759,468	0.0	\$981,831	\$0	\$0	\$777,637
NP-02 OIT_DI8_CBMS PEAK	No	\$20,350,847	0.0	\$4,090,801	\$2,084,566	(\$93,565)	\$14,269,045
NP-03 Integrated Document Solutions Increased Input Costs	No	\$7,072	0.0	\$3,536	\$0	\$0	\$3,536
NP-04 Community Provider Rate w Medicaid (DHS)	No	\$28,390	0.0	\$14,194	\$0	\$0	\$14,196
NP-05 1% Provider Rate Increase (CDPHE)	No	\$7,282	0.0	\$3,641	\$0	\$0	\$3,641
NP-06 Transfer Home Modification Child Waiver Program DOLA	No	\$57,800	0.0	\$28,900	\$0	\$0	\$28,900
NP-07 OIT_DI1 Essential Database Support	No	\$10,353	0.0	\$4,534	\$628	\$0	\$5,191
NP-08 OIT_DI2 Securing IT Operations	No	\$360,936	0.0	\$164,364	\$16,104	\$0	\$180,468
NP-09 OIT_DI4 Application Refresh and Consolidation	No	\$16,974	0.0	\$7,637	\$849	\$0	\$8,488
NP-10 OIT_DI5 Optimize Self-Service Capabilities	No	\$10,149	0.0	\$4,621	\$453	\$0	\$5,075
NP-11 OIT_DI6 Enterprise Data Integration Services	No	\$61,629	0.0	\$30,814	\$0	\$0	\$30,815
NP-12 Salesforce (DHS)	No	\$44,548	0.0	\$22,274	\$0	\$0	\$22,274
NP-13 Annual Fleet Vehicle Request (DHS)	No	(\$2,868)	0.0	(\$1,434)	\$0	\$0	(\$1,434)
Subtotal Non-Prioritized Requests		\$22,712,580	0.0	\$5,355,713	\$2,102,600	(\$93,565)	\$15,347,832

Request Total for Department of Health Care Policy and Financing		\$542,708,596	17.9	\$222,412,933	\$120,004,763	(\$18,563)	\$200,309,463
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Department of Higher Education

Decision Items (Operating Requests)

HC-01 Strengthen & Build Capacity for Historic Preservation	No	\$661,623	0.0	\$661,623	\$0	\$0	\$0
R-01 Investing in College Affordability and Outcomes	No	\$214,741,027	0.0	\$120,877,419	\$0	\$93,863,608	\$0
R-02 Tuition Spending Authority	No	\$50,766,445	0.0	\$0	\$50,766,445	\$0	\$0
R-03 Fort Lewis Native American Tuition Waiver	No	\$2,293,590	0.0	\$2,293,590	\$0	\$0	\$0
R-04 Colorado Teacher Scholarship	Yes	\$6,560,000	0.0	\$6,560,000	\$0	\$0	\$0
Subtotal Decision Items		\$275,022,685	0.0	\$130,392,632	\$50,766,445	\$93,863,608	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$7,564	0.0	\$0	\$0	\$7,564	\$0
NP-02 OIT_DI1 Essential Database Support	No	\$2,610	0.0	\$0	\$2,610	\$0	\$0
NP-03 OIT_DI2 Securing IT Operations	No	\$54,369	0.0	\$0	\$35,528	\$18,841	\$0
NP-04 OIT_DI4 Application Refresh and Consolidation	No	\$7,332	0.0	\$0	\$7,332	\$0	\$0
NP-05 OIT_DI5 Optimize Self-Service Capabilities	No	\$1,529	0.0	\$0	\$1,529	\$0	\$0
Subtotal Non-Prioritized Requests		\$73,404	0.0	\$0	\$46,999	\$26,405	\$0

Request Total for Department of Higher Education		\$275,096,089	0.0	\$130,392,632	\$50,813,444	\$93,890,013	\$0
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Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Human Services

Decision Items (Operating Requests)

R-01 Mental Health Institute Pueblo Bed Expansion	No	\$5,141,144	47.3	\$5,141,144	\$0	\$0	\$0
R-02 Compensation for Direct Care Employees	No	\$13,942,885	0.0	\$10,339,235	\$3,603,650	\$0	\$0
R-03 Youth Services Capacity and Behavioral Health	Yes	(\$718,399)	-12.0	(\$718,399)	\$0	\$0	\$0
R-04 Reducing Child Neglect via Employment	No	\$1,709,355	2.0	\$0	\$0	\$0	\$1,709,355
R-05 Improving Nutrition in Rural and Underserved Comm.	Yes	\$1,030,000	0.0	\$465,000	\$0	\$0	\$565,000
R-06 Child Support Employment	No	\$966,977	1.0	\$0	\$0	\$0	\$966,977
R-07 Employment Affairs Staffing	No	\$589,251	5.4	\$329,981	\$0	\$259,270	\$0
R-08 County Child Welfare Staff - Phase 5	No	\$6,125,404	0.0	\$4,500,647	\$612,541	\$0	\$1,012,216
R-09 Colorado Works Basic Cash Assistance COLA	Yes	\$1,171,848	0.0	\$0	\$173,135	\$0	\$998,713
R-10 Adult Protective Services Support	No	\$0	1.8	\$0	\$0	\$0	\$0
R-11 Colorado Crisis System Enhancements	No	\$985,092	3.6	\$985,092	\$0	\$0	\$0
R-12 Contracted Physician Salary Adjustment	No	\$1,127,667	0.0	\$1,127,667	\$0	\$0	\$0
R-13 Colorado Trails Maintenance	No	\$2,452,920	0.0	\$1,103,814	\$0	\$0	\$1,349,106
R-14 Child Welfare Provider Rate Implementation - Phase 2	No	\$10,350,000	0.0	\$4,968,000	\$2,070,000	\$0	\$3,312,000
R-15 Community Provider Rate Increase	No	\$9,253,301	0.0	\$5,417,348	\$1,472,169	\$104,926	\$2,258,858
R-16 Old Age Pension Program Cost of Living Adjustment	No	\$3,219,665	0.0	\$0	\$3,219,665	\$0	\$0
R-17 State Staff for 24-Hour Monitoring	No	\$164,519	1.8	\$136,551	\$0	\$0	\$27,968
R-18 Hotline for Child Abuse and Neglect	No	\$228,999	0.0	\$228,999	\$0	\$0	\$0
R-19 Covering Child Support Unfunded Disbursements	No	\$150,896	0.0	\$150,896	\$0	\$0	\$0
R-20 Food Service Inflation	No	\$150,910	0.0	\$98,442	\$0	\$52,468	\$0
R-21 Salesforce Shield	No	\$473,418	0.0	\$29,218	\$39,827	\$283,819	\$120,554
R-22 SNAP Quality Assurance Line Item	No	\$0	0.0	\$0	\$0	\$0	\$0
Subtotal Decision Items		\$58,515,852	50.9	\$34,303,635	\$11,190,987	\$700,483	\$12,320,747

Non-Prioritized Requests

NP-01 OIT_D18 CBMS PEAK	No	(\$17,403,127)	0.0	(\$15,417,623)	(\$277,102)	\$0	(\$1,708,402)
NP-02 DOC Food Services Inflation	No	\$37,142	0.0	\$0	\$0	\$37,142	\$0
NP-03 Annual Fleet Vehicle Request	No	(\$45,786)	0.0	(\$17,194)	(\$2,564)	(\$18,268)	(\$7,760)
NP-04 Local Administration Transformation	No	\$27,865	0.0	\$4,578	\$13,401	\$0	\$9,886
NP-05 Integrated Document Solutions Increased Input Costs	No	\$22,827	0.0	\$7,083	\$1,411	\$10,060	\$4,273
NP-06 OIT_D11 Essential Database Support	No	\$52,778	0.0	\$19,521	\$2,982	\$21,250	\$9,025
NP-07 OIT_D12 Securing IT Operations	No	\$2,851,305	0.0	\$1,054,592	\$161,091	\$1,148,000	\$487,622
NP-08 OIT_D14 Application Refresh and Consolidation	No	\$117,759	0.0	\$43,555	\$6,653	\$47,413	\$20,138
NP-09 OIT_D15 Optimize Self-Service Capabilities	No	\$80,177	0.0	\$29,655	\$4,529	\$32,281	\$13,712
NP-10 OIT_D16 Enterprise Data Integration Services	No	\$975,213	0.0	\$360,695	\$55,094	\$392,644	\$166,780
Subtotal Non-Prioritized Requests		(\$13,283,847)	0.0	(\$13,915,138)	(\$34,505)	\$1,670,522	(\$1,004,726)

Request Total for Department of Human Services		\$45,232,005	50.9	\$20,388,497	\$11,156,482	\$2,371,005	\$11,316,021
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Judicial

Non-Prioritized Requests

Judicial 3% placeholder - OSPB only	No	\$16,592,233	0.0	\$16,592,233	\$0	\$0	\$0
NP01-District Attorney Mandated Cost	No	\$102,373	0.0	\$102,373	\$0	\$0	\$0
NP02- Annual Fleet Vehicle Request	No	\$8,116	0.0	\$8,116	\$0	\$0	\$0
NP03- OIT_D12 Securing IT Operations	No	\$1,836,297	0.0	\$1,836,297	\$0	\$0	\$0
NP04-OIT_D15 Optimize Self Service Capabilities	No	\$51,636	0.0	\$51,636	\$0	\$0	\$0
NP05- Public Defender Annual Fleet Vehicle Request	No	\$13,146	0.0	\$13,146	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$18,603,801	0.0	\$18,603,801	\$0	\$0	\$0

Request Total for Judicial		\$18,603,801	0.0	\$18,603,801	\$0	\$0	\$0
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Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Labor and Employment

Decision Items (Operating Requests)

R-01 Unemployment Insurance Migrated System Operations	No	\$3,801,509	0.0	\$0	\$3,801,509	\$0	\$0
R-02 Division of Workers' Compensation Modernization Project	No	\$76,817	0.0	\$0	\$76,817	\$0	\$0
R-03 Division of Labor Standards & Statistics Claims System	No	\$34,802	0.0	\$0	\$34,802	\$0	\$0
R-04 Division of Oil & Public Safety - Petroleum Program	No	\$50,000	0.0	\$0	\$50,000	\$0	\$0
R-05 Replacement of the Legacy Field Audit System	No	\$450,000	0.0	\$0	\$450,000	\$0	\$0
R-06 Independent Living Services Provider Rate Increase	No	\$67,335	0.0	\$67,335	\$0	\$0	\$0
Subtotal Decision Items		\$4,480,463	0.0	\$67,335	\$4,413,128	\$0	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$54,861	0.0	\$0	\$54,861	\$0	\$0
NP-02 Annual Fleet Vehicle Request	No	\$3,395	0.0	\$1,000	\$2,395	\$0	\$0
NP-03 Essential Database Support	No	\$86,439	0.0	\$0	\$56,439	\$0	\$30,000
NP-04 Securing IT Operations	No	\$506,371	0.0	\$0	\$206,371	\$0	\$300,000
NP-05 Application Refresh and Consolidation	No	\$74,791	0.0	\$74,791	\$0	\$0	\$0
NP-06 Optimize Self-Service Capabilities	No	\$14,239	0.0	\$14,239	\$0	\$0	\$0
NP-07 Employment First Initiatives & State Programs for IDD	No	\$3,755,869	4.0	\$800,000	\$0	\$0	\$2,955,869
Subtotal Non-Prioritized Requests		\$4,495,965	4.0	\$890,030	\$320,066	\$0	\$3,285,869

Request Total for Department of Labor and Employment		\$8,976,428	4.0	\$957,365	\$4,733,194	\$0	\$3,285,869
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Department of Law

Non-Prioritized Requests

Law 3% GF Placeholder	No	\$498,331	0.0	\$498,331	\$0	\$0	\$0
Law Fleet	No	\$15,478	0.0	\$7,219	\$3,773	\$4,361	\$125
NP-03 OIT_D12 Securing IT Operations	No	\$186,947	0.0	\$186,947	\$0	\$0	\$0
NP-04 OIT_D15 Optimize Self-Service Capabilities	No	\$5,257	0.0	\$5,257	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$706,013	0.0	\$697,754	\$3,773	\$4,361	\$125

Request Total for Department of Law		\$706,013	0.0	\$697,754	\$3,773	\$4,361	\$125
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Legislature

Non-Prioritized Requests

Legislature 3% GF Placeholder	No	\$1,508,637	0.0	\$1,508,637	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$1,508,637	0.0	\$1,508,637	\$0	\$0	\$0

Request Total for Legislature		\$1,508,637	0.0	\$1,508,637	\$0	\$0	\$0
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Department of Local Affairs

Decision Items (Operating Requests)

R-01 Colorado Choice Transitions Funding Deficit	No	\$1,693,126	0.0	\$1,693,126	\$0	\$0	\$0
R-02 Colorado Resiliency Office	Yes	\$249,454	2.7	\$249,454	\$0	\$0	\$0
R-03 Transfer of Home Modification Waiver Program	No	\$57,800	0.7	\$0	\$0	\$57,800	\$0
R-04 Census 2020 Communications and Outreach Support	No	\$300,000	0.0	\$300,000	\$0	\$0	\$0
R-05 Housing Assistance for Reentry Population	No	\$408,052	0.0	\$0	\$408,052	\$0	\$0
R-06 Lifelong Colorado Initiative	No	\$485,959	0.9	\$485,959	\$0	\$0	\$0
Subtotal Decision Items		\$3,194,391	4.3	\$2,728,539	\$408,052	\$57,800	\$0

Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Local Affairs (Continued)

Non-Prioritized Requests

NP-01 Oversight of Individual Residential Support Services	Yes	\$124,248	0.9	\$0	\$0	\$124,248	\$0
NP-02 Integrated Document Solutions Increased Input Costs	No	\$2,364	0.0	\$2,010	\$0	\$354	\$0
NP-03 Annual Fleet Vehicle Request	No	\$1,775	0.0	\$1,775	\$0	\$0	\$0
NP-04 OIT D11 Essential Database Support	No	\$25,971	0.0	\$16,655	\$695	\$8,621	\$0
NP-05 OIT D12 Securing IT Operations	No	\$69,075	0.0	\$18,195	\$12,079	\$22,898	\$15,903
NP-06 OIT D14 Application Refresh and Consolidation	No	\$29,330	0.0	\$18,809	\$786	\$9,735	\$0
NP-07 OIT D15 Optimize Self-Service Capabilities	No	\$1,942	0.0	\$1,246	\$0	\$696	\$0
Subtotal Non-Prioritized Requests		\$254,705	0.9	\$58,690	\$13,560	\$166,552	\$15,903

Request Total for Department of Local Affairs		\$3,449,096	5.2	\$2,787,229	\$421,612	\$224,352	\$15,903
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Department of Military Affairs

Decision Items (Operating Requests)

R-01 Facilities Maintenance Staff and Vehicles	No	\$141,521	1.4	\$141,521	\$0	\$0	\$0
R-02 Western Region Director and One Source Utilities	No	\$251,919	0.9	\$217,464	\$34,455	\$0	\$0
R-03 Staff Development and Education Program	No	\$59,675	0.0	\$59,675	\$0	\$0	\$0
Subtotal Decision Items		\$453,115	2.3	\$418,660	\$34,455	\$0	\$0

Non-Prioritized Requests

NP-01 Annual Fleet Vehicle Request	No	\$6,718	0.0	\$2,351	\$0	\$0	\$4,367
NP-02 OIT D12 Securing IT Operations	No	\$31,422	0.0	\$31,422	\$0	\$0	\$0
NP-03 OIT D14 Application Refresh and Consolidation	No	\$1,466	0.0	\$1,466	\$0	\$0	\$0
NP-04 OIT D15 Optimize Self-Service Capabilities	No	\$884	0.0	\$884	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$40,490	0.0	\$36,123	\$0	\$0	\$4,367

Request Total for Department of Military Affairs		\$493,605	2.3	\$454,783	\$34,455	\$0	\$4,367
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Department of Natural Resources

Decision Items (Operating Requests)

R-01 Increased Spending Authority for State Park Operations	No	\$3,661,298	0.0	\$0	\$3,661,298	\$0	\$0
R-02 Additional Staffing to Address Oil and Gas Backlogs	No	\$648,304	5.0	\$0	\$648,304	\$0	\$0
R-03 Spending Authority for Asset Maintenance and Repairs	No	\$2,043,120	0.0	\$0	\$2,043,120	\$0	\$0
R-04 Capital Development Staff and Operating	No	\$401,653	3.0	\$0	\$401,653	\$0	\$0
R-05 Staff and Operating for Cameo State Recreation Area	No	\$351,025	3.0	\$0	\$351,025	\$0	\$0
R-06 Increased Spending Authority for the Wildlife Council	No	\$1,100,000	0.0	\$0	\$1,100,000	\$0	\$0
Subtotal Decision Items		\$8,205,400	11.0	\$0	\$8,205,400	\$0	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$19,687	0.0	\$397	\$18,634	\$67	\$589
NP-02 Annual Fleet Vehicle Request	No	(\$91,998)	0.0	(\$10,223)	(\$72,750)	(\$2,282)	(\$6,743)
NP-03 OIT_D11 Essential Database Support	No	\$190,453	0.0	\$55,136	\$124,966	\$9,256	\$1,095
NP-04 OIT_D12 Securing IT Operations	No	\$577,094	0.0	\$94,732	\$456,800	\$14,797	\$10,765
NP-05 OIT_D14 Application Refresh and Consolidation	No	\$98,988	0.0	\$16,249	\$78,355	\$2,538	\$1,846
NP-06 OIT_D15 Optimize Self-Service Capabilities	No	\$16,228	0.0	\$2,664	\$12,845	\$416	\$303
Subtotal Non-Prioritized Requests		\$810,452	0.0	\$158,955	\$618,850	\$24,792	\$7,855

Request Total for Department of Natural Resources		\$9,015,852	11.0	\$158,955	\$8,824,250	\$24,792	\$7,855
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Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Personnel and Administration

Decision Items (Operating Requests)

R-01 Fleet Information Management System Ongoing Costs	No	\$130,000	0.0	\$0	\$0	\$130,000	\$0
R-02 Integrated Document Solutions Increased Input Costs	No	\$500,756	0.0	\$0	\$0	\$500,756	\$0
R-03 Printing & Mailing for Counties Participating in DRIVES	No	\$2,609,297	0.0	\$0	\$0	\$2,609,297	\$0
R-04 Annual Fleet Vehicle Request	No	\$417,795	0.0	\$0	\$0	\$417,795	\$0
Subtotal Decision Items		\$3,657,848	0.0	\$0	\$0	\$3,657,848	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$8,213	0.0	\$8,213	\$0	\$0	\$0
NP-02 AV Support Staff	No	\$1,220	0.0	\$0	\$0	\$1,220	\$0
NP-03 Annual Fleet Vehicle Request	No	\$38,272	0.0	\$0	(\$279)	\$38,551	\$0
NP-04 Additional Staffing to Address Oil and Gas Backlogs	No	\$2,138	0.0	\$0	\$0	\$2,138	\$0
NP-05 Capital Development Staff and Operating	No	\$2,600	0.0	\$0	\$0	\$2,600	\$0
NP-06 Staff and Operating for Cameo State Recreation Area	No	\$1,720	0.0	\$0	\$0	\$1,720	\$0
NP-07 Civilian and Uniform Staff	No	\$11,821	0.0	\$0	\$0	\$11,821	\$0
NP-08 Increase E-470 Cash Fund Spending Authority	No	\$2,364	0.0	\$0	\$0	\$2,364	\$0
NP-09 Additional Resources for the Fire Life Safety Section	No	\$1,824	0.0	\$0	\$0	\$1,824	\$0
NP-10 Judicial Fleet Vehicles	No	\$2,373	0.0	\$0	\$0	\$2,373	\$0
NP-11 Western Region Director and One Source Utilities	No	\$520	0.0	\$0	\$0	\$520	\$0
NP-12 Facilities Maintenance Staff and Vehicles	No	\$5,730	0.0	\$0	\$0	\$5,730	\$0
NP-13 Marijuana Enforcement Division Operations	No	\$9,900	0.0	\$0	\$0	\$9,900	\$0
NP-14 OIT_DI1 Essential Database Support	No	\$23,883	0.0	\$6,579	\$2,246	\$15,058	\$0
NP-15 OIT_DI2 Securing IT Operations	No	\$167,098	0.0	\$46,036	\$15,712	\$105,350	\$0
NP-16 OIT_DI4 Application Refresh and Consolidation	No	\$38,862	0.0	\$10,707	\$3,654	\$24,501	\$0
NP-17 OIT_DIS Optimize Self-Service Capabilities	No	\$4,699	0.0	\$1,295	\$442	\$2,962	\$0
Subtotal Non-Prioritized Requests		\$323,237	0.0	\$72,830	\$21,775	\$228,632	\$0

Request Total for Department of Personnel and Administration		\$3,981,085	0	\$72,830	\$21,775	\$3,886,480	\$0
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Department of Public Health and Environment

Decision Items (Operating Requests)

R-01 Family Planning Purchase of Service Increase	No	\$1,025,000	0.0	\$1,025,000	\$0	\$0	\$0
R-02 Public Health Transformation	No	\$240,472	0.9	\$240,472	\$0	\$0	\$0
R-03 Lab Spending Authority	No	\$59,628	0.0	\$88,270	\$81,452	(\$110,094)	\$0
R-04 Local Public Health Electronic Medical Records	No	\$837,774	3.5	\$837,774	\$0	\$0	\$0
R-05 Tableau for Data Transparency	No	\$85,000	0.0	\$0	\$0	\$85,000	\$0
R-06 Equity Trainer	No	\$104,348	0.9	\$104,348	\$0	\$0	\$0
R-07 Tribal Liaison	No	\$82,211	0.5	\$82,211	\$0	\$0	\$0
R-08 Assisted Living Residence Spending Authority	No	\$648,296	7.0	\$0	\$648,296	\$0	\$0
R-09 1% Provider Rate Increase	No	\$93,714	0.0	\$68,329	\$18,103	\$7,282	\$0
R-10 Restore Pesticides General Fund	No	\$84,000	0.0	\$84,000	\$0	\$0	\$0
R-11 Trauma System	No	\$0	0.0	\$0	\$0	\$0	\$0
Subtotal Decision Items		\$3,260,443	12.8	\$2,530,404	\$747,851	(\$17,812)	\$0

Non-Prioritized Requests

NP-01 OIT_DI1 Essential Database Support	No	\$154,737	0.0	\$0	\$0	\$154,737	\$0
NP-02 OIT_DI2 Securing IT Operations	No	\$526,055	0.0	\$0	\$0	\$526,055	\$0
NP-03 OIT_DI4 Application Refresh and Consolidation	No	\$121,718	0.0	\$0	\$0	\$121,718	\$0
NP-04 OIT_DIS Optimize Self-Service Capabilities	No	\$14,792	0.0	\$0	\$0	\$14,792	\$0
NP-05 OIT_DI8 CBMS PEAK	No	\$143,595	0.0	\$143,595	\$0	\$0	\$0
NP-06 CDPHE Annual Fleet Vehicle Request	No	\$48,884	0.0	\$0	\$17,109	\$7,333	\$24,442
Subtotal Non-Prioritized Requests		\$1,009,781	0.0	\$143,595	\$17,109	\$824,635	\$24,442

Request Total for Department of Public Health and Environment		\$4,270,224	12.8	\$2,673,999	\$764,960	\$806,823	\$24,442
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Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Public Safety

Decision Items (Operating Requests)

R-01 Sustain State Emergency Management Program	No	\$1,384,773	0.0	\$1,384,773	\$0	\$0	\$0
R-02 Colorado State Patrol Civilian and Uniform Staff	No	\$2,337,254	20.0	\$0	\$2,337,254	\$0	\$0
R-03 Increase Colorado State Patrol Overtime	No	\$832,456	0.0	\$0	\$832,456	\$0	\$0
R-04 Additional Resources for Fire and Life Safety Section	No	\$618,185	5.0	\$0	\$618,185	\$0	\$0
R-05 Marijuana Tax Cash Funds for Toxicology Laboratory	No	\$520,000	0.0	\$0	\$520,000	\$0	\$0
R-06 Increase E-470 Cash Fund Spending Authority	No	\$276,569	2.0	\$0	\$276,569	\$0	\$0
R-07 Fire Arson Investigator Funding Transfer	No	\$0	0.0	\$0	\$0	\$0	\$0
R-08 VIN Inspection Program Cash Fund Spending Authority	No	\$110,429	0.0	\$0	\$110,429	\$0	\$0
R-09 Community Corrections Provider Rate Increase	No	\$707,006	0	\$680,588	\$0	\$26,418	\$0
Subtotal Decision Items		\$6,786,672	27.0	\$2,065,361	\$4,694,893	\$26,418	\$0

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$2,537	0.0	\$0	\$0	\$2,537	\$0
NP-02 Annual Fleet Vehicle Request	No	\$478,192	0.0	\$42,431	\$348,382	\$14,435	\$72,944
NP-03 OIT_DI1 Essential Database	No	\$79,783	0.0	\$79,783	\$0	\$0	\$0
NP-04 OIT_DI2 Securing IT Operations	No	\$712,408	0.0	\$712,408	\$0	\$0	\$0
NP-05 OIT_DI4 Application Refresh and Consolidation	No	\$38,862	0.0	\$38,862	\$0	\$0	\$0
NP-06 OIT_DI5 Optimize Self-Service Capabilities	No	\$20,033	0.0	\$20,033	\$0	\$0	\$0
NP-07 DOR_DI7 Marijuana Enforcement Division Operations	Yes	\$914,416	5.0	\$0	\$914,416	\$0	\$0
Subtotal Non-Prioritized Requests		\$2,246,231	5.0	\$893,517	\$1,262,798	\$16,972	\$72,944

Request Total for Department of Public Safety		\$9,032,903	32.0	\$2,958,878	\$5,957,691	\$43,390	\$72,944
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Department of Regulatory Agencies

Decision Items (Operating Requests)

R-01 Division of Securities Operating Expenses Adjustment	No	\$40,000	0.0	\$0	\$40,000	\$0	\$0
Subtotal Decision Items		\$40,000	0.0	\$0	\$40,000	\$0	\$0

Non-Prioritized Requests

NP-01 Annual Fleet Vehicle Request	No	\$27,592	0.0	\$0	\$27,592	\$0	\$0
NP-02 Integrated Document Solutions Increased Input Costs	No	\$2,830	0.0	\$159	\$2,613	\$58	\$0
NP-03 OIT_DI1 Essential Database Support	No	\$80,653	0.0	\$3,338	\$77,315	\$0	\$0
NP-04 OIT_DI2 Securing IT Operations	No	\$226,512	0.0	\$9,375	\$217,137	\$0	\$0
NP-05 OIT_DI4 Application Refresh and Consolidation	No	\$52,060	0.0	\$2,155	\$49,905	\$0	\$0
NP-06 OIT_DI5 Optimize Self-Service Capabilities	No	\$6,369	0.0	\$264	\$6,105	\$0	\$0
Subtotal Non-Prioritized Requests		\$396,016	0.0	\$15,291	\$380,667	\$58	\$0

Request Total for Department of Regulatory Agencies		\$436,016	0.0	\$15,291	\$420,667	\$58	\$0
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Department of Revenue

Decision Items (Operating Requests)

R-01 Gentax Support Enhancements	No	\$1,420,355	6.0	\$1,420,355	\$0	\$0	\$0
R-02 Sales and Use Tax Collection	No	\$1,057,808	14.6	\$1,057,808	\$0	\$0	\$0
R-03 Lottery Back Office Restructure	No	\$2,198,993	-2.0	\$0	\$2,198,993	\$0	\$0
R-04 Drivers License Documents	No	\$1,312,872	0.0	\$0	\$1,312,872	\$0	\$0
R-05 Division of Motor Vehicles Leased Space	No	\$3,172,536	8.0	\$0	\$3,172,536	\$0	\$0
R-06 Lottery Wal Mart Expansion	No	\$5,719,000	0.0	\$0	\$5,719,000	\$0	\$0
R-07 Marijuana Enforcement Division Operations	Yes	\$2,138,418	8.0	\$0	\$2,138,418	\$0	\$0
Subtotal Decision Items		\$17,019,982	34.6	\$2,478,163	\$14,541,819	\$0	\$0

Decision Items List by Department

FY 2019-20

Request Title	Requires Legislation	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
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Department of Revenue (Continued)

Non-Prioritized Requests

NP-01 Integrated Document Solutions Increased Input Costs	No	\$28,903	0.0	\$0	\$28,903	\$0	\$0
NP-02 Lottery OIT Staffing	No	\$0	-13.0	\$0	\$0	\$0	\$0
NP-03 Annual Fleet Vehicle Request	No	(\$22,685)	0.0	(\$5,671)	(\$17,014)	\$0	\$0
NP-04 OIT DI1 Essential Database Support	No	\$79,130	0.0	\$30,700	\$48,430	\$0	\$0
NP-05 OIT DI2 Securing IT Operations	No	\$567,896	0.0	\$220,324	\$347,572	\$0	\$0
NP-06 OIT DI4 Application Refresh and Consolidation	No	\$45,461	0.0	\$17,639	\$27,822	\$0	\$0
NP-07 OIT DI5 Optimize Self-Service Capabilities	No	\$15,969	0.0	\$6,194	\$9,775	\$0	\$0
Subtotal Non-Prioritized Requests		\$714,674	-13.0	\$269,186	\$445,488	\$0	\$0

Request Total for Department of Revenue		\$17,734,656	21.6	\$2,747,349	\$14,987,307	\$0	\$0
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Department of State

Non-Prioritized Requests

NP-01 Annual Fleet Vehicle Request	No	\$1,867	0.0	\$0	\$1,867	\$0	\$0
NP-02 OIT_DI2 Securing IT Operations	No	\$54,369	0.0	\$0	\$54,369	\$0	\$0
NP-03 OIT_DI5 Optimize Self-Service Capabilities	No	\$1,529	0.0	\$0	\$1,529	\$0	\$0
Subtotal Non-Prioritized Requests		\$57,765	0.0	\$0	\$57,765	\$0	\$0

Request Total for Department of State		\$57,765	0.0	\$0	\$57,765	\$0	\$0
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Department of Transportation

Decision Items (Operating Requests)

R-01 First Time Drunk Driver Program Stability	No	\$0	0.0	\$0	\$0	\$0	\$0
R-02 Southwest Chief and Front Range Rail Commission	No	\$1,380,447	0.6	\$0	\$1,380,447	\$0	\$0
Subtotal Decision Items		\$1,380,447	0.6	\$0	\$1,380,447	\$0	\$0

Non-Prioritized Requests

NP-01 OIT_DI1 Essential Database Support	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-02 OIT_DI2 Securing IT Operations	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-03 Annual Fleet Vehicle Request	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-04 OIT_DI4 Application Refresh and Consolidation	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-05 OIT_DI5 Optimize Self-Service Capabilities	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-06 OIT_DI6 Enterprise Data Integration Services	No	\$0	0.0	\$0	\$0	\$0	\$0
NP-07 OIT_DI7 Agency IT Staff Technical Adjustments	No	\$0	0.0	\$0	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$0	0.0	\$0	\$0	\$0	\$0

Request Total for Department of Transportation		\$1,380,447	0.6	\$0	\$1,380,447	\$0	\$0
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Department of Treasury

Non-Prioritized Requests

NP-01 OIT_DI2 Securing IT Operations	No	\$13,024	0.0	\$13,024	\$0	\$0	\$0
NP-02 OIT_DI5 Optimize Self-Service Capabilities	No	\$366	0.0	\$366	\$0	\$0	\$0
Treasury 3% GF Placeholder	No	\$39,046	0.0	\$39,046	\$0	\$0	\$0
Subtotal Non-Prioritized Requests		\$52,436	0.0	\$52,436	\$0	\$0	\$0

Request Total for Department of Treasury		\$52,436	0.0	\$52,436	\$0	\$0	\$0
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Request Total for Statewide		\$1,330,049,448	449.4	\$751,581,617	\$222,745,854	\$140,684,988	\$215,036,989
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Placeholders and Statewide Budget Items of Note

There are several items not included as decision items in department budget requests, but we are setting aside funds for supplemental requests, budget amendments, and for legislation in the 2019 session of the General Assembly.

For FY 2018-19, we are aware of new expenses that will be forthcoming as supplemental requests. These include:

- \$19.6 million General Fund for supplemental requests related to expected caseload in the Medicaid program in the Department of Health Care Policy and Financing.
- \$8.0 million General Fund for an expected increase in external capacity for the Department of Corrections.
- \$433,424 General Fund for a forthcoming supplemental request from the Department of Health Care Policy and Financing. This is related to the Department's R-12 "Medicaid Enterprise Operations" FY 2019-20 request, which would certify the Medicaid Management Information System (MMIS) in order to maintain a favorable federal match rate and to continue to provide for staff to mitigate customer service and billing issues.
- \$843,838 in capital construction funds/General Fund for bed expansion at the Colorado Mental Health Institute at Pueblo for the Department of Human Services.

For FY 2019-20, we are aware of new expenses that will be forthcoming as budget amendments. These include:

- \$15.5 million in capital construction funds/General Fund for a secure treatment facility for restorations for the Department of Human Services.
- An executive-legislative work group called the Colorado Improving Outcomes for Youth Taskforce has been working with the Council of State Governments on innovative juvenile justice initiatives. There is \$4.5 million General Fund set aside to implement recommendations that will be released later this year.
- \$5 million General Fund for an initiative to help with opioid issues in our state.

For FY 2019-20, the budget request includes a \$53,000 General Fund set-aside for departments' legislative agendas that have a General Fund impact. These include:

- \$8,000 General Fund to update state awards for the Department of Military and Veterans Affairs.
- \$20,000 General Fund for the E-file program for the Department of Revenue.
- \$25,000 General Fund for Community Corrections Performance Based Contracting for the Department of Public Safety.

Additionally, our budget request would require legislation to implement proposed tax credits. There is \$185,000 General Fund set aside for resources for the Departments of Revenue and Human Services to implement the tax credits proposed in this budget request. With this, legislative placeholders total \$238,000 General Fund.

Elected Officials, Legislative Branch, and Judicial Branch

We have allocated sufficient General Fund to accommodate anticipated growth in total compensation costs (see below), along with a 3.0 percent General Fund increase for statewide elected officials, the Legislative Branch, and the Judicial Branch.

Total Compensation

The request reflects sufficient resources to maintain a total compensation plan for State employees that is competitive with the marketplace. We are requesting an increase of \$82.4 million total funds, \$42.6 million General Fund for salary survey, merit pay, health/life/dental, short term disability insurance, shift differential and Public Employees' Retirement Association (PERA) contributions. For FY 2019-20, we propose an average merit pay increase of 3.0 percent for most state employees beginning July 1, 2019.

By category the requested increases in total funds (TF) and from the General Fund (GF) are as follows:

- Salary Survey: \$3.7 million TF, \$2.2 million GF - this includes adjustments to the minimum of the salary range for any employees whose salaries fall below the range minimum, and a request to accelerate the minimum wage increase. (See below for additional detail.)
- Health/Life/Dental: \$10.9 million TF, \$4.2 million GF
- Short-Term Disability: \$42,3137 TF, -\$5,572 GF
- PERA (AED): \$3.3 million TF, \$1.3 million GF
- PERA (SAED): \$3.3 million TF, \$1.3 million GF
- Shift Differential: \$456,836 million TF, \$417,974 GF

The FY 2019-20 request for Salary Survey includes \$2.4 million total funds (\$0.2 million General Fund) to accelerate the increase to minimum wage for the State's lowest paid workers. Amendment 70, passed by voters in November 2016, increased the minimum wage for Colorado workers from \$8.31 per hour to \$9.30 per hour beginning in January 2017, with additional increases of \$0.90 each January 1 until it reaches \$12 per hour effective January 2020 (with annual adjustments made each year after to account for increases in the cost of living). The Governor's Office is requesting funding to enable the State to accelerate the increase for FY 2019-20 and begin paying workers a minimum wage of \$12 per hour beginning July 1, 2019. The request includes two components: 1) funding to raise wages for anyone currently paid below \$12 per hour to \$12 per hour, and 2) additional funding to provide compression increases where necessary to maintain pay structures between various positions

within departments. The Office of State Planning and Budgeting will work with the Department of Personnel and Administration to establish a plan on how to use the additional funding (requested at an additional \$1 per hour for each impacted employee) for any necessary compression pay adjustments.

Finally, the FY 2019-20 total compensation request includes annualizations attributable to S.B. 18-200, including \$5.8 million total funds (\$3.4 million General Fund) for the increased employer contribution to PERA and a new common policy, PERA Direct Distribution, that offsets the General Fund obligation by \$25.9 million by allocating the total distribution across all fund sources, including cash, reappropriated and federal sources.

Capital Construction

The request reflects a total capital construction budget of \$247.2 million, with \$224.4 million coming from the General Fund. A complete list of projects in the request can be found in our budget submission documents to the Capital Development Committee and Joint Technology Committee. In the General Fund for FY 2019-20, we are requesting a transfer of \$224.4 million to the Capital Construction Fund which will support continuation projects totaling \$92.2 million, and new projects of \$132.2 million (including \$54.6 million for controlled maintenance).

Statewide Provider Rate Increase

This budget includes a 1.0 percent across-the-board increase for community providers, totaling \$45.9 million total funds and \$19.8 million General Fund in FY 2019-20. The table below shows the department decision items that include the across-the-board adjustment and the total dollar amount of the 1.0 percent increase.

Across-the-Board Provider Rate Request Titles	Total Funds	General Fund
DOC R-08 Provider Rate Increase	\$1,195,076	\$1,159,561
HCPF R-13 Provider Rate Adjustments	\$34,580,627	\$12,449,219
DHS R-15 Community Provider Rate Increase	\$9,253,301	\$5,417,348
CDLE R-06 Independent Living Services Provider Rate Increase	\$67,335	\$67,335
CDPHE R-09 1% Provider Rate Increase	\$93,714	\$68,329
DPS R-09 Community Corrections Provider Rate Increase	\$707,006	\$680,588
Total	\$45,897,059	\$19,842,380

The amount in the table for Department of Health Care Policy and Financing is reflective of a 0.75 percent across-the-board increase, as the remaining funds were targeted based largely on recommendations from the Medicaid Provider Rate Review Advisory Committee (MPRRAC) and the Department’s rate review process. Several

other targeted provider rate changes are proposed, and are included in decision items in the Departments of Human Services and Health Care Policy and Financing.

Law Changes Required to Facilitate the Request

The request requires several changes in the Colorado Revised Statutes. Where appropriate, the associated costs are included in our balancing plan (several have been described above). We respectfully leave the decision about the appropriate legislative sponsorship for these items to the Joint Budget Committee and the leadership of the General Assembly.

Items in the FY 2019-20 Request that Require Legislation:

- Legislation to increase the statutory reserve from 7.25 percent to 8.0 percent beginning in FY 2019-20.
- Legislation to implement the various tax credit proposals outlined in this request. The estimated cost of implementation is \$185,000. (See “Tax Credit Proposals” section of the request.)
- Transfers from the General Fund to the following Cash Funds:
 - \$40 million to the Controlled Maintenance Trust Fund to pay back money used from the Fund for wildfires during FY 2018-19;
 - \$77 million to the State Education Fund to buy down the Budget Stabilization Factor;
 - \$10 million to the State Education Fund to fund the recommendations by the Education Leadership Council, pursuant to the Department of Education’s decision items R-08 Education Leadership Council Priorities - Career Development and R-09 Education Leadership Council Priorities - Educator Talent; and
 - \$30 million to the Severance Tax Perpetual Base Fund for the water plan investments.

Department Decision Items that Require Legislation:

- Corrections, R-03a “Prison Capacity” - Legislation is requested to allow the Department to begin housing offenders at Centennial Correctional Facility-South, with the goal to have two of the facility’s three towers open on July 1, 2020.
- Higher Education, R-04 “Colorado Teacher Scholarship” - Legislation is needed that would allow the Department to provide block grants for teacher scholarships.
- Human Services, R-03 “Youth Services Capacity and Behavioral Health” - Legislation is requested to reduce the statutory bed cap on Division of Youth Services (DYS) detention bed space.
- Human Services, R-05 “Improving Nutrition in Rural and Underserved Communities” - Legislation may be required to modify statute to allow General

Fund spending on Supplemental Nutrition Assistance Program (SNAP) outreach activities.

- Local Affairs, R-02 “Colorado Resiliency Office” - Legislation is needed to allow the General Fund to be used for the Colorado Resiliency Office.
- Revenue, R-07 “Marijuana Enforcement Division Operations” - To facilitate this request, there is a transfer of funds from the Marijuana Cash Fund to the Marijuana Tax Cash Fund, which supports the NP-07 request in the Department of Public Safety.

Total Funds

	2018-19 Initial Appropriation	2019-20 Nov 1 Governor's Request	\$ Change	% Change
Department of Agriculture	\$51,592,874	\$54,527,404	\$2,934,530	5.7%
Department of Corrections	\$907,143,985	\$979,147,969	\$72,003,984	7.9%
Department of Education	\$5,991,583,120	\$6,243,513,893	\$251,930,773	4.2%
Governor - Lt. Governor - State Planning and Budgeting	\$352,019,297	\$406,513,333	\$54,494,036	15.5%
Department of Health Care Policy and Financing	\$10,156,536,635	\$10,619,022,131	\$462,485,496	4.6%
Department of Higher Education	\$4,590,031,718	\$4,869,120,955	\$279,089,237	6.1%
Department of Human Services	\$2,198,754,010	\$2,276,971,714	\$78,217,704	3.6%
Judicial Department	\$760,194,547	\$799,256,598	\$39,062,051	5.1%
Department of Labor and Employment	\$259,549,084	\$276,236,918	\$16,687,834	6.4%
Department of Law	\$83,464,414	\$87,729,346	\$4,264,932	5.1%
Legislative Department	\$51,720,061	\$54,576,458	\$2,856,397	5.5%
Department of Local Affairs	\$316,144,475	\$317,267,772	\$1,123,297	0.4%
Department of Military and Veterans Affairs	\$232,023,683	\$233,049,011	\$1,025,328	0.4%
Department of Natural Resources	\$305,365,244	\$290,888,562	(\$14,476,682)	(4.7%)
Department of Personnel	\$206,449,496	\$211,299,335	\$4,849,839	2.3%
Department of Public Health and Environment	\$590,707,821	\$598,600,824	\$7,893,003	1.3%
Department of Public Safety	\$512,902,340	\$504,813,152	(\$8,089,188)	(1.6%)
Department of Regulatory Agencies	\$99,618,283	\$102,651,963	\$3,033,680	3.0%
Department of Revenue	\$370,007,602	\$394,146,924	\$24,139,322	6.5%
Department of State	\$25,375,937	\$32,106,761	\$6,730,824	26.5%
Department of Transportation	\$1,753,538,544	\$2,089,978,000	\$336,439,456	19.2%
Department of the Treasury	\$814,099,929	\$818,710,833	\$4,610,904	0.6%
Subtotal Department Operating Requests	\$30,628,823,099	\$32,260,129,856	\$1,631,306,757	5.3%
1331 Approved Supplementals	\$9,987,016	\$0	(\$9,987,016)	(100.0%)
Placeholders for Legislation and Budget Adjustments	\$28,074,223	\$9,738,000	(\$18,336,223)	(65.3%)
Subtotal Operating Requests	\$30,666,884,338	\$32,269,867,856	\$1,602,983,518	5.2%

Total Funds

	2018-19 Initial Appropriation	2019-20 Nov 1 Governor's Request	\$ Change	% Change
TABOR Refund	\$260,471,699	\$383,648,801	\$123,177,102	47.3%
Old Age Pension Fund / Older Coloradans Fund	\$98,963,658	\$103,359,582	\$4,395,924	4.4%
Interest on School Loans	\$4,400,000	\$4,800,000	\$400,000	9.1%
Transfer to Capital Construction Fund	\$180,025,448	\$224,386,785	\$44,361,337	24.6%
Transfer to Transportation	\$495,000,000	\$200,000,000	(\$295,000,000)	(59.6%)
Transfers to State Education Fund (SB 13-234)	\$24,991,739	\$0	(\$24,991,739)	(100.0%)
Transfers to Other Funds	\$179,393,066	\$186,650,419	\$7,257,353	4.0%
Transfers to Controlled Maintenance Trust Fund	\$0	\$40,000,000	\$40,000,000	NA
Requested Transfers for Investments	\$0	\$117,000,000	\$117,000,000	NA
Forecast Adjustments	(\$55,574,979)	(\$156,310,738)	(\$100,735,760)	181.3%
Total Other Obligations	\$1,187,670,631	\$1,103,534,849	(\$84,135,782)	(7.1%)
TOTAL FUNDS Requests	\$31,854,554,969	\$33,373,402,705	\$1,518,847,736	4.8%

Total General Fund

	2018-19	2019-20	\$ Change	% Change
	Current Appropriation	Nov 1 Governor's Request		
Department of Agriculture	\$11,107,420	\$12,054,274	\$946,854	8.5%
Department of Corrections	\$810,881,347	\$878,640,776	\$67,759,429	8.4%
Department of Education	\$4,180,288,239	\$4,450,025,920	\$269,737,681	6.5%
Governor - Lt. Governor - State Planning and Budgeting	\$42,340,000	\$49,806,049	\$7,466,049	17.6%
Department of Health Care Policy and Financing	\$2,904,579,002	\$3,106,304,745	\$201,725,743	6.9%
Department of Higher Education	\$1,003,593,739	\$1,115,339,000	\$111,745,261	11.1%
Department of Human Services	\$982,587,627	\$1,017,303,893	\$34,716,266	3.5%
Judicial Department	\$553,074,423	\$596,016,626	\$42,942,203	7.8%
Department of Labor and Employment	\$19,475,174	\$24,235,106	\$4,759,932	24.4%
Department of Law	\$16,611,039	\$18,227,039	\$1,616,000	9.7%
Legislative Department	\$50,287,893	\$53,144,290	\$2,856,397	5.7%
Department of Local Affairs	\$37,086,367	\$41,526,117	\$4,439,750	12.0%
Department of Military and Veterans Affairs	\$11,110,115	\$11,819,508	\$709,393	6.4%
Department of Natural Resources	\$32,005,418	\$33,326,757	\$1,321,339	4.1%
Department of Personnel	\$14,074,381	\$14,909,085	\$834,704	5.9%
Department of Public Health and Environment	\$52,020,069	\$56,286,766	\$4,266,697	8.2%
Department of Public Safety	\$183,106,198	\$152,631,588	(\$30,474,610)	(16.6%)
Department of Regulatory Agencies	\$1,951,431	\$2,112,643	\$161,212	8.3%
Department of Revenue	\$113,271,850	\$116,124,615	\$2,852,765	2.5%
Department of State	\$0	\$6,300,000	\$6,300,000	0.0%
Department of the Treasury	\$400,329,817	\$354,159,960	(\$46,169,857)	(11.5%)
Subtotal Department Operating Requests	\$11,419,781,549	\$12,110,294,757	\$690,513,208	6.0%
1331 Approved Supplementals	(\$6,688,791)	\$0	\$6,688,791	(100.0%)
Placeholders for Legislation and Budget Adjustments	\$28,074,223	\$9,738,000	(\$18,336,223)	(65.3%)
Subtotal Operating Requests	\$11,441,166,981	\$12,120,032,757	\$678,865,776	5.9%

Total General Fund

	2018-19	2019-20	\$ Change	% Change
	Initial Appropriation	Nov 1 Governor's Request		
TABOR Refund	\$260,471,699	\$383,648,801	\$123,177,102	47.3%
Old Age Pension Fund / Older Coloradans Fund	\$98,963,658	\$103,359,582	\$4,395,924	4.4%
Interest on School Loans	\$4,400,000	\$4,800,000	\$400,000	9.1%
Transfer to Capital Construction Fund	\$180,025,448	\$224,386,785	\$44,361,337	24.64%
Transfer to Transportation	\$495,000,000	\$200,000,000	(\$295,000,000)	(59.6%)
Transfers to State Education Fund (SB 13-234)	\$24,991,739	\$0	(\$24,991,739)	(100.0%)
Transfers to Other Funds	\$179,393,066	\$186,650,419	\$7,257,353	4.0%
Transfers to Controlled Maintenance Trust Fund	\$0	\$40,000,000	\$40,000,000	NA
Requested Transfers for Investments	\$0	\$117,000,000	\$117,000,000	NA
Forecast Adjustments	(\$55,574,979)	(\$156,310,738)	(\$100,735,760)	181.3%
Total Other Obligations	\$1,187,670,631	\$1,103,534,849	(\$84,135,782)	(7.1%)
TOTAL General Fund Requests	\$12,628,837,612	\$13,223,567,606	\$594,729,994	4.7%

General Fund Subject to Limit

	2018-19 Initial Appropriation	2019-20 Nov 1 Governor's	\$ Change	% Change
Department of Agriculture	\$11,107,420	\$12,054,274	\$946,854	8.5%
Department of Corrections	\$810,881,347	\$878,640,776	\$67,759,429	8.4%
Department of Education	\$4,180,288,239	\$4,450,025,920	\$269,737,681	6.5%
Governor - Lt. Governor - State Planning and Budgeting	\$42,340,000	\$49,806,049	\$7,466,049	17.6%
Department of Health Care Policy and Financing	\$2,904,149,093	\$3,105,918,205	\$201,769,112	6.9%
Department of Higher Education	\$1,003,593,739	\$1,115,339,000	\$111,745,261	11.1%
Department of Human Services	\$982,587,627	\$1,017,303,893	\$34,716,266	3.5%
Judicial Department	\$553,074,423	\$596,016,626	\$42,942,203	7.8%
Department of Labor and Employment	\$19,475,174	\$24,235,106	\$4,759,932	24.4%
Department of Law	\$16,611,039	\$18,227,039	\$1,616,000	9.7%
Legislative Department	\$50,287,893	\$53,144,290	\$2,856,397	5.7%
Department of Local Affairs	\$32,786,367	\$37,121,117	\$4,334,750	13.2%
Department of Military and Veterans Affairs	\$11,110,115	\$11,819,508	\$709,393	6.4%
Department of Natural Resources	\$32,005,418	\$33,326,757	\$1,321,339	4.1%
Department of Personnel	\$14,074,381	\$14,909,085	\$834,704	5.9%
Department of Public Health and Environment	\$51,590,160	\$55,900,226	\$4,310,066	8.4%
Department of Public Safety	\$183,106,198	\$152,631,588	(\$30,474,610)	(16.6%)
Department of Regulatory Agencies	\$1,951,431	\$2,112,643	\$161,212	8.3%
Department of Revenue	\$79,159,194	\$84,444,799	\$5,285,605	6.7%
Department of State	\$0	\$6,300,000	\$6,300,000	0.0%
Department of the Treasury	\$237,523,356	\$197,849,222	(\$39,674,134)	(16.7%)
Subtotal Department Operating Requests	\$11,217,702,614	\$11,917,126,123	\$699,423,509	6.2%
Placeholders for Legislation and Budget Adjustments	\$28,074,223	\$9,738,000	(\$18,336,223)	(65.3%)
1331 Approved Supplementals	(\$6,688,791)	\$0	\$6,688,791	(100.0%)
TOTAL	\$11,239,088,046	\$11,926,864,123	\$687,776,077	6.1%

General Fund not Subject to Limit

	2018-19	2019-20	\$ Change	% Change
	Initial Appropriation	Nov 1 Governor's Request		
Department of Health Care Policy and Financing	\$429,909	\$386,540	(\$43,369)	(10.1%)
Department of Local Affairs	\$4,300,000	\$4,405,000	\$105,000	2.4%
Department of Public Health and Environment	\$429,909	\$386,540	(\$43,369)	(10.1%)
Department of Revenue	\$34,112,656	\$31,679,816	(\$2,432,840)	(7.1%)
Department of the Treasury	\$162,806,461	\$156,310,738	(\$6,495,723)	(4.0%)
Subtotal Department Operating Requests	\$202,078,935	\$193,168,634	(\$8,910,301)	(4.4%)
TABOR Refund	\$260,471,699	\$383,648,801	\$123,177,102	47.3%
Old Age Pension Fund / Older Coloradans Fund	\$98,963,658	\$103,359,582	\$4,395,924	4.4%
Interest on School Loans	\$4,400,000	\$4,800,000	\$400,000	9.1%
Transfer to Capital Construction Fund	\$180,025,448	\$224,386,785	\$44,361,337	24.6%
Transfer to Transportation	\$495,000,000	\$200,000,000	(\$295,000,000)	(59.6%)
Transfers to State Education Fund (SB 13-234)	\$24,991,739	\$0	(\$24,991,739)	(100.0%)
Transfers to Other Funds	\$179,393,066	\$186,650,419	\$7,257,353	4.0%
Transfers to Controlled Maintenance Trust Fund	\$0	\$40,000,000	\$40,000,000	NA
Requested Transfers for Investments	\$0	\$117,000,000	\$117,000,000	NA
Forecast Adjustments	(\$55,574,979)	(\$156,310,738)	(\$100,735,760)	181.3%
Total Other Obligations	\$1,187,670,631	\$1,103,534,849	(\$84,135,782)	(7.1%)
TOTAL	\$1,389,749,566	\$1,296,703,483	(\$93,046,083)	(6.7%)

Total Cash Funds

	2018-19	2019-20		
	Initial	Nov 1		
	Appropriation	Governor's	\$	%
		Request	Change	Change
Department of Agriculture	\$34,082,132	\$36,067,103	\$1,984,971	5.8%
Department of Corrections	\$38,410,054	\$45,402,542	\$6,992,488	18.2%
Department of Education	\$1,154,714,411	\$1,130,253,612	(\$24,460,799)	(2.1%)
Governor - Lt. Governor - State Planning and Budgeting	\$47,889,843	\$50,096,103	\$2,206,260	4.6%
Department of Health Care Policy and Financing	\$1,292,022,699	\$1,413,372,064	\$121,349,365	9.4%
Department of Higher Education	\$2,744,061,460	\$2,829,148,709	\$85,087,249	3.1%
Department of Human Services	\$418,697,165	\$435,822,328	\$17,125,163	4.1%
Judicial Department	\$165,722,088	\$161,736,170	(\$3,985,918)	(2.4%)
Department of Labor and Employment	\$80,841,770	\$83,949,075	\$3,107,305	3.8%
Department of Law	\$18,047,080	\$18,397,660	\$350,580	1.9%
Legislative Department	\$470,869	\$470,869	\$0	0%
Department of Local Affairs	\$186,097,459	\$181,878,909	(\$4,218,550)	(2.3%)
Department of Military and Veterans Affairs	\$1,203,530	\$1,257,084	\$53,554	4.4%
Department of Natural Resources	\$238,857,665	\$223,394,936	(\$15,462,729)	(6.5%)
Department of Personnel	\$14,016,747	\$16,789,628	\$2,772,881	19.8%
Department of Public Health and Environment	\$192,576,513	\$193,141,900	\$565,387	0.3%
Department of Public Safety	\$216,527,076	\$229,917,554	\$13,390,478	6.2%
Department of Regulatory Agencies	\$91,205,734	\$93,808,391	\$2,602,657	2.9%
Department of Revenue	\$249,529,454	\$270,841,658	\$21,312,204	8.5%
Department of State	\$25,375,937	\$25,806,761	\$430,824	1.7%
Department of Transportation	\$1,134,947,195	\$1,461,433,080	\$326,485,885	28.8%
Department of the Treasury	\$396,084,849	\$447,116,623	\$51,031,774	12.9%
Subtotal Department Operating Requests	\$8,741,381,730	\$9,350,102,759	\$608,721,029	7.0%
1331 Approved Supplementals	\$2,751,637	\$0	(\$2,751,637)	(100.0%)
TOTAL	\$8,744,133,367	\$9,350,102,759	\$605,969,392	6.9%

Total Reappropriated Funds

	2018-19 Initial Appropriation	2019-20 Nov 1 Governor's Request	\$ Change	% Change
Department of Agriculture	\$2,494,460	\$2,497,165	\$2,705	0.1%
Department of Corrections	\$54,336,517	\$51,529,339	(\$2,807,178)	(5.2%)
Department of Education	\$39,385,509	\$44,900,780	\$5,515,271	14.0%
Governor - Lt. Governor - State Planning and Budgeting	\$255,022,179	\$299,719,994	\$44,697,815	17.5%
Department of Health Care Policy and Financing	\$84,557,891	\$84,612,145	\$54,254	0.1%
Department of Higher Education	\$819,590,900	\$901,359,404	\$81,768,504	10.0%
Department of Human Services	\$184,976,303	\$190,706,212	\$5,729,909	3.1%
Judicial Department	\$36,973,036	\$37,078,802	\$105,766	0.3%
Department of Labor and Employment	\$7,521,018	\$9,848,451	\$2,327,433	30.9%
Department of Law	\$46,803,973	\$49,059,604	\$2,255,631	4.8%
Legislative Department	\$961,299	\$961,299	\$0	0%
Department of Local Affairs	\$12,147,248	\$12,756,276	\$609,028	5.0%
Department of Natural Resources	\$7,933,687	\$7,483,247	(\$450,440)	(5.7%)
Department of Personnel	\$178,358,368	\$179,600,622	\$1,242,254	0.7%
Department of Public Health and Environment	\$47,088,905	\$47,477,674	\$388,769	0.8%
Department of Public Safety	\$43,430,450	\$52,268,072	\$8,837,622	20.3%
Department of Regulatory Agencies	\$5,211,298	\$5,466,179	\$254,881	4.9%
Department of Revenue	\$6,381,910	\$6,148,660	(\$233,250)	(3.7%)
Department of Transportation	\$6,672,645	\$7,078,096	\$405,451	6.1%
Department of the Treasury	\$17,685,263	\$17,434,250	(\$251,013)	(1.4%)
Subtotal Department Operating Requests	\$1,857,532,859	\$2,007,986,271	\$150,453,412	8.1%
1331 Approved Supplementals	(\$95,168)	\$0	\$95,168	(100.0%)
TOTAL	\$1,857,437,691	\$2,007,986,271	\$150,548,580	8.1%

Total Federal Funds

	2018-19	2019-20		
	Initial	Nov 1		
	Appropriation	Governor's	\$	%
		Request	Change	Change
Department of Agriculture	\$3,908,862	\$3,908,862	\$0	0%
Department of Corrections	\$3,516,067	\$3,575,312	\$59,245	1.7%
Department of Education	\$617,194,961	\$618,333,581	\$1,138,620	0.2%
Governor - Lt. Governor - State Planning and Budgeting	\$6,767,275	\$6,891,187	\$123,912	1.8%
Department of Health Care Policy and Financing	\$5,875,377,043	\$6,014,733,177	\$139,356,134	2.4%
Department of Higher Education	\$22,785,619	\$23,273,842	\$488,223	2.1%
Department of Human Services	\$612,492,915	\$633,139,281	\$20,646,366	3.4%
Judicial Department	\$4,425,000	\$4,425,000	\$0	0%
Department of Labor and Employment	\$151,711,122	\$158,204,286	\$6,493,164	4.3%
Department of Law	\$2,002,322	\$2,045,043	\$42,721	2.1%
Department of Local Affairs	\$80,813,401	\$81,106,470	\$293,069	0.4%
Department of Military and Veterans Affairs	\$219,710,038	\$219,972,419	\$262,381	0.1%
Department of Natural Resources	\$26,568,474	\$26,683,622	\$115,148	0.4%
Department of Public Health and Environment	\$299,022,334	\$301,694,484	\$2,672,150	0.9%
Department of Public Safety	\$69,838,616	\$69,995,938	\$157,322	0.2%
Department of Regulatory Agencies	\$1,249,820	\$1,264,750	\$14,930	1.2%
Department of Revenue	\$824,388	\$1,031,991	\$207,603	25.2%
Department of Transportation	\$611,918,704	\$621,466,824	\$9,548,120	1.6%
Subtotal Cabinet Operating Requests	\$8,610,126,961	\$8,791,746,069	\$181,619,108	2.1%
1331 Approved Supplementals	\$14,019,338	\$0	(\$14,019,338)	(100.0%)
TOTAL	\$8,624,146,299	\$8,791,746,069	\$167,599,770	1.9%

Total FTE

	2018-19	2019-20		
	Initial	Nov 1		
	Appropriation	Governor's	\$	%
		Request	Change	Change
Department of Agriculture	289.9	290.8	0.9	0.3%
Department of Corrections	6,245.9	6,477.0	231.1	3.7%
Department of Education	602.5	609.0	6.5	1.1%
Governor - Lt. Governor - State Planning and Budgeting	1,101.5	1,157.1	55.6	5.0%
Department of Health Care Policy and Financing	506.3	528.7	22.4	4.4%
Department of Higher Education	26,150.0	26,150.1	0.1	0.0%
Department of Human Services	5,052.9	5,110.8	57.9	1.1%
Judicial Department	4,745.3	4,745.6	0.3	0.0%
Department of Labor and Employment	1,280.6	1,287.3	6.7	0.5%
Department of Law	477.2	477.2	0.0	0%
Legislative Department	289.5	289.5	0.0	0%
Department of Local Affairs	181.1	188.3	7.2	4.0%
Department of Military and Veterans Affairs	1,407.2	1,411.5	4.3	0.3%
Department of Natural Resources	1,464.5	1,475.5	11.0	0.8%
Department of Personnel	425.6	426.7	1.1	0.3%
Department of Public Health and Environment	1,345.8	1,362.1	16.3	1.2%
Department of Public Safety	1,854.3	1,892.7	38.4	2.1%
Department of Regulatory Agencies	574.7	574.9	0.2	0.0%
Department of Revenue	1,472.0	1,499.0	27.0	1.8%
Department of State	142.9	142.9	0.0	0%
Department of Transportation	3,326.8	3,327.4	0.6	0.0%
Department of the Treasury	32.9	32.9	0.0	0%
Total Department Operating Requests	58,969.4	59,457.0	487.6	0.8%

Overview of the General Fund Budget Request

The following information discusses the main components that comprise the General Fund budget under the Governor's November 1, 2018 budget request. Following this information is a discussion of the Office of State Planning and Budgeting's September General Fund revenue forecast.

General Fund Overview

Governor's General Fund Request	FY 2018-19	FY 2019-20	Change over FY 2018-19	% Change
Total General Fund Available	\$13,675,143,383	\$14,177,716,736	\$502,573,353	3.7%
Total General Fund Expenditures	\$12,628,837,612	\$13,223,567,606	\$594,729,994	4.7%
General Fund Expenditures Subject to Reserve	\$11,239,088,046	\$11,926,864,123	\$687,776,077	6.1%
General Fund Expenditures Exempt from Reserve	\$1,389,749,566	\$1,296,703,483	-\$93,046,083	-6.7%
Ending General Fund	\$1,046,305,771	\$954,149,130	-\$92,156,641	-8.8%
Required/Requested Reserve	7.25%	8.00%	0.75%	10.3%
Required/Requested Reserve Amount	\$814,833,883	\$954,149,130	\$139,315,246	17.1%
Above/(Below) Reserve Level	\$231,471,888	\$0	-\$231,471,887	N/A

FY 2018-19 Current Year General Fund Overview

FY 2018-19 General Fund Revenue Available (\$13,675.1 million)

Our budget uses the September 2018 revenue estimates from the Office of State Planning and Budgeting. Our FY 2018-19 budget begins with a \$1,273.8 million beginning balance. We project revenue of \$12,382.1 million plus revenue adjustments of \$19.2 million as shown in the September OSPB revenue forecast. In total, the beginning balance, revenues, and adjustments amount to \$13,675.1 million General Fund available.

FY 2018-19 General Fund Expenditures (\$12,628.8 million)

General Fund expenditures total \$12,628.8 million, including \$11,239.1 million which is subject to the General Fund appropriations limit and reserve requirement and \$1,389.7 million which is not subject to these requirements. The \$11,239.1 million which is subject to the limit includes \$11,217.7 million which was appropriated in the 2018 session plus other adjustments. These other adjustments include the following: JBC approved H.B. 98-1331 supplementals totaling a reduction of \$6.7 million General Fund for the Departments of Corrections, Health Care Policy and Financing, Human Services, and Public Health and Environment; and a placeholder of \$28.1 million General Fund for anticipated supplemental requests from the Departments of

Corrections and Health Care Policy and Financing. (See the placeholders section of the budget request for a list of these set-asides.)

Certifications of Participation (COP) payments were previously subject to the statutory appropriations limit but exempt from the reserve requirement, pursuant to Section 24-75-201.1 (2) (b), C.R.S. However, S.B. 18-276 amended this statute and effective July 1, 2018, COP payments are now appropriations subject to the limit and the reserve requirement, so they are included in the \$11,239.1 million total discussed above.

The \$1,389.7 million which is not subject to the appropriations limit and statutory reserve requirement includes a \$180.0 million transfer for capital construction projects (including \$179.2 million as approved in the 2018 legislative session, and a \$843,838 placeholder for an anticipated capital supplemental for the Department of Human Services), the \$495 million transfer for transportation projects pursuant to S.B. 18-001, a \$25.0 million transfer to the State Education Fund, and \$179.4 million in transfers to other funds included in the September forecast. The 1,389.7 million amount also includes the projected \$260.5 million TABOR refund obligation in FY 2018-19. The remainder of the General Fund not subject to the limit and reserve requirement, totaling \$249.9 million, reflects the General Fund rebates and expenditures projected in the September OSPB forecast.

FY 2018-19 General Fund Ending Balance (\$1,046.3 million)

The ending FY 2018-19 balance of \$1,046.3 million is above the 7.25 percent General Fund reserve requirement of \$814.8 million by \$231.5 million, equating to a reserve of 9.3 percent. This excess reserve for FY 2018-19 allows us to grow the reserve further in the FY 2019-20 budget plan, discussed next.

FY 2019-20 Request Year General Fund Overview

FY 2019-20 General Fund Revenue Available (\$14,177.7 million)

Our FY 2019-20 General Fund budget assumes a beginning fund balance of \$1,046.3 million which is the ending FY 2018-19 balance indicated above. Added to this amount are the General Fund revenue estimate of \$13,111.3 million and adjustments of \$20.1 million per the OSPB September 2018 forecast.

FY 2019-20 General Fund Expenditures (\$13,223.6 million)

Our FY 2019-20 General Fund expenditure request includes \$11,926.9 million subject to the appropriations limit and statutory General Fund reserve requirement and \$1,296.7 million General Fund which is not subject to these requirements. The FY 2019-20 General Fund amount subject to the limit and reserve requirement of \$11,926.9 million includes \$11,917.1 million contained within department budget

requests and \$9.7 million requested as set-asides. (See the placeholders section of the budget request for a list of these set-asides.)

Certifications of Participation (COP) payments were previously subject to the statutory appropriations limit but exempt from the reserve requirement, pursuant to Section 24-75-201.1 (2) (b), C.R.S. However, S.B. 18-276 amended this statute and effective July 1, 2018, COP payments are now appropriations subject to the limit and the reserve requirement, so they are included in the \$11,926.9 million total discussed above.

Within the \$1,296.7 million amount exempt from the limit and reserve requirement, \$224.4 million is for a transfer for capital construction projects, \$200 million is the transfer for transportation projects pursuant to S.B. 18-001, \$166.7 million is transfers to other funds as reflected in the September forecast, and \$20.0 million is transfers to the CSU National Western Center Fund for COP payments (\$16.6 million) and the Capital Complex Fund (\$3.4 million) pursuant to H.B. 15-1344. In addition, \$40.0 million is a requested transfer to the Controlled Maintenance Trust Fund to pay back money used from the Fund for wildfires during FY 2018-19 and \$117.0 million is requested transfers for strategic investments. (See the placeholders section of the budget request for a list of these investments.) The \$1,296.7 million amount also includes the projected \$383.6 million TABOR refund obligation in FY 2019-20, which includes the \$382.3 million amount estimated in the OSPB September forecast and \$2.3 million for the TABOR impact of cash fund changes associated with proposed legislation from departments known as of the November 1 budget request. The remainder of the General Fund not subject to the limit and the reserve requirement, totaling \$145.0 million, reflects the General Fund rebates and expenditures projected in the September OSPB forecast.

FY 2019-20 General Fund Ending Balance (\$954.1 million)

In addition to the budgeted amounts discussed above, the request increases the State's General Fund reserve requirement to 8.0 percent starting in FY 2019-20. Of this 8.0 percent reserve, totaling \$954.1 million, \$89.5 million is associated with the increase in the General Fund reserve from 7.25 percent to 8.0 percent. The 8.0 percent General Fund reserve is calculated on a base of \$11,926.9 million General Fund subject to the reserve requirement.

General Fund Revenue Forecast

Economic Conditions and General Fund and State Education Fund Revenue

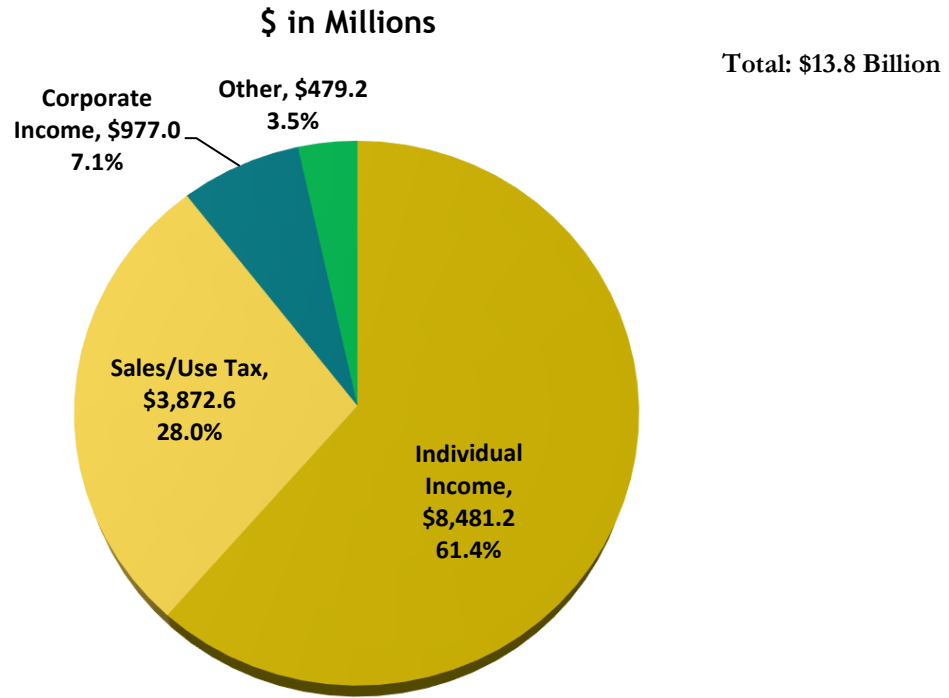
The following section discusses economic conditions for Colorado as well as General Fund and State Education Fund revenue received by the State based on the OSPB September 2018 forecast. The General Fund is the State's main account for funding its core programs and services, such as education, health and human services, public safety, and courts. It also helps fund capital construction and maintenance needs for State facilities and, in some years, transportation projects.

The largest revenue sources for the General Fund are income and sales taxes paid by households and businesses in the state, which are heavily influenced by the performance of the economy. General Fund revenue is expected to continue to increase in the current budget year and next with Colorado's sustained economic growth.

In addition to the General Fund, some State programs and services are funded from the federal government and various "cash funds." Cash funds receive revenue from certain taxes, user fees, and charges that are generally designated for specific programs. The State Education Fund is a cash fund that receives one-third of one percent of taxable income from Colorado taxpayers to help fund K-12 education. Therefore, the State Education Fund is more like a special account in the General Fund.

Income and sales taxes are the largest sources of General Fund revenue – The following pie chart shows the composition of the revenue sources that go to both the State General Fund and State Education Fund for FY 2019-20 based on the OSPB September forecast. Income, sales, and use taxes make up more than 96 percent of the total.

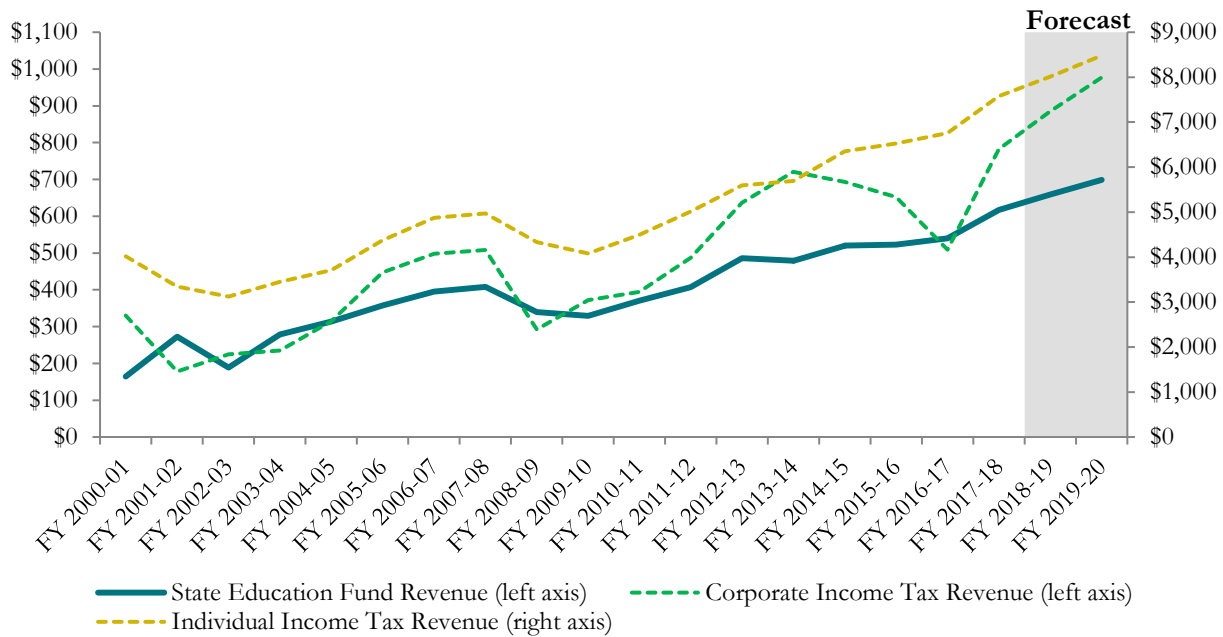
Figure 1. General Fund and State Education Fund Revenue in FY 2019-20



Source: OSPB September 2018 forecast

General Fund money diverted to the State Education Fund – The State Education Fund (SEF) receives one-third of one-percent of total taxable income under the Colorado Constitution. Therefore, a portion of revenue from income taxes is diverted from the General Fund to the SEF every year. Because this revenue comes from taxable income, it follows the trends in the State’s individual income and corporate income tax revenue collections as shown below. The diversion is forecasted at \$698.7 million in FY 2019-20, an expected increase of 6.1 percent from FY 2018-19. In addition to the diversion of income tax revenue, policies enacted over the past several years have transferred other General Fund money to the State Education Fund.

Figure 2. State Education Fund Revenue from One-Third of One Percent of Taxable Income



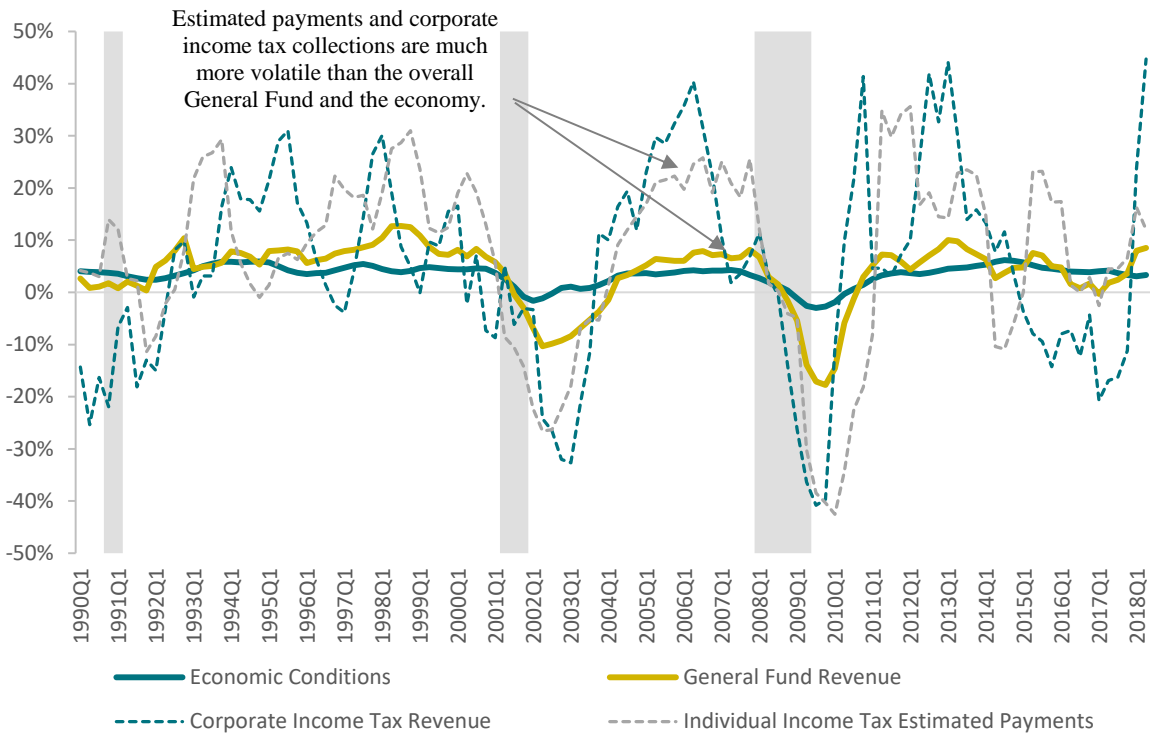
Source: Office of the State Controller and OSPB September 2018 forecast

Economic conditions affect revenue to the General Fund and State Education Fund, and some revenue sources are highly volatile – Income and sales tax collections are heavily influenced by the performance of the economy. When more people earn and spend money, and businesses experience increased sales, tax revenue grows. Conversely, revenue declines during economic downturns, sometimes by large amounts as income and spending levels weaken.

Some General Fund revenue sources – notably corporate income taxes and individual income tax estimated payments¹ – are highly volatile, which can cause larger fluctuations in revenue than is seen in overall economic conditions, as well as potentially large forecast errors. The following figure illustrates the volatility of these two revenue sources. The figure shows the year-over-year percent change in quarterly inflation-adjusted corporate income tax revenue and estimated individual income tax payments, along with total inflation-adjusted General Fund revenue, in relation to the performance of the state economy.

¹ Estimated income tax payments are taxes paid on taxable income that is not subject to withholding, such as earnings from self-employment, rents, and investments.

Figure 3. Corporate Income Tax and Individual Estimated Payments Revenue Volatility and State Economic Performance, Year-over-Year % Change*



* General Fund revenue in the figure excludes smaller miscellaneous revenue sources, such as pari-mutuel taxes, estate taxes, fines, fees, and interest earnings. The state’s economic conditions are measured by the Federal Reserve Bank of Philadelphia’s State Coincident Economic Activity Index for Colorado. Shading indicates recessionary periods.

Source: Federal Reserve Bank of Philadelphia, Office of the State Controller, and OSPB calculations

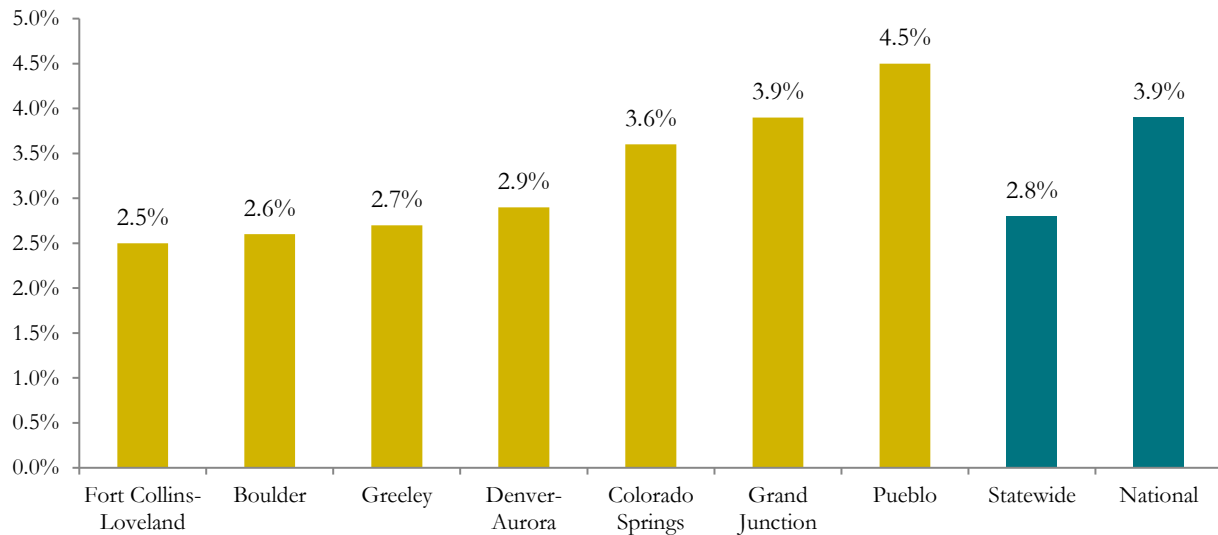
The time period in Figure 3 includes three national recessions. Colorado’s economy and General Fund revenue were only modestly impacted by the recession in the early 1990s. However, the state’s economy was much more adversely affected by the two recessions in the 2000s — one during the 2001 to 2002 period and the Great Recession in 2008 to 2009. During each of those recessions, General Fund revenue fell by over \$1 billion, or around 16 percent. As illustrated in Figure 3, these revenue declines were larger than the downturn in overall economic conditions. This was largely due to the marked decline in the stock market and corporate profits during those periods that caused a drop in individual income tax estimated payments and corporate income tax collections.

Current economic conditions — Colorado’s economic growth accelerated in the first half of 2018. Colorado’s employment growth has been robust and widespread across all industries and most regions, while wage growth has risen above inflation in recent months. Oil and gas production has recovered from the mid-decade downturn, albeit at lower levels of employment, and business formation is strong. However, slower labor

force growth and tight housing market conditions are expected to limit growth in the later years of the forecast.

As seen in Figure 4, Pueblo, at 4.5 percent, is the only metro area in the state with an unemployment rate above the national average of 3.9 percent in July. The four metro areas of the northern Front Range all had unemployment rates below 3.0 percent.

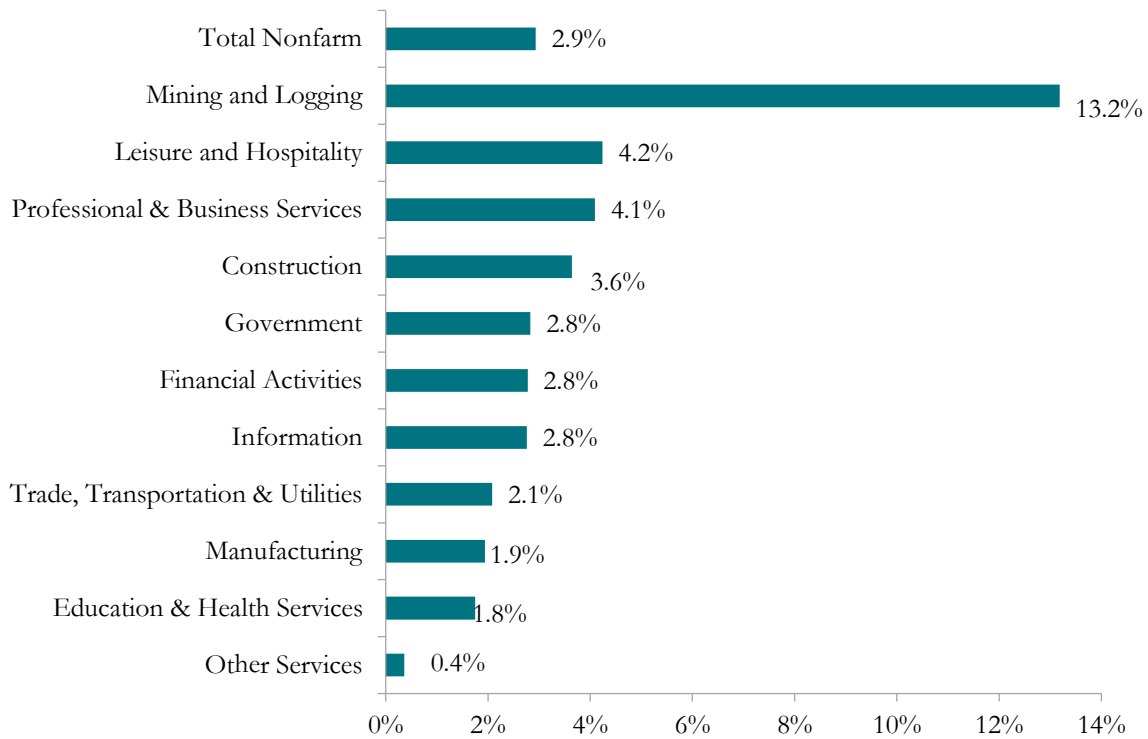
Figure 4. Unemployment Rate by Metro Area, July 2018



Source: U.S. Bureau of Labor Statistics

Figure 5 shows Colorado's job growth in each industry over the period between July 2017 and July 2018. Overall job growth remains solid at 2.9 percent, led by the mining and logging industry as it recovers from the sharp drop in oil prices which began in late 2014. Notably, all Colorado industries gained jobs over this period.

Figure 5. Colorado Year-over-Year Job Growth by Industry, July 2018

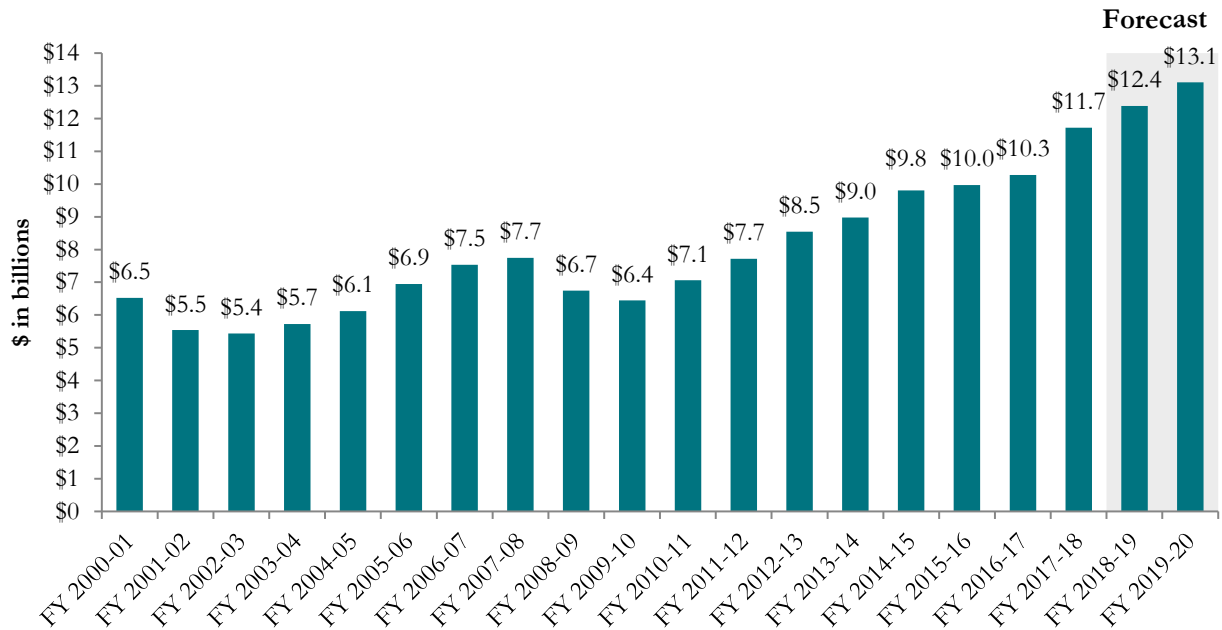


Source: Colorado Department of Labor and Employment

Although there are no clear indications of an economic downturn currently in the United States or Colorado, recessions are difficult to foresee. A drop in employment and income levels, along with losses in the stock market and declining corporate profits that are associated with an economic downturn would have adverse effects on General Fund and State Education Fund revenue and the State budget. Material changes to revenue expectations may occur in future forecasts that incorporate new information on trends in actual collections and economic conditions.

Forecast for General Fund revenue — Colorado’s economy is expected to remain in expansion, and thus generate continued growth in General Fund revenue for the current budget year and next. Figure 6 illustrates revenue to the General Fund by fiscal year, including the OSPB September 2018 forecast for General Fund revenue in FY 2018-19 and FY 2019-20. After modest increases of just 1.7 percent in FY 2015-16 and 3.1 percent in FY 2016-17, General Fund revenue increased at a much stronger rate of 14.1 percent in FY 2017-18 due to an acceleration in economic growth and several one-time factors. Revenue growth will moderate to 5.6 percent in FY 2018-19 and 5.9 percent in FY 2019-20.

Figure 6. General Fund Revenue



Source: Office of the State Controller and OSPB September 2018 forecast

Individual Income Tax — Income tax paid by individuals is by far the largest source of tax revenue to the State. Representing 65 percent of total General Fund revenue, individual income tax collections grew at a robust rate of 11.5 percent in FY 2017-18. Growth is projected to moderate to 5.8 percent in both FY 2018-19 and FY 2019-20.

Individual income tax is paid on most sources of household income, such as wages, investments, and royalties. The income that individuals receive from their businesses, except businesses that are organized as C-corporations, is also generally subject to the individual income tax.

In a growing economy, income tax revenue increases at a relatively steady pace due to job growth and expanding business activity. As discussed above, however, investment income received by individuals from equities and other assets can fluctuate much more than the overall economy from year to year, contributing to volatility in income tax revenue. Changes to federal and State tax deductions and exemptions, as well as to State tax credits, can also contribute to volatility.

Figure 7 shows the trend in individual income tax revenue since FY 2000-01 and includes the OSPB September 2018 forecast through FY 2019-20. The strong growth in individual income tax collections in FY 2017-18 was due to a combination of factors, including stronger employment and wage growth following the 2015-2016 industrial slowdown, stronger capital gains and investment earnings, and an increase in taxable income resulting from federal tax changes. Individual income tax revenue is expected to grow

at a more moderate pace in FY 2018-19 and FY 2019-20 due to slower employment growth in a tight labor market and a moderation in capital gains income

Corporate Income Tax – Certain corporations, called C-corporations, pay income tax through the corporate income tax system if they are doing business in the state. Corporate income tax collections are projected to increase 13.2 percent in FY 2018-19 after increasing 53.5 percent in FY 2017-18. Corporate income tax receipts are expected to rise 10.3 percent to \$977.0 million in FY 2019-20 due to continued economic expansion and the effects of the federal Tax Cuts and Jobs Act.

Corporate income tax revenue fluctuates much more than overall General Fund revenue and the state economy. It is among the most volatile General Fund revenue sources as it is influenced by special economic factors and the structure of the corporate income tax code. Trends in corporate profits are the main determinant of corporate income tax collections. Similar to the individual income tax, changes in tax laws can make corporate tax collections more volatile, especially during changes in broader economic conditions.

As shown in Figure 7, corporate profits weakened starting in 2015, leading to a decline in corporate income tax revenues. While corporate profits began to grow again in the second half of 2016, corporate income tax revenue continued to decline as corporations deferred tax liabilities in anticipation of favorable federal tax law changes.

With the passage of the Tax Cuts and Jobs Act in December 2017, state corporate income tax payments rebounded and are expected to continue to grow with higher corporate earnings and the ongoing economic expansion. Although renewed growth in corporate income tax collections is expected, future increases will be constrained by higher business costs, especially for employee compensation and borrowing, which will reduce profit margins and lower tax liabilities.

Sales and Use Taxes – The State’s sales and use tax collections makes up about 30 percent of General Fund revenue. Most products and a small number of services are subject to the tax; both households and businesses pay sales and use taxes. Sales tax revenue increased 9.5 percent in FY 2017-18 and is expected to increase an additional 8.2 percent in FY 2018-19 and 5.3 percent in FY 2019-20.

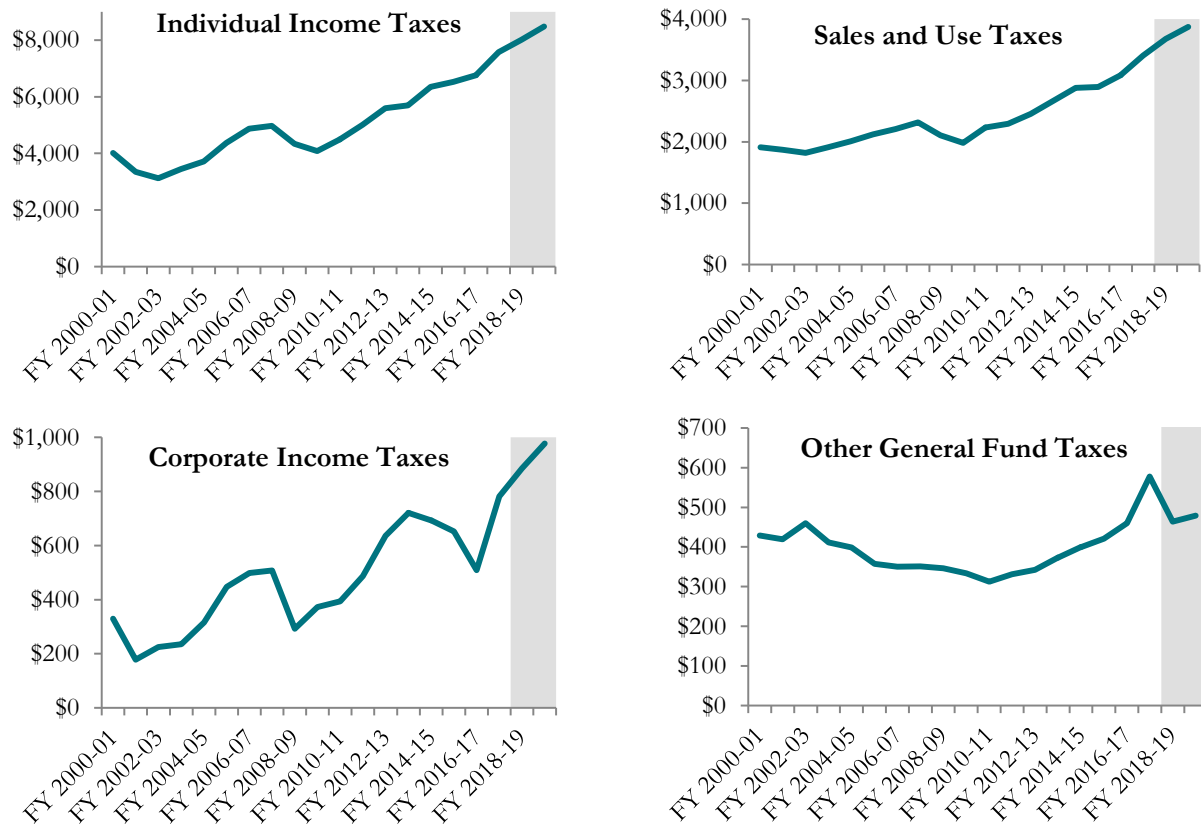
As shown in Figure 7, sales and use tax revenue grows at a steady pace when the economy is expanding and declines during recessions. Colorado’s strong economic growth is providing consumers with more disposable income, which, combined with more business spending, is causing sales and use tax revenue to grow. Auto sales, a major source of sales tax revenue, have been slowing in recent months but remain at a high level. In addition, the composition of auto sales is shifting from cars towards higher-priced light trucks, SUVs, and minivans, which result in more sales tax revenue to the State.

The sales and use tax growth rates in FY 2018-19 and FY 2019-20 are driven partially by online sales tax collections that the U.S. Supreme Court allowed states to begin

collecting with its June 2018 ruling in *South Dakota v. Wayfair, Inc.* Colorado is expected to begin collecting online sales taxes in December 2018.

Other General Fund Revenue – Several smaller sources make up the rest of General Fund revenue. These include excise taxes on cigarette, tobacco, and liquor products; taxes paid by insurers on premiums; pari-mutuel wagering; interest income; and fines and fees. As shown in Figure 7, revenue from these sources is expected to grow modestly during the forecast period, and is projected to total \$479.2 million in FY 2019-20.

Figure 7. General Fund Revenue Sources, \$ in Millions



Source: Office of the State Controller and OSPB September 2018 forecast

Marijuana Revenue Overview

Total state marijuana tax revenue has continued to grow, although the rate of growth is expected to slow in FY 2018-19 when total tax revenue is expected to reach \$249.8 million.

Marijuana Tax Revenue by Fiscal Year (Dollar Amounts in Millions)

Tax Type	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 <i>Projected</i>	FY 2019-20 <i>Projected</i>
Medical 2.9% Sales Tax	\$10.4	\$12.2	\$12.4	\$10.6	\$9.1	\$8.2
Retail 15% Excise Tax	\$24.0	\$42.6	\$71.4	\$68.0	\$57.8	\$56.6
Retail 2.9% State Sales Tax*	\$11.8	\$19.4	\$28.1	\$5.2	\$0.7	\$0.7
Retail 10% / 15% Special Sales Tax*	\$41.9	\$67.1	\$98.4	\$167.2	\$182.2	\$187.7
Total	\$88.1	\$141.3	\$210.4	\$251.0	\$249.8	\$253.3
Portion of Total to Marijuana Tax Cash Fund	\$57.8	\$88.6	\$124.2	\$123.9	\$127.6	\$130.3

*The new special sales tax rate (from 10% to 15%) became effective July 1, 2017. Retail marijuana is now exempt from the 2.9% sales tax; however, the taxes on goods that do not contain marijuana but are sold in marijuana businesses is still tracked and remitted and deposited into the Marijuana Tax Cash Fund.

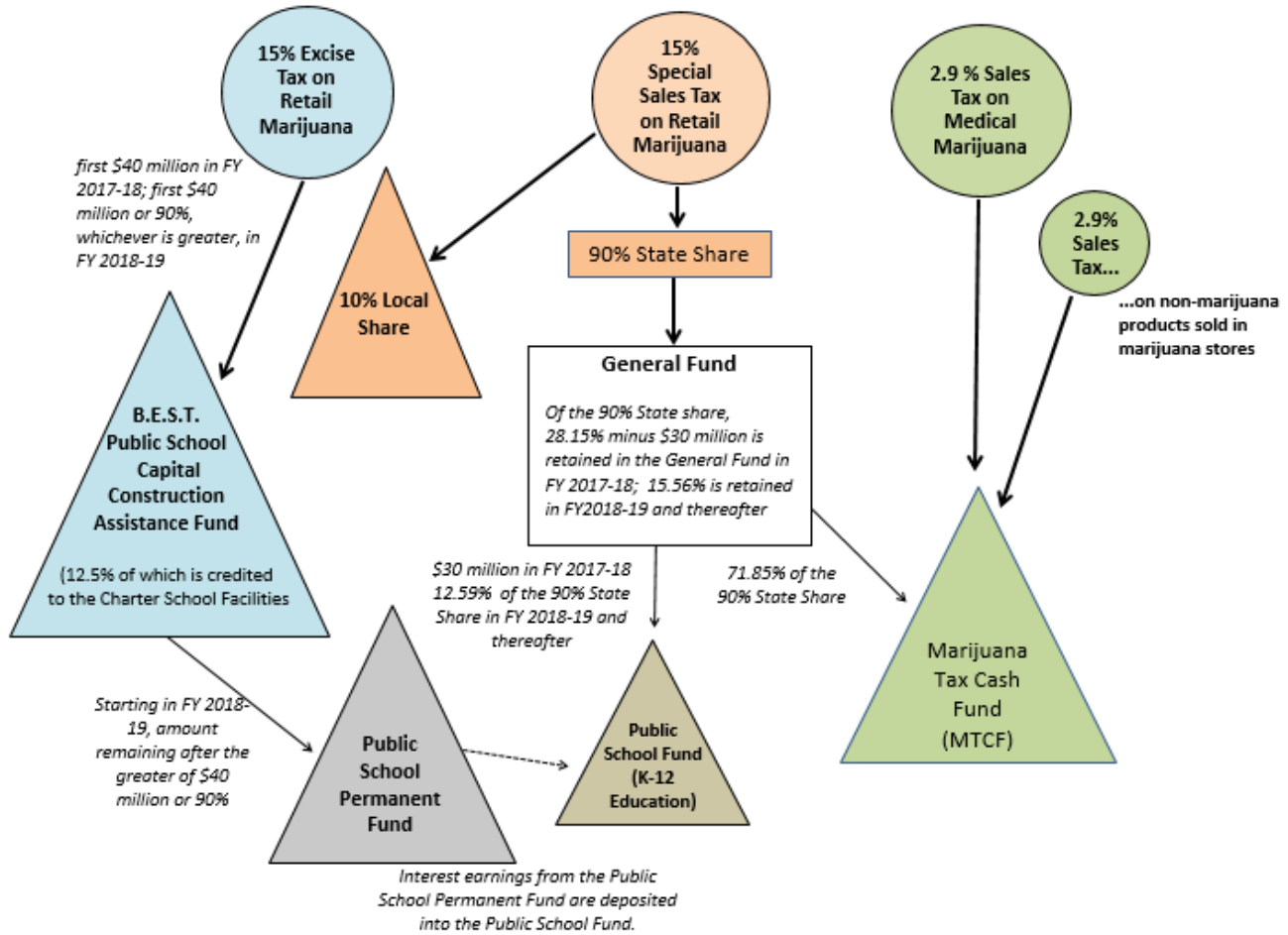
Where Does All the Money Go?

The tax revenue from marijuana is allocated across state agencies from the Marijuana Tax Cash Fund, to the General Fund, and into various funds for schools. Marijuana revenue makes up less than 1 percent of the total state budget and large portions of the revenue are dedicated (by the constitution or state statute) to specific purposes, meaning there is not much discretion in how total revenue is spent. In FY 2017-18, approximately 46 percent of all marijuana taxes benefitted education. See the tables and flow charts on the next page for more information.

The four tax types are shown in the table above. Of the 15% special sales tax, 90 percent is kept by the state, and 10 percent is distributed directly to local governments. Of the 90 percent state share, 71.85 percent is directed to the Marijuana Tax Cash Fund. In FY 2017-18 only, the other 28.15 percent was split between the Public School Fund for rural schools (\$30 million) and the General Fund, which was intended to offset the business personal property tax credit from S.B. 17-267. Beginning in FY 2018-19, the other 28.15 percent will again be distributed to the Public School Fund (12.59 percent) and to the General Fund (15.56 percent). Of the 15% excise tax, in FY 2017-18, the first \$40 million went to the Building Excellent Schools Today (BEST) school capital construction fund, and anything more than \$40 million annually was directed to the Public School Permanent Fund (trust fund), the interest of which is deposited into the Public

School Fund to pay for maintenance and operations of schools. Beginning in FY 2018-19, BEST will receive the first \$40 million or 90 percent of the excise tax, whichever is greater, and the remainder to the Public School Permanent Fund.

Marijuana Tax Revenue Distributions



Marijuana Tax Revenue Distributions FY 2017-18 through FY 2019-20
(Dollar Amounts in Millions)

Fiscal Year	Total Revenue (2.9% Medical, 2.9% Retail, 15% Excise and 15% Sales)	Local Share	General Fund	BEST School Capital Construction	Public School Permanent Fund	Public School Fund	Marijuana Tax Cash Fund
Total FY 2017-18 Actual	\$250.9	\$16.7	\$12.4	\$40.0	\$28.0	\$30.0	\$123.9
Total FY 2018-19 Projected	\$249.8	\$18.2	\$25.5	\$51.2	\$5.8	\$20.6	\$127.6
Total FY 2019-20 Projected	\$253.3	\$18.8	\$26.3	\$50.9	\$5.7	\$21.3	\$130.3

Marijuana Tax Cash Fund

In 2014, the General Assembly enacted S.B. 14-215, which states that marijuana tax revenue in the Marijuana Tax Cash Fund can be spent only in the fiscal year following the fiscal year in which it is collected, or in arrears. With the exception of funding for the Department of Revenue, marijuana tax revenue available to spend in the FY 2019-20 budget is limited to collections received in FY 2018-19. This fund is also required to maintain a reserve of 6.5 percent of its available revenue.

The Department of Revenue projects marijuana tax revenue to total \$249.8 million in FY 2018-19, with \$127.6 million being deposited into the Marijuana Tax Cash Fund. In FY 2017-18, the actual revenue to the Fund was \$123.9 million, so this year we are expecting a very small increase in Marijuana Tax Cash Fund revenue of only \$3.7 million from the previous year. This annual revenue would not be enough to fund the transfers and appropriations already set in the base for FY 2019-20, which now total more than \$130.0 million. However, because actual expenses have been lower than appropriations in past years, there is a balance that can be carried forward to cover these appropriations.

Governor's Request from Marijuana Tax Cash Fund

In FY 2019-20, we are requesting \$130.5 million from the Marijuana Tax Cash Fund. This includes \$3.1 million in new decision items, \$125.6 million in the base from FY 2018-19, and \$1.7 million in transfers from H.B. 18-1323. New items requested are the following:

- The Department of Transportation requests \$500,000 Marijuana Tax Cash Funds (MTCF) for FY 2019-20, as well as a corresponding decrease in spending authority from the First Time Drunk Driver Fund (FTDD). This revenue neutral refinancing of spending authority for CDOT's First Time Drunk Driver program, which supports local law enforcement for High Visibility Impaired Driving Enforcement, will ensure that critical impaired driving enforcement efforts continue unimpeded.
- The Department of Public Safety requests \$1.7 million from the Marijuana Tax Cash Fund in FY 2019-20 and beyond to refinance Colorado Bureau of Investigation (CBI) toxicology laboratory funding. The financing structure would result in the elimination of toxicology testing fees, thereby making a full alcohol and drug panel a zero cost option for state and local law enforcement agencies.
- The Department of Revenue requests a transfer of \$914,416 in FY 2019-20 from the Marijuana Cash Fund (business and licensing fees) to the Marijuana Tax Cash Fund to pay for an increase of 5.0 FTE for a full-time CBI Black Market Task Force. Accompanying this request is \$2.2 million and 8.0 FTE from the Marijuana Cash Fund to add enforcement agents in the Marijuana Enforcement Division to support the state's black market enforcement efforts.

The table below shows the total spending out of the fund (in arrears) and the remaining balance for FY 2019-20 after the Governor's request.

Funds Available for Appropriation from the Marijuana Tax Cash Fund for FY 2019-20	
Description	Amount
Beginning fund balance as of July 1, 2018	165,350,747
LESS: FY 2018-19 Appropriations for various departments from prior year revenues	(129,546,451)
LESS: FY 2018-19 Supplemental Requests	-
Transfers (to)/from the General Fund booked and requested in FY 2018-19	(989,470)
PLUS: Requested Transfer from Marijuana Cash Fund to MTCF in FY 2018-19	914,416
PLUS: Total projected revenue to be collected in FY 2018-19 per Sept 2018 forecast	127,656,103
<i>State share (MTCF portion) of special (15%) sales tax on retail marijuana</i>	<i>117,815,103</i>
<i>Regular (2.9%) sales tax on retail marijuana</i>	<i>719,000</i>
<i>Regular (2.9%) sales tax on medical marijuana</i>	<i>9,122,000</i>
<i>Interest and accounting adjustments</i>	<i>-</i>
LESS: FY 2018-19 Appropriation to Department of Revenue for regulatory enforcement	(1,245,366)
EQUALS: Total funds available in the fund for FY 2019-20	162,139,979
LESS: Statutorily required reserve (6.5 percent)	(10,539,099)
EQUALS: Funds Available for Appropriation or Transfer for FY 2019-20	151,600,881
LESS: Total FY 2019-20 Governor's Request	(129,206,783)
LESS: Transfers (to)/from the General Fund booked or requested in FY 2019-20	(1,717,764)
LESS: FY 2019-20 Request	(127,489,019)
EQUALS: Funds Remaining Available Above Statutorily Required Reserve	22,394,098

The next table shows appropriations and actual expenditures for the two prior fiscal years, the appropriation for the current year, and the Governor's request from the Marijuana Tax Cash Fund by department. On the following pages, there is a more detailed breakdown by department by line item.

Statewide Marijuana Tax Cash Fund Appropriations and Expenditures						
Department	FY 2016-17 Appropriation	FY 2016-17 Actual	FY 2017-18 Appropriation	FY 2017-18 Actual	FY 2018-19 Appropriation	FY 2019-20 Request
Agriculture	3,114,098	2,266,446	2,209,783	1,400,212	1,827,477	1,837,500
Education	8,478,160	8,423,844	20,419,330	20,308,352	21,398,827	21,402,319
Governor	216,944	216,944	1,726,824	1,019,670	1,205,479	1,253,640
Health Care Policy and Financing	750,000	721,699	750,000	750,000	1,675,000	1,500,000
Higher Ed	900,000	899,256	3,300,000	3,010,732	3,050,000	1,800,000
Human Services	16,634,353	15,788,457	37,556,743	27,515,810	43,030,700	43,784,908
Judicial	1,550,000	1,550,000	1,571,728	1,571,728	1,587,445	1,587,445
Labor	500,000	279,733	165,296	384,752	1,000,000	-
Law	1,036,766	696,304	1,036,766	531,714	1,201,686	1,202,263
Local Affairs	1,180,695	1,263,480	22,477,965	17,207,132	21,635,398	21,664,856
Public Health	18,098,462	17,066,152	20,730,746	20,375,765	27,597,600	23,656,928
Public Safety	722,809	726,488	1,550,794	1,463,659	3,386,839	6,349,160
Regulatory Agencies	-	-	304,225	31,040	-	-
Revenue	7,707,249	6,282,703	1,591,805	948,863	1,245,366	1,299,083
Transportation	950,000	937,706	950,000	947,505	950,000	1,450,000
Transfers Out	26,277,661	26,277,661	37,500	37,500	989,470	1,717,764
Total	88,117,197	83,396,874	116,379,505	97,504,433	131,781,287	130,505,866



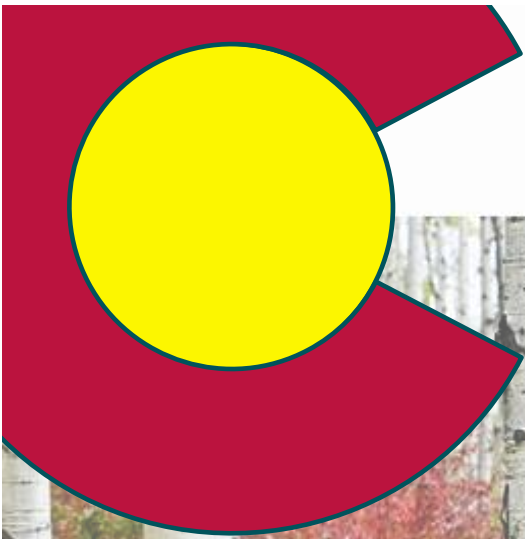
Department	Long Bill Line Item Name	FY 2016-17 Appropriation	FY 2016-17 Actual Expenses	FY 2017-18 Appropriation	FY 2017-18 Actual Expenses	FY 2018-19 Appropriation	FY 2019-20 Request	
Agriculture	Health, Life, and Dental	39,635	-	130,299	-	130,697	95,697	
	Short-term Disability	375	-	1,273	-	1,339	1,339	
	Amortization Equalization Disbursement	9,468	-	33,081	-	36,417	36,417	
	Supplemental Amortization Equalization Disbursement	9,369	-	33,081	-	36,417	36,417	
	Salary Survey	-	-	187,322	-	9,239	-	
	Merit Pay	-	-	83,536	-	-	-	
	Legal Services	370,483	47,618	148,565	40,940	40,995	95,257	
	Vehicle Lease Payments	66,300	17,084	11,140	26,370	26,988	26,988	
	Plant Industry Division	1,387,276	958,352	1,116,843	861,260	977,873	977,873	
	Inspection and Consumer Services Division	64,643	76,843	64,643	71,643	109,512	109,512	
	Indirect Cost Assessment	21,691	21,691	100,000	100,000	158,000	158,000	
	FFA and 4H Funding	300,000	300,000	300,000	300,000	300,000	300,000	
	Capital Construction Projects	844,858	844,858	-	-	-	-	
	Agriculture Total		3,114,098	2,266,446	2,209,783	1,400,212	1,827,477	1,837,500
	Education	Health, Life, and Dental	7,829	-	30,269	-	35,460	26,453
		Short-term Disability	141	-	518	-	507	358
Amortization Equalization Disbursement		3,716	-	14,686	-	15,711	10,451	
Supplemental Amortization Equalization Disbursement		3,677	-	14,686	-	15,711	10,451	
PERA Direct Distribution		-	-	-	-	-	7,396	
Salary Survey for Classified Employees		-	-	275	-	1,279	-	
Salary Survey for Exempt Employees		-	-	5,325	-	8,934	-	
Merit Pay		-	-	-	-	-	8,641	
Merit Pay for Classified		-	-	118	-	-	-	
Merit Pay for Exempt Employees		-	-	2,182	-	-	-	
Workers' Compensation		296	296	242	242	248	148	
Leased Space		2,990	-	758	-	-	-	
Capitol Complex Leased Space		-	-	810	810	11,446	10,030	
Payments to OIT		-	-	-	-	-	8,173	
CORE Operations		-	-	-	-	-	229	
School Health Professionals Grant Program (Marijuana)		2,280,833	2,245,171	11,970,783	11,921,833	11,930,434	11,937,032	
Early Literacy Competitive Grant Program		4,378,678	4,378,678	4,378,678	4,378,678	5,378,678	5,378,678	
School Bullying Prevention and Education Cash Fund		900,000	900,000	2,000,000	2,000,000	2,000,000	2,000,000	
Office Of Dropout Prevention And Student Reengagement		900,000	899,700	2,000,000	2,006,788	2,000,419	2,004,279	
Education Total		8,478,160	8,423,844	20,419,330	20,308,352	21,398,827	21,402,319	
Governor's Offices, including OIT	Administration of Governor's Office and Residence	-	-	97,199	117,199	102,849	106,912	
	Health, Life, and Dental	12,024	-	9,027	-	9,127	-	
	Short-term Disability	331	-	344	-	379	-	
	Amortization Equalization Disbursement	6,612	-	4,403	-	4,428	-	
	Supplemental Amortization Equalization Disbursement	6,387	-	4,403	-	4,428	-	
	Salary Survey	-	-	1,823	-	1,865	-	
	Indirect Cost Assessments	-	-	-	-	7,978	7,978	
	Office of Marijuana Coordination	191,590	216,944	-	-	-	-	
	Evidence-based Policymaking Evaluation and Support	-	-	500,000	323,579	435,675	500,000	
	Office of Information Technology, Applications Administration	-	-	1,109,625	578,892	638,750	638,750	
Governor's Office Total		216,944	216,944	1,726,824	1,019,670	1,205,479	1,253,640	
Health Care Policy and Financing	SBIRT Training Grant Program	750,000	721,699	750,000	750,000	1,675,000	1,500,000	
Health Care Policy and Financing		750,000	721,699	750,000	750,000	1,675,000	1,500,000	
Higher Education	Institute of Cannabis Research at CSU-Pueblo	900,000	899,256	1,800,000	1,800,000	1,800,000	1,800,000	
	Medication Treatment Pilot Program	-	-	500,000	475,648	500,000	-	
	Research Center Prevention Substance Abuse Addiction	-	-	1,000,000	735,085	750,000	-	
Higher Education Total		900,000	899,256	3,300,000	3,010,732	3,050,000	1,800,000	
Human Services	Health, Life, and Dental	-	-	51,875	-	16,820	339,907	
	Short-term Disability	-	-	767	-	997	1,009	
	Amortization Equalization Disbursement	-	-	-	-	29,697	30,017	
	S.B. 06-235 Supplemental Equalization Disbursement	-	-	-	-	29,692	30,012	
	Salary Survey	-	-	-	-	33,382	12,274	
	Merit Pay	-	-	-	-	-	61,990	
	Worker's Compensation	-	1,292	-	-	-	-	
	Payments to Risk Management	-	679	-	-	-	-	
	Office of Operations Administration Personal Services	784,639	-	-	-	-	-	
	Tony Grampas Youth Services Programs	373,672	373,654	1,373,672	1,303,794	1,373,672	1,373,672	
	Appropriation to the Youth Mentoring Services Cash Fund	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
	Division of Child Welfare Indirect Cost Assessment	-	-	384,123	384,123	37,098	37,098	
	Incredible Years Program	-	-	-	-	481,236	675,094	
	Community Behavioral Health Administration Personal Services	216,430	205,522	288,059	20,980	398,852	406,000	
	Community Behavioral Health Administration Operating Expenses	21,673	21,075	40,528	1,562	41,494	36,870	
	Mental Health Services for Juvenile and Adult Offenders	3,200,185	2,900,185	5,519,298	5,142,439	5,574,491	5,574,491	
	Mental Health Treatment Services for Youth	-	300,000	304,205	304,205	407,247	711,452	
	Treatment and Detoxification Contracts	5,928,632	5,928,632	105,000	105,000	80,000	80,000	
	Increasing Access to Effective Substance Disorder Services (SB 16-202)	-	-	12,084,109	9,232,174	15,204,950	15,204,950	
	Community Prevention and Treatment Programs	756,298	756,298	756,298	591,695	763,861	763,861	
	Crisis Response System Services	-	-	4,070,318	3,471,200	4,386,807	4,386,807	
	Criminal Justice Diversion Programs	-	-	5,517,942	1,186,673	5,561,828	5,561,828	
	Community-Based Circle Program	-	-	825,165	30,000	1,993,511	1,993,511	
	Rural Co-occurring Disorder Services	500,000	500,000	1,035,529	910,560	1,045,884	1,045,884	
	Medication Consistency and Health Information Exchange	-	-	-	-	491,700	380,700	
	Mental Health Institute at Ft Logan Personal Services	-	-	172,114	51,503	172,114	172,114	
	Mental Health Institute at Ft Logan Operating Expenses	-	-	19,084	8,406	2,850	2,850	
	Mental Health Institute at Pueblo Personal Services	-	-	288,317	184,190	323,935	323,935	
	Mental Health Institute at Pueblo Operating Expenses	-	-	82,935	65,743	4,750	4,750	
	Mental Health Institute at Pueblo Circle Program	1,852,824	1,852,824	-	-	-	-	
	Behavioral Health Indirect Cost Assessment	-	-	1,506,232	1,506,232	1,506,232	1,506,232	
	Youth Corrections S.B. 91-94 Juvenile Services	2,000,000	1,948,296	2,028,036	1,912,194	2,048,317	2,048,317	
	Youth Corrections Indirect Cost Assessment	-	-	103,137	103,137	19,283	19,283	
	Human Services Total		16,634,353	15,788,457	37,556,743	27,515,810	43,030,700	43,784,908



Department	Long Bill Line Item Name	FY 2016-17 Appropriation	FY 2016-17 Actual Expenses	FY 2017-18 Appropriation	FY 2017-18 Actual Expenses	FY 2018-19 Appropriation	FY 2019-20 Request
Judicial	Appropriation to the Correctional Treatment Cash Fund	1,550,000	1,550,000	1,571,728	1,571,728	1,587,445	1,587,445
Judicial Total		1,550,000	1,550,000	1,571,728	1,571,728	1,587,445	1,587,445
Labor and Employment	Colorado Veterans' Service-to-Career Pilot	500,000	279,733	165,296	384,752	1,000,000	-
Labor and Employment Total		500,000	279,733	165,296	384,752	1,000,000	-
Law (Attorney General's Office)	Safe2Tell	-	-	-	-	164,920	165,130
	Special Prosecutions Unit	286,766	213,985	286,766	35,681	-	-
	Peace Officers Standards & Training Board Support	750,000	482,319	750,000	496,033	1,036,766	1,037,133
Law		1,036,766	696,304	1,036,766	531,714	1,201,686	1,202,263
Local Affairs	Health, Life, and Dental	19,551	-	24,377	-	25,277	30,481
	Short-term Disability	228	-	228	-	178	288
	Amortization Equalization Disbursement	5,766	-	5,828	-	5,468	8,784
	Supplemental Amortization Equalization Disbursement	5,706	-	5,838	-	5,468	8,784
	PERA Direct Distribution	-	-	-	-	-	6,864
	Salary Survey	2,625	-	3,842	-	10,633	-
	Merit Pay	-	-	1,570	-	-	9,451
	Workers' Compensation	-	-	-	-	6,106	5,321
	Legal Services	4,726	-	9,059	4,753	-	8,095
	Payments to Risk Management and Property Funds	-	-	-	-	2,542	2,417
	Capitol Complex Leased Space	-	-	-	-	23,921	21,528
	Payments to OIT	24,553	42,628	60,247	60,245	226,440	229,264
	Low Income Rental Subsidies	-	-	-	776,279	-	-
	Affordable Housing Grants and Loans	-	-	15,300,000	14,523,721	15,300,000	15,300,000
	Indirect Cost Assessment	-	-	-	-	69,390	69,390
	Local Government Marijuana Impact Grant Program	1,117,540	1,220,852	1,117,540	1,033,415	-	-
	Gray and Black Market Marijuana Enforcement Grants	-	-	5,919,036	778,319	5,940,151	5,944,365
	Indirect Cost Assessments	-	-	30,400	30,400	19,824	19,824
Local Affairs		1,180,695	1,263,480	22,477,965	17,207,132	21,635,398	21,664,856
Public Health and Environment	Health, Life, and Dental	24,058	-	14,675	-	242,101	242,101
	Short-term Disability	-	-	2,347	-	2,585	2,585
	Amortization Equalization Disbursement	-	-	61,875	-	76,019	76,019
	Supplemental Amortization Equalization Disbursement	-	-	61,875	-	76,019	76,019
	PERA Direct Distribution	-	-	-	-	-	41,788
	Salary Survey	-	-	2,421	-	46,408	-
	Merit Pay	-	-	-	-	-	66,802
	Vehicle Lease Payments	-	-	-	-	3,420	3,420
	Indirect Costs Assessment	-	-	-	-	35,852	35,852
	Distributions to Local Public Health Agencies	1,767,584	1,767,584	1,792,362	1,792,362	1,810,286	1,828,389
	Health Statistics and Vital Records Personal Services	238,000	254,818	238,000	236,004	238,000	238,000
	Health Statistics and Vital Records Operating Expenses	-	(16,958)	-	1,996	-	-
	Health Research Subaccount of the Medical Marijuana Program	-	-	-	-	3,000,000	-
	Indirect Cost Assessment	-	-	57,120	57,120	68,270	68,270
	Laboratory Services - Certification	294,141	294,217	1,295,543	1,341,225	698,656	721,756
	Laboratory Services Indirect Costs Assessment	-	-	310,991	310,991	200,991	200,991
	Disease Control and Environmental Epidemiology Indirect Costs Assess	-	-	101,611	101,611	109,611	109,611
	Marijuana Health Effects Monitoring	320,388	330,681	320,388	325,856	330,729	341,509
	Marijuana Retail Research Grants	343,622	271,871	866,122	806,912	867,167	558,840
	Prevention Services Administration	89,550	89,639	90,939	112,356	90,939	106,339
	Prevention Services Indirect Cost Assessment	-	-	613,899	613,899	1,545,131	1,545,131
	Marijuana Education Campaign	7,025,000	7,038,675	4,650,000	4,558,710	4,650,000	4,650,000
	Primary Care Office	-	-	-	-	2,500,000	2,500,000
	School-based Health Centers	-	-	-	-	775,000	-
	Healthy Kids Colorado Survey	745,124	745,124	745,124	745,124	748,314	748,314
	Grants & Assistance for Substance Abuse Prevention	397,612	373,103	378,800	397,706	425,288	438,378
	Substance Abuse Prevention Grants	6,730,000	5,871,013	9,030,000	8,877,239	8,995,512	8,995,512
	Poison Control	123,383	46,385	60,100	60,100	60,100	60,100
	Indirect Cost Assessment	-	-	1,202	1,202	1,202	1,202
Public Health and Environment Total		18,098,462	17,066,152	20,730,746	20,375,765	27,597,600	23,656,928
Public Safety	Health, Life, and Dental	21,324	-	26,389	-	26,389	241,829
	Short-term Disability	440	-	403	-	403	3,686
	Amortization Equalization Disbursement	11,120	-	10,892	-	10,892	111,642
	Supplemental Amortization Equalization Disbursement	11,004	-	10,892	-	10,892	111,642
	PERA Direct Distribution	-	-	-	-	-	30,891
	Salary Survey	-	-	8,463	-	9,283	732
	Merit Pay	-	-	-	-	-	38,949
	Workers' Compensation	-	-	-	-	-	-
	Payment to Risk Management and Property Funds	-	-	-	-	-	10,676
	Leased Space	-	-	-	-	20,000	46,680
	Payments to OIT	-	4,382	-	-	-	48,470
	CORE Operations	-	907	-	-	-	-
	Division of Criminal Justice Administrative Services	159,983	159,983	159,983	169,220	1,649,995	1,651,201
	Division of Criminal Justice Indirect Cost Assessment	-	-	-	-	21,485	21,485
	Juvenile Diversion Programs	400,000	371,637	400,000	360,802	400,000	400,000
	Vehicle Lease Payments	-	-	-	-	43,260	74,160
	Indirect Cost Assessment	-	-	-	-	108,753	307,700
	Colorado Crime Information Center Personal Services	47,287	60,699	47,287	52,560	47,287	47,287
	Colorado Crime Information Center Operating Expenses	14,653	43,453	14,653	-	14,653	14,653
	Laboratory and Investigative Services Personal Services	-	-	-	-	764,811	2,590,067
	Laboratory and Investigative Services Operating Expenses	-	-	-	-	166,779	422,230
	Laboratory and Investigative Services Overtime	-	-	-	-	-	68,235
	Office of Emergency Management Indirect Cost Assessment	-	-	-	-	-	13,946
	Office of Prevention and Security Personal Services	51,345	81,115	51,345	60,776	70,121	71,122
	Office of Prevention and Security Operating Expenses	5,653	4,312	5,653	5,467	5,653	5,653
	Office of Preparedness Program Administration	-	-	814,834	814,834	16,183	16,224
Public Safety Total		722,809	726,488	1,550,794	1,463,659	3,386,839	6,349,160



Department	Long Bill Line Item Name	FY 2016-17 Appropriation	FY 2016-17 Actual Expenses	FY 2017-18 Appropriation	FY 2017-18 Actual Expenses	FY 2018-19 Appropriation	FY 2019-20 Request	
Regulatory Agencies	Legal Services	-	-	200,000	-	-	-	
	Division of Professions and Occupations Personal Services	-	-	98,572	29,437	-	-	
	Division of Professions and Occupations Operating Expenses	-	-	5,653	1,603	-	-	
Regulatory Agencies Total		-	-	304,225	31,040	-	-	
Revenue	Health, Life, and Dental	-	-	197,088	-	-	-	
	Short-term Disability	-	-	2,594	-	-	-	
	Amortization Equalization Disbursement	-	-	68,259	-	-	1,926	
	Supplemental Amortization Equalization Disbursement	-	-	68,259	-	-	1,926	
	Salary Survey	-	-	26,018	-	-	1,238	
	Merit Pay	-	-	11,298	-	-	1,847	
	Legal Services	56,706	-	-	-	-	-	
	Tax Administration Personal Services	-	-	25,727	30,870	26,104	26,895	
	Tax Administration IT System (GenTax) Support	6,351	-	10,000	-	10,000	10,000	
	Taxation and Compliance Personal Services	-	-	1,012,937	725,112	1,035,363	1,075,251	
	Taxation and Compliance Operating Expenses	-	-	15,675	3,801	13,730	13,730	
	Taxpayer Services Personal Services	-	-	150,720	186,019	157,536	163,637	
	Taxpayer Services Operating Expenses	-	-	3,230	3,061	2,633	2,633	
	Marijuana Enforcement	7,270,388	5,930,988	-	-	-	-	
	Marijuana Enforcement Indirect Cost Assessment	373,804	351,716	-	-	-	-	
	Revenue Total		7,707,249	6,282,703	1,591,805	948,863	1,245,366	1,299,083
	Transportation	First Time Drunk Driving Offenders Account	500,000	493,244	-	-	-	500,000
Marijuana Impaired Driving Program		450,000	444,462	950,000	947,505	950,000	950,000	
Transportation Total		950,000	937,706	950,000	947,505	950,000	1,450,000	
Transfers	Ft. Lyon Expenses per 39-28.8-501(4)(d) on July 1, 2016 (HB 16-1418)	1,977,661	1,977,661					
	Prop BB General Fund Payback per 39-28.8-501(4)(d) on July 1, 2016 (HB 16-1418)	24,300,000	24,300,000					
	HB 17-1351 Offset General Fund in HCPF for a study of inpatient Substance Use Disorder (SUD) treatment			37,500	37,500			
	HB 18-1323 Pay for Success Projects					989,470	1,717,764	
Transfers Total		26,277,661	26,277,661	37,500	37,500	989,470	1,717,764	
Statewide Total		88,117,197	83,396,874	116,379,505	97,504,433	131,781,287	130,505,866	



FY 2019-20 GOVERNOR'S REQUEST

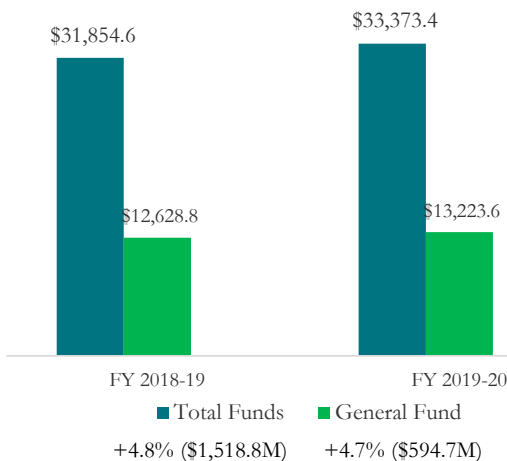
\$13.2 billion General Fund

\$33.4 billion Total Funds

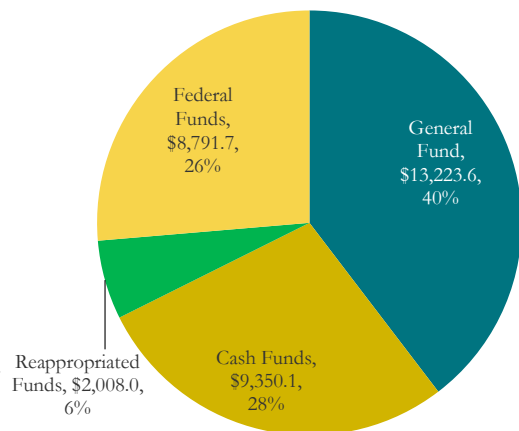
"As we prepared this final budget for Colorado, under strong financial conditions and with multiple opportunities for investments, I could not help but look back to 8 years ago and the deep cuts to our state budget from the Great Recession. Since that time, Colorado has worked hard to rebuild, and our economic recovery has surpassed the nation's. Colorado's giddy-up attitude has achieved this boom while keeping one of the lowest revenue per capita burdens in the country, with only 8 states that have a lower burden; keeping state growth below 2009 levels when adjusted for inflation and population; and strengthening our financial position by building reserves and paying down unfunded liabilities for our retirement system."

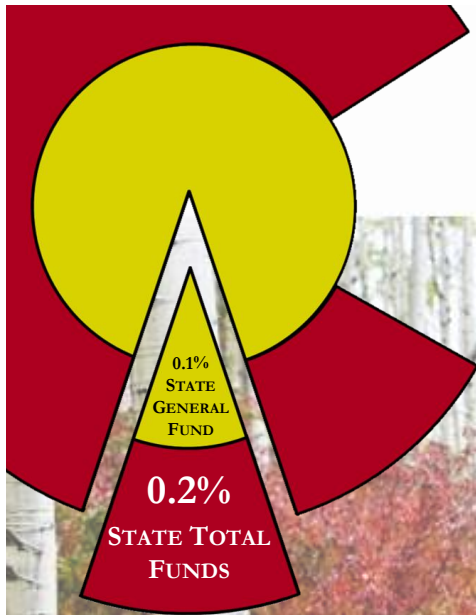
-Governor John Hickenlooper

Total Funds and General Fund
\$s in Millions
FY 2018-19 to FY 2019-20



Breakdown of Total Funds, \$s in Millions, FY 2019-20





FY 2019-20 GOVERNOR'S REQUEST

\$12.1 million General Fund
Share of Statewide General Fund: 0.1%

\$54.5 million Total Funds
Share of Statewide Total Funds: 0.2%

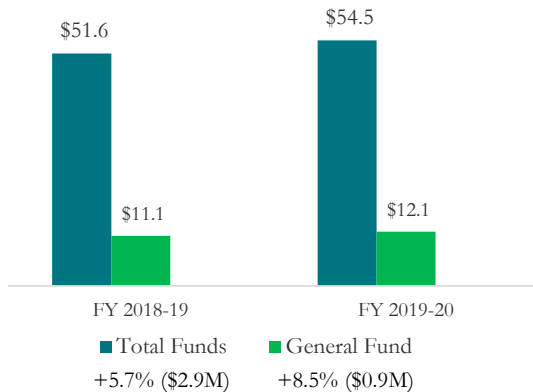
Mission Statement

To strengthen and advance Colorado agriculture; promote a safe, high quality and sustainable food supply; and protect consumers, the environment, and natural resources.

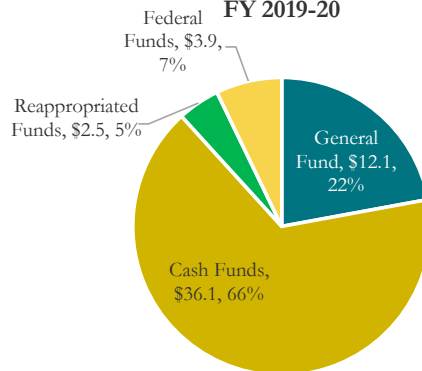
Department Description

Colorado's agriculture industry contributes significantly to the state's overall economy, creates employment for more than 173,000 Coloradans, and generates an estimated \$40 billion in economic activity annually. The Colorado Department of Agriculture (CDA) supports the industry and all of Colorado's citizens through a wide range of regulatory and service related activities that are delivered through the Office of the Commissioner and CDA's seven operating divisions. These divisions include the Animal Health Division, the Brands Division, the Colorado State Fair, the Conservation Services Division, the Inspection and Consumer Services Division, the Markets Division, and the Plant Industry Division.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



1

Enhance Coloradans' Understanding of Agriculture

The Department seeks to communicate information about Colorado agriculture and Department programs to the public and the media.

- The Department aims to inform Coloradans about food and agricultural products grown, raised, or processed in Colorado through state and local marketing including Colorado Proud, Farm Fresh, Colorado MarketMaker, and other listings.
- The Department tracks the percentage of consumers supportive of Colorado agriculture through the Public Attitudes about Agriculture in Colorado survey. Key findings from the 2016 survey suggest that Coloradans remain highly supportive of agriculture. For example, 90% of Coloradans believe that agriculture contributes to the quality of life in Colorado.

2

Improve the Customer Service Experience for Department Stakeholders

The Department aims to enhance customer service and drive operational efficiencies.

- The number of Department programs successfully completing renewal applications online using AgLicense, a program that enables customers to apply or renew and pay for their licenses, registrations, and inspections online, increased from 15 (2016) to 19 (2017).
- Another strategy to create efficiencies at the Department is through performing LEAN process improvement analyses. The number of LEAN analyses increased from 4 (2016) to 11 (2017) at the Department, surpassing the goal of 6 LEAN analyses.

3

Increase Marketing and Sales Opportunities in Colorado's Food & Ag Chain

The Department seeks to increase annual cash receipts of Colorado farmers and ranchers from agricultural production and to outperform the broader U.S. benchmark.

- Maintaining regulatory disease-free status is central to the ability of Colorado's livestock producers to continue to move livestock and products freely through interstate and international market channels. In 2017, the Department once again achieved disease-free status.
- Trade development and export promotion, another key strategy, focuses on connecting Colorado food and agricultural suppliers with international buyers. The Department reports that 80% of suppliers report an increase in existing business as a result of participating in promotion(s).

FY 2019-20 CHANGE REQUESTS



R-01 Biological Pest Control

\$77,429 Total Funds, \$77,429 General Fund



Improve
Customer
Service

- The Department of Agriculture (CDA) requests \$77,429 General Fund to add 1.0 FTE on-going to implement a biological control agent for Canada Thistle, and to have staff capacity for developing additional control agents.
- Since 2013, CDA has worked with USDA to develop a highly specific fungus that is capable of killing Canada Thistle by infecting the root system. Following very successful field trials, this program is ready for implementation, and CDA currently has well over 400 requests for this biological control agent from farmers, ranchers, and weed managers throughout Colorado.
- This request will enable CDA to implement this biological control agent, and to develop additional biological control agents for invasive species.

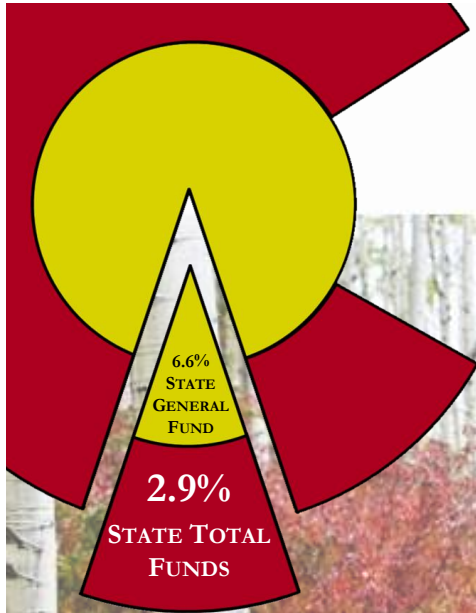
R-02 International Marketing for CO Agriculture

\$300,000 Total Funds, \$300,000 General Fund



Increase
Marketing
and Sales
Opportunities

- The Department of Agriculture requests \$300,000 General Fund for international marketing programs.
- General Fund currently appropriated for the Markets Division primarily supports staff and general operating costs. All funding for marketing and promotion must be developed annually, through grants and partnerships.
- Consistent General Fund support will increase the marketing and promotions of Colorado agriculture products, and will result in significant return on investment. Surveys show that more than 80 percent of suppliers develop new business as a result of participating in the Department's activities.



FY 2019-20 GOVERNOR'S REQUEST

\$878.6 million General Fund
Share of Statewide General Fund: 6.6%

\$979.1 million Total Funds
Share of Statewide Total Funds: 2.9%

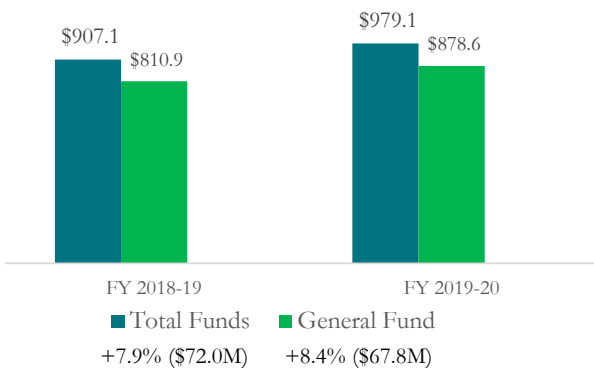
Mission Statement

To protect the citizens of Colorado by holding offenders accountable and engaging them in opportunities to make positive behavioral changes and become law-abiding, productive citizens.

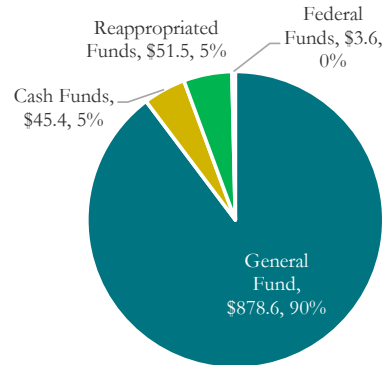
Department Description

The Colorado Department of Corrections (DOC) manages, supervises and operates 19 state-owned correctional facilities and contracts with private providers for additional bed space at four correctional facilities. As of September 30, 2017, the DOC is responsible for housing and supervising a total of 19,803 offenders in both state and private facilities and for supervising 8,929 parolees. The DOC staff includes correctional officers, teachers, maintenance staff, medical providers, food service staff, and administrators. The DOC also operates the Youthful Offender System which serves as a middle tier sentencing option for violent youthful offenders. In addition, the DOC operates treatment and education programs for offenders who are incarcerated and on parole to help reduce the likelihood that an offender returns to prison. The Department also operates the Colorado Correctional Industries (CCI), which is a self-funded enterprise agency within the DOC that employs offenders in various businesses.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**





1

Establish an Offender Mentoring Program Through In-Reach Services

The Department will establish an offender mentoring program through in-reach services at all level III and above facilities by June 30, 2019, which will utilize mentors to assist offenders through their transition from prison to the community.

- To create the program, the Department will distribute surveys to offenders in the re-entry living units/ pods to gather ideas to help formulate the mentoring program. The intent of the survey will be to capture the pros and cons of the mentoring program before release from prison.

2

Decrease the Recidivism Rate

The DOC aims to reduce the rate of recidivism from 50% to 48% by June 30, 2019. Recidivism is defined as a return to prison or inmate status for a new crime or technical violation within three years of release.

- The Department seeks to establish partnerships with workforce centers and second chance employers. By July 1, 2019, the DOC aims to have 20 partnerships with workforce and second chance employers.
- The DOC will increase the use of permanent supportive housing and rapid rehousing funds through DOLA. By July 1, 2019, the Department aims to give 35 parolees permanent supportive housing vouchers through DOLA.

3

Increase the Use of the Women's Risk Needs Assessment (WRNA)

The Department will increase the percentage of female offenders assessed with the Women's Risk/ Needs Assessment (WRNA) from 44% to 100% by June 30, 2019, to address the gender responsive risks and needs of female offenders within a correctional setting for successful programming.

- The DOC will implement the WRNA tool at the Denver Reception and Diagnostic Center (DRDC) to capture 100% of new intake assessments.
- The Department will develop a plan with the Office of Information Technology, using the new DeCORuM system, to introduce an electronic version of the assessment tool.



4

Increase Percentage of Parolees Who are Employed

The Department will increase the percentage of parolees who are employed from 81% to 84% by June 30, 2019, to support parolees in their preparation to gain independence and build a successful life in the community.

- The Department aims to track employment of parolees by creating employment designations in the Colorado Web-based Integrated Support Environment (CWISE). This tracking system will show those parolees who have jobs and those who do not. Adult Parole staff will collaborate with CWISE and DOC's Office of Planning and Analysis to establish accurate reporting..
- The DOC will work with offenders to receive job interviews prior to release from prison. The offenders will be placed through a screening process that looks at their work history prior to and during incarceration, education level, work skills, certifications, behavior, and criminal history. It is the DOC's goal to have employment in place for parolees to better equip offenders for a successful parole period.

5

Implement a Mental Health Peer Assistant Program

The DOC will implement a mental health peer assistant program in all level III and above general population facilities that house offenders with mental health needs by June 30, 2019.

- This program will utilize trained offenders as peer assistants to other offenders who may be struggling with thoughts of self-harm or stressors. A 32 hour, 4 day training will be required and will teach the skills that will needed to perform the role as a mental health peer assistant. By July 1, 2019, the Department seeks to have 10 assigned peer assistants and 13 facilities using the program.
- The Department will collect mental health data at facilities that will be implementing the mental health peer assistant program before it is implemented to have a baseline of data for future analysis. The Department will then regularly collect data to compare to the baseline with the anticipation that the program is making a positive impact.

FY 2019-20 CHANGE REQUESTS



R-01 Staff Retention

\$17.5 million Total Funds, \$17.1 million General Fund

- The Department of Corrections (DOC) requests an increase of \$17,543,420 total funds (\$17,090,765 General Fund) in FY 2019-20 to provide a phase I salary progression for three key job classes that are experiencing high turnover.
- The Correctional Officer I, Correctional Officer II, and CSTS I classifications comprised 56.1% of DOC's work force in FY 2017-18; however, these same classifications contributed to 63.7% of the Department's total turnover.
- For phase I, in FY 2019-20, the request fills vacancies at the halfway point between the range minimum and the prevailing market rate and uses compression pay to increase base pay for existing staff. In FY 2020-21, the request moves staff from the halfway point to the prevailing market rate.

R-02 DeCORuM Maintenance and Support

\$2.8 million Total Funds, \$2.8 million General Fund

- The Department requests a \$2,796,520 General Fund increase in FY 2019-20 in the Payments to Office of Information Technology (OIT) operating common policy line item. Beginning in FY 2014-15, the Department has received multiple information technology (IT) capital construction appropriations for the purpose of replacing its legacy offender management system with the new DOC Offender Records Management (DeCORuM) system. The new DeCORuM system has been developed in three phases, and in the FY 2017-18 Phase III request, DOC identified that ongoing maintenance and support costs would be necessary as an operating expense once the initial capital construction appropriation was fully utilized.
- Approval of this request will provide OIT with the reappropriated funds spending authority necessary to fulfill the contractual agreement with the system vendor and continue the maintenance and support of DOC's new DeCORuM system.

R-03A Prison Capacity

\$27.9 million Total Funds, \$27.9 million General Fund

- The Department requests an increase of \$27,895,074 total funds (\$27,866,945 General Fund, \$28,129 cash funds) and 222.2 FTE in FY 2019-20 and ongoing in order to address increasing prison population trends.
- The population projection from the July 2018 Colorado Division of Criminal Justice interim forecast indicates the prison population will increase through 2024. This increase results in a greater need for prison beds than what is currently funded.
- As of September 30, 2018, state male prison beds had a vacancy rate (not including specialized Residential Treatment Program [RTP] beds) of 0.8 percent, which is below the 2 percent vacancy rate recommend in the Prison Utilization Study.
- The Department has fewer prison beds than needed for housing male offenders based on the most recent population forecast for FY 2019-20. If approved, DOC will have increased funding to house the projected offender population in FY 2019-20.



FY 2019-20 CHANGE REQUESTS



R-03B La Vista Staff Increase

\$0.6 million Total Funds, \$0.6 million General Fund

- The Department requests a General Fund increase of \$626,300 and 8.9 FTE in FY 2019-20, annualized to \$668,706 and 9.8 FTE in FY 2020-21, in order to effectively manage an increase in the female offender population at La Vista Correctional Facility (LVCF).
- LVCF is a level III facility and is one of two state prisons that house female offenders. Due to recent increases in the female prison population, the operational capacity of LVCF was increased from 560 beds to 707 beds, for a total increase of 147 beds.
- When the capacity was increased at LVCF, the Department did not make any staffing adjustments because the increased population was believed to be temporary. Based on the steady increases during the last three fiscal years and the July 2018 prison population forecast from the Division of Criminal Justice, the Department now assumes that the capacity increase at LVCF is permanent.

R-03C Offender Dress Out

\$0.27 million Total Funds, \$0.27 million General Fund

- The Department requests a funding increase of \$270,847 General Fund in FY 2019-20 and ongoing for the costs associated with releasing offenders from prison.
- The Department is required by C.R.S. 17-22.5-202 to provide suitable clothing and \$100 in release funds to any offender that is entitled to be discharged or paroled (first release only). Additionally, the Department may furnish transportation to a releasing offender's residence or any other place in Colorado. This transportation is usually in the form of a bus ticket.
- Over the last three fiscal years, the Dress Out line appropriation has not been sufficient for the actual expenses and has been supplemented by operating funds.
- Now that the Department has experienced a significant appropriation shortfall in two of the past three years and the estimated number of releases from prison is expected to increase, additional funds are requested to make this program whole.

R-04 Medical Caseload


\$6.1 million Total Funds, \$6.1 million General Fund

- The Department requests a net General Fund increase of \$6,101,406 in FY 2019-20 and ongoing in the Medical Services Subprogram appropriations, representing a 15.3 percent increase from the FY 2018-19 funding level.
- The Department is statutorily mandated to provide medical care for offenders. The recipients of medical services are offenders housed in correctional facilities (both state and private), including those in the Youthful Offender System (YOS).
- Due to changes in the existing offender population, projected POPM cost changes for purchased medical services, and an increase in pharmaceutical costs, the existing appropriation for the Medical Services Subprogram will no longer be sufficient for the Department's needs.
- This request will adjust funding to match medical POPM needs and will allow the Department to provide statutorily-mandated health care to the offender population with more accurate appropriations.




FY 2019-20 CHANGE REQUESTS



R-05 Parole Caseload	
\$0.6 million Total Funds, \$0.6 million General Fund	
 Percentage of Parolees Who are Employed	<ul style="list-style-type: none"> The Department requests a \$1,538,131 General Fund increase in FY 2019-20 and ongoing for the Parole Subprogram contract lines in line with the projected parole population increase. Funding for the Parole Subprogram is dependent upon the population of parolees and caseload is adjusted based upon population projections. The total projected parole population for FY 2019-20 is 9,503, and increase of 1,223 parolees over FY 2018-19 funded levels.

R-06 Food Service Inflation	
\$0.25 million Total Funds, \$0.25 million General Fund	
<ul style="list-style-type: none"> The Department requests a \$248,403 General Fund increase in FY 2019-20 and ongoing in the Food Service subprogram and the Youthful Offender System (YOS) subprogram for food inflation. The request reflects a 1.5 percent increase for the Food Service Operating appropriation as well as the Food Service Pueblo Campus and YOS Maintenance and Food Service appropriations for meals prepared by the Colorado Mental Health Institute at Pueblo (CMHIP). The funding request will allow DOC and CMHIP to keep pace with food cost increases so that both departments can provide quality meals to offenders. 	

R-07 Re-entry Grant for Parolee Support	
\$3.2 million Total Funds, \$3.2 million General Fund	
 Percentage of Parolees Who are Employed	<ul style="list-style-type: none"> The Department requests an increase of \$3,194,425 General Fund in FY 2019-20 in the Parole Grants to Community-based Organizations for Parolee Support appropriation. The Department of Corrections received one-time reappropriated funds spending authority of \$3,286,000 in FY 2018-19. The funding was appropriated from the Correctional Treatment Cash Fund in House Bill (HB) 18-1176, Sunset Offender Reentry Grant Program. If approved, the request will continue the expanded grant program that began with the one-time funding in the bill.

R-08 Provider Rate Increase	
\$1.2 million Total Funds, \$1.2 million General Fund	
<ul style="list-style-type: none"> The Department requests an increase of \$1,195,076 total funds (\$1,159,561 General Fund) in FY 2019-20 to support a 1.0 percent provider rate increase. The Department receives funding in the Payments to House State Prisoners Subprogram to pay for the costs of housing offenders externally. The types of beds provided in this program include those found at county jails and private prison facilities. Should this request not be funded, external capacity providers will be forced to continue to absorb cost increases. This could potentially harm the collaborative partnership that currently exists between the Department and its private providers. 	



FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Corrections

CC-01 Sterling Correctional Facility Steam Condensate Line Replacement

\$6.6 million Total Funds, \$6.6 million General Fund

- The Department requests \$6,595,031 General Fund to replace the degraded and failing piping for the steam system that provides heating for the entire Sterling Correctional Facility (SCF) with new insulated condensate lines.
- The project scope includes associated fittings and control valves at each building in the facility, as well as isolation valves in other strategic locations.
- Without the replacement and upgrades detailed in this request, it is anticipated that the steam heating system will fail. This could result in the loss of use of the entire facility and relocation of up to 2,488 offenders of all custody levels, with emergency funds needing to be allocated to perform repair and replacement.

CC-03 Arkansas Valley Correctional Facility Utility Water Lines Replacement

\$7.0 million Total Funds, \$7.0 million General Fund

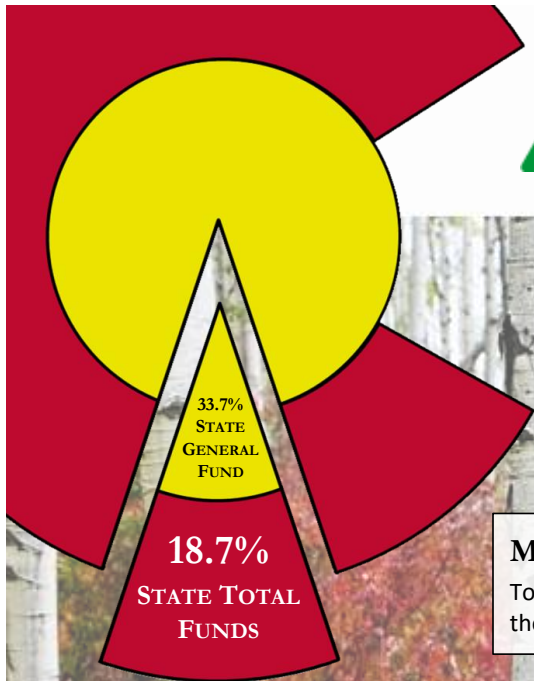
- The Department requests \$7,038,924 General Fund to replace the existing water lines (hot water and chilled water line loops) due to continually failing couplings and numerous breaks and leaks.
- The project includes the replacement of the exterior water utility distribution system, hot water piping mains, interior hot water distribution piping systems, chilled water piping mains, and existing water softener system, inclusive of associated fittings, valves, hangers, and insulation.
- Loss of any of these water service lines could result in an emergency closer of the facility, requiring relocation of up to 1,056 medium custody offenders, with emergency funds needing to be allocated to perform repair and replacement.

CC-05 Denver Reception and Diagnostic Center and Centennial Correctional Facility Population Swap

\$11.1 million Total Funds, \$11.1 million General Fund

- The Department requests \$11,122,534 General Fund to perform renovations and remodeling at Denver Reception and Diagnostic Center (DRDC) and Centennial Correctional Facility (CCF) for the purpose of swapping the offender populations and purposes of the two facilities.
- CCF consists of two prison facilities, CCF-North and CCF-South. CCF-North houses up to 336 offenders, but the 948 bed CCF-South is currently decommissioned pursuant to 17-1-104.3 – 1(V)b.5 C.R.S.
- This project includes the activation and re-purposing of CCF-South, through legislative action, for the transfer of the DOC reception and diagnostic functions currently performed at DRDC to CCF-South.
- When work is complete, CCF-S will utilize 442 beds as central reception and diagnostic review, while another 506 beds will be utilized for a centralized re-entry program. At DRDC, 340 beds will be utilized for Residential Treatment Program, while another 238 beds will be devoted to inmates with long-term care needs. Finally, at CCF-North, 192 beds will be devoted to a central transportation unit, while another 144 beds will provide a worker cadre to perform facility support functions.
- With approval of this request, Colorado will become the first state to re-purpose a maximum security prison facility (CCF-South) as a re-entry and diagnostic center, with services and treatment for offenders improved system wide.





FY 2019-20 GOVERNOR'S REQUEST

\$4.450 billion General Fund
Share of Statewide General Fund: 33.7%

\$6.243 billion Total Funds
Share of Statewide Total Funds: 18.7%

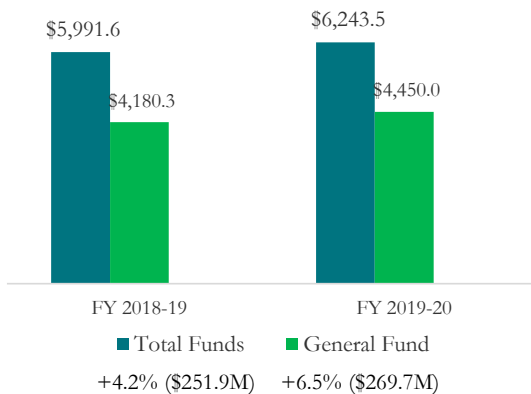
Mission Statement

To ensure equity and opportunity for every student, every step of the way.

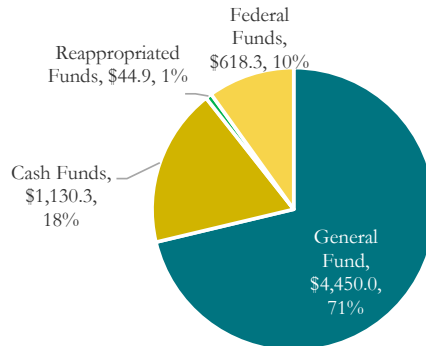
Department Description

The Colorado Department of Education (CDE) is the administrative arm of the Colorado State Board of Education. CDE provides leadership, resources, support, and monitoring for the state's 178 school districts, 1,824 schools, and over 62,039 educators to meet the needs of the state's 889,006 public school students. CDE also provides services and support to boards of cooperative educational services (BOCES), early learning centers, state correctional facility schools and libraries, the state's library system, adult/family literacy centers, and General Education Diploma (GED) testing centers. In addition, CDE supports the Colorado School for the Deaf and the Blind and the Charter School Institute.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



Breakdown of Total Funds, \$s in Millions, FY 2019-20



1

Strong Foundations

The Department seeks to support high quality early learning and literacy for all students.

- CDE aims to make sure students who struggle to read have every opportunity to strengthen and gain essential reading skills before entering fourth grade. By 2022, the Department projects a 3% annual reduction in the number of kindergarten through third-grade students who are identified as having a significant reading deficiency.
- By 2022, The Department projects a 10% increase annually in the number of early childhood settings rated as high quality by the Colorado Shines Quality Rating Improvement System.

2

All Means All

The Department seeks to expand access and opportunity for historically underserved students.

- To help accomplish this, the Department will establish a Strategic Equity Team to align data, projects, systems, practices, and programs to facilitate closing the opportunity and achievement gaps across Colorado.
- By 2022, CDE projects that 50% of underserved students will complete an AP course.

3

More Options

The Department seeks to expand high school options to ensure all students are ready for college or living-wage jobs.

- CDE will help school districts implement rigorous and useful graduation guidelines. By 2022, the Department projects that 95% of all students will be making progress toward a high school credential.
- The Department will promote individual Career and Academic Plans as a tool to help students complete high school and plan for their futures. By 2022, CDE projects that 100% of school districts will have at least three pathways or options for students.

4

Educators Matter

The Department seeks to develop a strong pipeline of high-quality teachers and principals and provide deeper support for school and district leaders.

- CDE will conduct a strategic analysis of educator preparation program rules, supports, and business practices involving educators in hard-to-fill content areas. By 2022, the Department projects a 2% decrease in the statewide teacher turnover rate.
- The Department will deepen the support for principals as they work to hire, develop, and retain high quality teachers to provide the highest outcomes for students.

5

Quality Schools

The Department seeks to prioritize and maximize support for schools and districts identified for academic improvements

- CDE will evaluate the effectiveness of the support for schools and districts and make adjustments needed to increase students' academic outcomes. By 2022, 80% of the schools with the two lowest ratings will improve to earn a satisfactory or higher rating and will sustain that rating for at least three years.
- The Department will develop processes and protocols for cross-department teams to coordinate support and increase coherence through the Support Coordinator role.

FY 2019-20 CHANGE REQUESTS



R-01 Total Program Increase

\$247.9 million Total Funds, \$261.1 million General Fund



All
Strategic
Initiatives

- The Department requests \$247.5 million total funds (\$261.1 million General Fund) in FY 2019-20 for the state share portion of the Public School Finance Act and \$387,731 million cash funds for the Hold Harmless Full-Day Kindergarten Program. The request is a 5.4% increase to state share payments from current FY 2018-19 appropriations.
- The request will fund a forecasted increase of 5,245 pupils (.6% increase) and an inflation rate of 3.0%. The request also reduces the Budget Stabilization Factor by \$77 million and maintains a \$108 million fund balance in the State Education Fund. The average per pupil funding amount will increase by \$358 (4.4%) to a total of \$8,498 in FY 2019-20.

R-02 Categorical Program Inflation Increase

\$9.2 million Total Funds, \$4.3 million General Fund



All
Strategic
Initiatives

- The Department requests a 3.0% inflationary increase of \$9.2 million total funds in FY 2019-20 for categorical programs. This funding is \$4.3 from the General Fund and \$5.0 million from the State Education Fund.
- Specifically, the Department requests the following : (1) \$5.0 million for special education for children with disabilities, (2) \$1.6 million for English language proficiency programs; (3) \$1.5 million for public school transportation; (4) \$622,580 for career and technical education; (5) \$186,915 for gifted and talented programs; and (6) \$237,700 for small attendance center aid.

R-03 Schools of Choice

\$360,374 Total Funds, \$360,374 General Fund



All
Strategic
Initiatives

- The Department requests \$360,374 General Fund for the Schools of Choice unit. The Schools of Choice unit provides federal funding, technical support and other services to charter schools and districts in Colorado. The unit is also responsible for meeting the Department's responsibilities under the Charter Schools Act. This request would allow the Department to focus on the increasing needs of more than 250 charter schools that serve approximately 120,000 Colorado students.

R-04 Funding for School Turnaround

\$2.4 Total Funds, \$ 2.4 General Fund



Quality
Schools

- The Department requests \$2,352,193 General Fund and 2.0 FTE to provide funding and technical assistance to lowest performing schools that do not qualify for the Federal Turnaround program. This funding includes \$1,995,000 in grants to schools, \$100,000 for program evolution, and 257,193 for staff and operations.

FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Education

R-05 Colorado Preschool Program Tax Check-off

\$410,000 Total Funds, \$0 General Fund



Strong Foundations

- The Department is requesting spending authority of \$410,000 from the Public Education Fund to provide one-time funding for students in the Colorado Preschool Program.
- Senate Bill 11-109 created a check-off item on the Colorado State income tax return for the Colorado Preschool Program.
- The Department will provide funding to all Colorado Preschool Programs with a one-time allocation. Each preschool site will receive a minimum of \$500, and the remaining funding will be awarded proportionally based on enrollment.

R-06 Charter School Institute Mill Levy Equalization

\$10.0 million Total Funds, \$5.0 million General Fund



Strategic Initiatives

- The Charter School Institute (CSI) Board requests additional \$5.0 million General Fund appropriation into the Mill Levy Equalization Fund for distribution to Colorado Charter School Institute schools. The total fund request is \$10.0 million (\$5.0 million General Fund and \$5.0 million reappropriated funds from the Mill Levy Equalization Fund). This request is in addition to the \$5,523,862 appropriated for FY 2018-19.
- HB 17-1375 provides, subject to appropriation, a mechanism to equalize funding for Institute Charter Schools that do not receive local mill override revenues from the local school districts where their schools are located.
- This funding will provides support to 37 CSI sponsored charter schools and approximately \$569 per pupil revenue.

R-07 CSDB Teacher Salary Increases

\$396,307 Total Funds, \$396,307 General Fund

- The Colorado School for the Deaf and the Blind (CSDB) requests an increase of \$396,307 General Fund for salary increases. CSDB teachers are not subject to the state's compensation policies. The request complies with statutory requirements that CSDB teachers are compensated based on the salary schedule for El Paso District 11.





R-08 Educator Leadership Council Emerging Priorities – Career Development

\$6.0 million Total Funds, \$0 General Fund



More
Options

- The Governor’s Office requests \$6.0 million, one-time, State Education Fund investments in programs that are aligned with the Governor’s priorities and emerging recommendations from the Education Leadership Council (ELC). The funding will be distributed for career development, concurrent enrollment, and career advising.
- Career development funding will provide incentives for 3,000 additional industry credentials in high-demand jobs across Colorado.
- Concurrent enrollment funding will provide innovation grants for 30 to 40 school districts.
- Career advising funding will be used for statewide expansion of highly trained career coaches for all sectors of the economy. This funding will generate capacity for more consistent career advising approach.

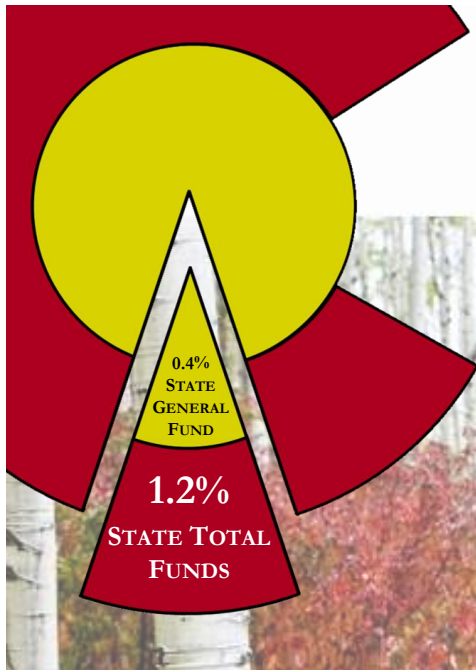
R-09 Educator Leadership Council Emerging Priorities – Educator Talent

\$4.0 million Total Funds, \$0 General Fund



Educators
Matter

- The Governor’s Office requests \$4.0 million, one-time, State Education Fund investments in programs that are aligned with the Governor’s priorities and emerging recommendations from the Education Leadership Council (ELC). The funding will be distributed for teacher shortage investments and principal training programs.
- Teacher shortage funding will be used to encourage new teachers entering the profession and for teacher retention. These one-time funds will be converted to grant programs in alignment with HB 18-1412 and HB 18-1332 to directly support districts, charter schools, and educator preparation programs.
- The funding will be used to develop a multi-year academy for school principals that will focus on the growth and development of multiple cohorts of Colorado principals with the intention of positively impacting student achievement, educator recruitment, and educator retention.



FY 2019-20 GOVERNOR'S REQUEST

\$49.8 million General Fund
Share of Statewide General Fund: 0.4%

\$406.5 million Total Funds
Share of Statewide Total Funds: 1.2%

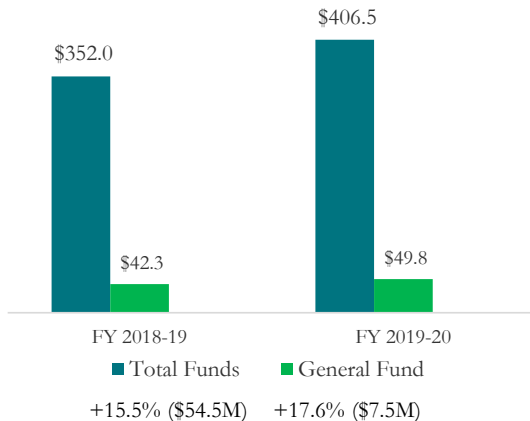
Mission Statement

The Governor's Office works every day to promote collaboration, innovation and efficiency to serve the greatest good for the people of Colorado.

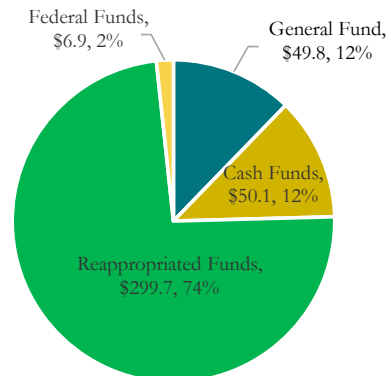
Department Description

The Governor's Office is the administrative head of the executive branch of Colorado State Government. As Chief Executive, the Governor works to deliver services to the citizens of Colorado and to ensure effective agency operations. Offices within the Governor's Office include: the Colorado Energy Office (promoting market-based solutions for economic development in the energy industry), the Lieutenant Governor's Office (who acts in the capacity of the Governor when the Governor is out of the state or is otherwise unable to perform his constitutional responsibilities, and also serves as the State's Chief Operating Officer), the Office of State Planning and Budgeting (providing the Governor with information and recommendations to make sound budget policy decisions), the Office of Economic Development and International Trade (assisting in strengthening Colorado's prospects for long-term economic growth by providing broad-based support to Colorado businesses), and the Office of Information Technology (overseeing technology initiatives throughout the state and implementing strategies to maximize efficiencies in information technology service delivery).

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



CEO STRATEGIC POLICY INITIATIVES



COLORADO
Energy Office

1

Launch Customer Service Feedback Surveys

The Colorado Energy Office (CEO) seeks to launch customer feedback surveys for 5 of the CEO's programs and compile feedback results by June 30, 2019. These surveys will be incorporated into CEO's annual strategic planning process.

- For the first half of FY 2018-19, CEO will develop baseline metrics and create common questions for each of the 5 program surveys.

2

Increase the Number of New Electric Vehicles (EV) Sold

The CEO seeks to increase the number of *new* electric vehicles (EV) sold on an annual basis from 4,156 in 2017 to 20,700 by 2021 and increase the total number of gasoline gallon equivalents of compressed natural gas (CNG) sold on an annual basis from 9,664,149 in 2017 to 16,462,000 by 2021.

- To achieve this goal, the department will install community-based charging stations to improve electric vehicle charging access, perform fleet training to increase understanding and adoption of EVs and CNG vehicles, and install fast-charging stations to improve EV charging access for all Coloradans.

3

Increase Annual Savings for Weatherization Assisted Program Clients

The CEO seeks to increase average annual customer cost savings for Weatherization Assistance Program (WAP) clients from \$330 to \$400 by June 30, 2021.

- The Department will accomplish this goal by targeting homes with high energy cost savings potential, and increasing the percentage of homes where at least three major energy service measures are installed.

4


Create New Projects

Through the Colorado Agricultural Energy Efficiency Program (AgEE), the CEO will facilitate the implementation of 15 projects by June 30, 2019.

- The Department will accomplish this goal by providing financial resources, access to financing, and leverage utility and trade ally contacts to decrease barriers to energy efficient projects.
- The Department will also provide resources to producers to promote peer-to-peer education and networking.





R-01 EV Grant Funding Spending Authority Increase	
\$723,204 Total Funds, \$0 General Fund	
 <p>Increase Number of New EVs Sold</p>	<ul style="list-style-type: none"> The CEO requests a cash fund spending authority increase of \$723,204 (to \$1,036,204) for the Electric Vehicle Grant Fund (“EV” Grant Fund) to align with fee revenue projections through FY 2020-21. This is an increase of 231 percent. Current spending authority of \$313,000 allows the CEO to spend revenue associated with 15,650 registrations annually. CEO anticipates meeting that level of vehicle registrations in the current year (FY 2018-19). Based on U.S. Energy Information Administration projections, the CEO estimates total registered EVs in Colorado will increase to 51,810 in FY 2019-20 resulting in revenue of \$1,036,204.

1

Ensure Strong Rural Focus for Business Growth Initiatives

Drive/contribute to the creation of 5,271 rural jobs and 768 net rural business starts by June 2019.

- OEDIT aims to accomplish this by aligning agency divisions around rural programming and investment and leveraging website capabilities to better enable self service in rural communities.
- The Department will also explore facilitating Opportunity Zone investment through a coordinated program and develop 9 Blueprint 2.0 initiatives to serve as the foundation for business growth and attraction.

2

Define and Employ an Industry Focus

Drive/Contribute to the creation of 13,933 advanced industry jobs and 313 net business starts by June 2019.

- OEDIT aims to accomplish this by aligning and partnering with key business associations and stakeholder groups to nurture a vibrant business environment and promoting and supporting legislation in furtherance of business-friendly policy.

3

Facilitate the Automation of the Job Growth Incentive Tax Credit (JGITC)

Reduce contracting time for more than 12 months to 9 months on average by June 2019 measured against the cohort of approvals starting in late FY 2017-18 and early FY 2018-19.

- OEDIT aims to accomplish this by applying technology to automate contract workflow tracking including customer interactions/interface, annual reporting, and tax credit/ cash incentive issuance to enhance customer experience with JGITC.

4


Implement Data Collection That Captures Core OEDIT Stakeholder Data


Redesign website to serve key audience segments rather than one collective message for all audience segments.

- OEDIT aims to accomplish this by increasing stakeholder engagement, creating audience personas that guide core message development and marketing resource allocation, collaborating with analytics team to craft a thorough data collection strategy, and demonstrating use of data-driven strategy in each unit's decision-making process.



OEDIT FY 2019-20 CHANGE REQUESTS

R-01 Colorado Film Office Increase	
\$1.25 million Total Funds, \$1.25 million General Fund	
 Define and Employ Industry Focus	<ul style="list-style-type: none"> • The Colorado Office of Film, Television & Media (COFTM) requests restoration of \$1.25 million General Fund to allow Colorado to grow the emerging film industry, creating more opportunities for the expanding local workforce. • The request is ongoing and represents an increase in funding of 100 percent. Currently the Film budget is \$1,250,000 – including \$750,000 General Fund and \$500,000 cash funds. • COFTM received \$750,000 General Fund in FY 2017-18 and FY 2018-19, which was significantly lower than the \$3.0 million General Fund it received in the previous two years. This resulted in Colorado production spend decreasing by 75 percent and 60 percent fewer jobs created. • Additional funding for COFTM would reignite the momentum from previous years to grow and strengthen the film industry.

R-02 Minority Business Office Increase	
\$25,000 Total Funds, \$0 General Fund	
 Define and Employ Industry Focus	<ul style="list-style-type: none"> • OEDIT is requesting an increase of \$25,000 in ongoing cash fund spending authority for the Minority Business Office (MBO). This request represents a 100 percent increase in spending authority. • The MBO is currently authorized to spend up to \$25,000 from the Minority Business Fund. There is currently \$31,000 in the fund and the MBO expects to collect additional funds from its annual Advance Colorado Procurement Expo. The cap on spending authority precludes the MBO from utilizing all the funds it collects. • This request will increase spending authority for this program to \$50,000 on an ongoing basis.

OIT STRATEGIC POLICY INITIATIVES



COLORADO
Governor's Office of
Information Technology

1

Delivering Smart Solutions and Reliable Customer Service

Achieve and sustain 75% customer satisfaction as measured by Customer Service Index Rating consistently through June 30, 2019.

- Delivering consistent, high quality services to our agency customers is our priority. As we improve our service ticket hand-offs, clarify expectations and processes, and equip our technology professionals with the tools they need to best serve the customer, we are creating a more seamless and positive end-to-end customer experience across all channels.

2

Securing Colorado Through Innovation

Increase the State of Colorado's external security rating by 50 points for an increase from 530 to 580 by June 30, 2019.

- OIT is responsible for the State's information security governance, architecture, risk and compliance, as well as overseeing day-to-day security operations. We strive to preserve the confidentiality, integrity, and availability of state and citizen data. Our effective security risk management process includes conducting security assessments for the critical and essential applications we manage on behalf of our agency customers.

3

Ensure Coloradans Have Access to Cost-effective Broadband Internet

Ensure that 92% of rural households have access to broadband by December 31, 2019.

- The Broadband Office was created to lead a statewide effort to expand broadband coverage and capacity in Colorado. Access to affordable and reliable broadband service is critical to advancing Colorado's economic growth and competitiveness. By December 31, 2020, the objective is to achieve 100% rural access to broadband.
- High-speed broadband service helps create new jobs and attract new industries, expands markets for new and existing businesses, enables Coloradans to better access educational opportunities and resources, facilitates delivery of healthcare services, and helps protect the public's safety. Greater deployment of broadband services will improve long-term quality of life for many Coloradans.

4

Strengthening Colorado's Technology Landscape

95% of critical projects submitted through OIT are reviewed as a potential use case for emerging technology to enhance the citizen digital experience.

- This goal focuses on driving the citizen experience by advancing the state's adoption of emerging technology including Artificial Intelligence, Distributed Ledger Technology, Machine Learning and Mobile Accessibility. We also contribute to growing IT economic development by partnering with local communities to attract new tech companies to our community, developing young tech talent, and fostering relationships with local technology companies to strengthen their commitment to the State.



OIT STRATEGIC POLICY INITIATIVES



5

Advancing Culture of Employee Support and Collaboration

To foster a loyal, collaborative, and customer-centric culture, increase employee participation in the OIT+ digital community by 25% (from 253 to 316) by June 30, 2019.

- At OIT, we foster an environment where employees take pride in delivering critical services that impact our entire state. We believe that together we can create an engaged, empowered, and energized culture where all employees feel connected to each other and to our work, leading to better outcomes for our customers.

OIT FY 2019-20 CHANGE REQUESTS

R-01 Essential Database Support

\$936,776 Total Funds, \$0 General Fund

Reliable
Customer
Service

- The Governor's Office of Information Technology (OIT) requests \$936,776 in reappropriated funds and 8.0 FTE in FY 2019-20 and ongoing to augment the OIT Database Services Team. This represents a five percent increase to the program.
- Currently the OIT Database Services Team supports 3,300 databases at 15 state agencies using 17.0 FTE. This is a ratio of 177:1 and industry standard is 45:1.
- The Team only has resources to support databases that are mission critical to agencies. This results in a multitude of unsupported databases that increases the overall cybersecurity risk.

R-02 Securing IT Operations

\$11.9 million Total Funds, \$0 General Fund

Securing
Colorado
Through
Innovation

- OIT requests an increase of \$11,857,490 reappropriated funds and 9.0 FTE in FY 2019-20 and ongoing to accelerate the implementation of security solutioning and protect the State's infrastructure operations from security related attacks like data loss/data breach, malware/ransomware, phishing, credential reuse, and other emerging vulnerabilities.
- This request represents the culmination of OIT security teams working directly with infrastructure teams to identify measures that harden the state from security threats, and reflects lessons learned from the Colorado Department of Transportation ransomware event.
- The pace at which the Secure Colorado program is progressing, while better than many other states, still leaves the State vulnerable to attack. In addition, because OIT is adopting emerging and maturing technologies, such as public cloud services, OIT must accelerate the pace of many projects underway, and ensure an appropriate investment into the security of these emerging technologies.




OIT FY 2019-20 CHANGE REQUESTS




R-03 Operations and Administration Center Relocation

\$5.7 million Total Funds, \$5.7 million General Fund

 5	<ul style="list-style-type: none"> OIT requests \$5.7 million General Fund to relocate its Operations and Central Administrative center from its current aging facility to a new leased location. The current Pearl Plaza building is aging and was never designed to house a modern IT organization. The layout of the building makes it difficult to optimize space distribution to meet the needs of the current functional groups within OIT.
Advancing Employee Culture	


R-04 Application Refresh and Consolidation

\$800,700 Total Funds, \$0 General Fund

 1	<ul style="list-style-type: none"> OIT requests \$800,700 in reappropriated funds to create a program that will continually consolidate, modernize, and maintain the State's aging applications. This request represents a two percent increase in the Enterprise Applications budget. Over time, agencies have created a large number of disparate applications in response to evolving business needs. As those needs change and the underlying hardware and software become obsolete, many applications require modernization or consolidation.
Smart Solutions & Reliable Customer Service	


R-05 Optimize Self-service Capabilities

\$333,426 Total Funds, \$0 General Fund

 1	<ul style="list-style-type: none"> OIT requests \$333,426 reappropriated funds for development, licensing, training, and professional services to improve and optimize the self-service customer experience and streamline business functionality. Demand (tickets opened) for the OIT Enterprise Service Desk (the customer service hotline for state employees) has increased nearly 80 percent since 2015 with no staff added. This solution would reduce incident resolution time, increase onboarding accuracy, and help reduce unforeseen outcomes.
Smart Solutions & Reliable Customer Service	

R-06 Enterprise Data Integration Services

\$3.1 million Total Funds, \$0 General Fund

 4	<ul style="list-style-type: none"> OIT requests \$3,139,756 reappropriated funds and 2.0 FTE to establish an enterprise licensing agreement (ELA) with the vendor Mulesoft. State agencies own hundreds of systems and databases that must interface with each other for daily business needs. These point-to-point interfaces are difficult and costly to maintain, and also present significant security and governance issues. The proposed solution will create an enterprise wide data integration service that provides access to data and systems through application programming interfaces (APIs). This approach maximizes reusability and supports a data strategy of maximizing sharing in a secure and well-governed framework.
Strengthening Colorado's Technology Landscape	



OIT FY 2019-20 CHANGE REQUESTS



R-07 Agency IT Staff Technical Adjustment

\$144,342 Total Funds, \$0 General Fund

- OIT requests \$144,342 reappropriated funds and 1.0 FTE in FY 2019-20 and ongoing to transition spending authority from the Colorado Department of Transportation (CDOT) to create a permanent IT budget for a Program Manager (PM) employee.
- Specifically, OIT will convert 1.0 term-limited FTE currently funded via inter-agency agreement (IA) to a full-time OIT employee working at CDOT on critical needs projects.

R-08 CBMS PEAK

\$3.4 million Total Funds, \$0 General Fund

- In conjunction with the Departments of Health Care Policy and Financing (HCPF), Human Services (CDHS), and Public Health and Environment (CDPHE), OIT requests an increase of \$3,410,566 reappropriated funds in FY 2019-20 (and \$3.5 million reappropriated funds ongoing).
- The purpose of the request is to enhance client experience, improve operational effectiveness, reduce security risks for CBMS/PEAK and associated systems, and comply with federal mandates.
- The request includes a reduction of \$1.3 million in client correspondence, and the impact of a change in the CBMS cost allocation model that increases the HCPF share, decreases the CDHS share, and significantly reduces General Fund support.

R-09 Lottery IT Staff Consolidation

\$1.3 million Total Funds, \$0 General Fund

- OIT requests \$1,253,065 reappropriated funds and 13.0 FTE in FY 2019-20 and beyond to transition the Colorado Department of Revenue's (DOR) Lottery Division IT staff to OIT.
- Per 24-37.5-104 (2)(a), C.R.S., statewide IT staff should have been consolidated into the Governor's Office of Information Technology at the time of consolidation in 2008. This transition did not occur at that time.
- This request is to bring the State into compliance with current law.



OTHER FY 2019-20 CHANGE REQUESTS



COLORADO
Gov. John Hickenlooper

R-01 Lt. Governor / Colorado Health IT Roadmap Operating

\$2.0 million Total Funds, \$0 General Fund

- The Office of eHealth Innovation (OeHI) requests \$2,008,154 reappropriated funds and 2.7 FTE in FY 2019-20, and \$6,465,845 and 3.0 FTE ongoing, to formally create the Office within the Lt. Governor's Long Bill section, and to fund components of the Office's capital construction request.
- Note that these funds are reappropriated from the Department of Health Care Policy and Financing and include \$1.1 million General Fund in FY 2019-20, and \$3.4 million General Fund ongoing.
- The OeHI is responsible for defining, maintaining, delivering on, and evolving Colorado's Health IT strategy concerning care coordination, data access, healthcare integration, payment reform and care delivery. Of the requested amount, \$458,154 and the 2.7 FTE are to formally create the OeHI office.
- The remaining funds, \$1,550,000, are to support the operations and maintenance of the Office's capital construction projects.

R-02 Lt. Governor / State Innovation Model Office Extension

\$202,434 Total Funds, \$202,434 General Fund

- The Lt. Governor's Office requests \$202,434 General Fund and 1.5 FTE for FY 2019-20 to temporarily extend the Colorado State Innovation Model (SIM) Office to avoid disruption of multi-payer supported health reform efforts. This is a one-time request.
- SIM and the Transforming Clinical Practice Initiative (TCPI) are Governor's Office initiatives to improve population health and value-based care.

R-03 Lt. Governor / Administration Line Increase

\$75,000 Total Funds, \$75,000 General Fund

- The Lt. Governor's Office requests \$75,000 General Fund and 1.3 FTE in FY 2019-20 and ongoing to accurately represent the necessary level of funding and staffing needed to carry out the obligations of the Office.
- This funding will bolster funding for personal services (\$50,000) and will add an operating budget of \$25,000 to the line item.
- Inadequately funding the Lt. Governor's Office leaves the next administration with an inaccurate budget.



FY 2019-20 IT CAPITAL REQUESTS



COLORADO
Gov. John Hickenlooper

Lt. Governor CCIT-01 / eHealth Innovation Colorado Roadmap Initiatives

\$11.5 million Total Funds, \$ 1.2 million Capital Construction Funds

- The Office of eHealth Innovation (OeHI), together with the Department of Health Care Policy and Financing, is requesting \$11,508,333 in FY 2019-20 leveraging a temporary 90/10 federal match to support health delivery reform, payment reform, improve healthcare coordination, reduce costs, and ultimately improve the value Colorado and its citizens receive from health care investments and services. This is a continuation request and represents Phase 2 of 3 of the project.
- Funding for FY 2019-20 will be directed at pushing the needle on the 9 initiatives identified in the original request: (1) Ease quality reporting (eCQM) reporting tools and registry; (2) health IT portfolio management ; (3) master data management; (4) data governance tools and processes; (5) automated and integrated consent; (6) Colorado consumer portal for health; (7) advancing Colorado’s state HIE infrastructure; (8) technology infrastructure for care coordination; and (9) a systems integrator.

OIT CCIT-01 /Strategic Infrastructure Needs

\$5.3 million Total Funds, \$5.3 million Capital Construction Funds

- OIT requests \$5,264,000 Capital Construction Funds for the continuation of system enhancements and reparation of the aging Lakewood Data Center (LDC) and to modernize OIT’s infrastructure operations service delivery. This is a continuation request and represents Phase 2 of 2 of the project.
- This second year of funding requested is to repair many critical electrical and cooling components of the data center, as well as to purchase tools to tie together elements of IT infrastructure (i.e., servers, networks and applications). The project will update and transform OIT’s infrastructure Operations to meet the needs of state agencies by providing IT infrastructure that can be procured right when it is needed and scaled quickly as needs change.

OIT CCIT-02 / Microwave Infrastructure Replacement

\$10.3 million Total Funds, \$10.3 million Capital Construction Funds

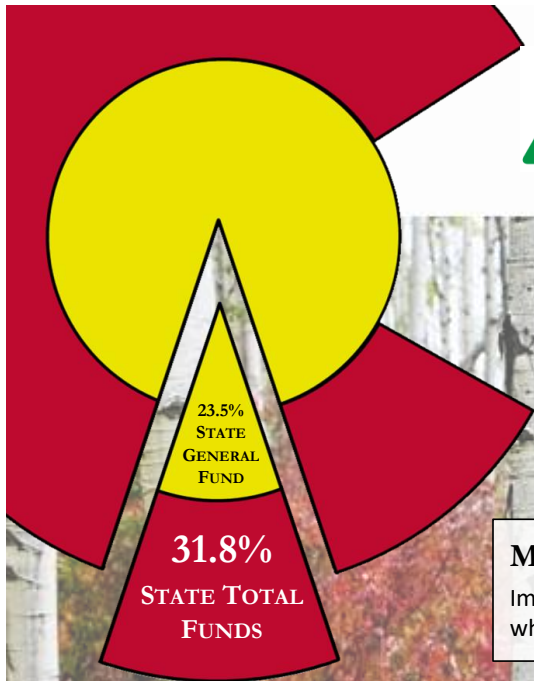
- OIT requests \$10,316,372 Capital Construction Funds in FY 2019-20 for the continuation of the upgrade and replacement to the State’s Public Safety Communications Network (PSCN) microwave system. This is a continuation request and Phase 5 of 5 of the project.
- This request addresses the immediate need to replace and upgrade the microwave transmitter system, which serves to connect each Digital Trunked Radio System (DTRS) communication transmitter site within the State of Colorado.
- Additionally this request addresses critical technological restrictions of the current system, namely redundancy, by initiating a “ring” technology. Note that all rings were estimated to be completed by June 2018. Given the size and increase in scope of this project, the revised final expected completion date is now December 2020.





COLORADO

Department of Health Care Policy & Financing



FY 2019-20 GOVERNOR'S REQUEST

\$3.1 billion General Fund

Share of Statewide General Fund: 23.5%

\$10.6 billion Total Funds

Share of Statewide Total Funds: 31.8%

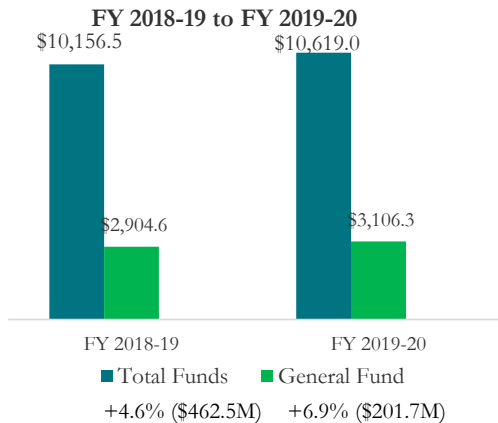
Mission Statement

Improving health care access and outcomes for the people we serve while demonstrating sound stewardship of financial resources.

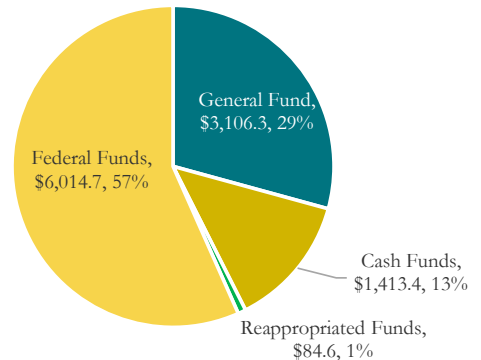
Department Description

The Department of Health Care Policy and Financing (HCPF) receives federal funding as the single state agency responsible for administering the Medicaid program (Title XIX) and the State Child Health Insurance Program (Title XXI), known as the Children's Basic Health Plan. In addition to these programs, the Department administers the Colorado Indigent Care Program, the Old Age Pension State Medical Program, as well as the Home and Community-Based Services Medicaid Waivers. The Department also provides health care policy leadership for the state's Executive Branch. Most of the Department's programs are funded in part by the federal Centers for Medicare and Medicaid Services (CMS). The Medicaid program receives approximately 50% of its funding from the federal government and the Children's Basic Health Plan receives approximately 88% of its funding from the federal government.

Total Funds and General Fund, \$s in Millions



Breakdown of Total Funds, \$s in Millions, FY 2019-20



1

Delivery Systems Innovation

Medicaid members can easily access and navigate needed and appropriate services.

- The Department aims to increase the number of Colorado providers serving Medicaid clients from 48,841 to 49,571 by June 30, 2019.
- The Department aims to increase the number of Colorado primary care providers serving Medicaid clients from 22,838 to 23,177 by June 30, 2019.
- The Department aims to reach 80% of hospitals and 100% of Regional Accountable Entities (RAEs) by June 30, 2019 with messaging that makes them aware of the new HCPF Prometheus tool to measure potentially avoidable costs.

2

Tools of Transformation

The broader health care system is transformed by controlling costs in Medicaid.

- The Department estimates the average cost per-capita for Medicaid for FY 2018-19 will be less than \$5,973.
- The Department hopes to increase total costs avoided from the Accountable Care Collaborative (ACC) and Medicaid from \$133 million in FY 2017-2018 to \$189 million in FY 2018-19.

3

Partnerships to Improve Population Health

The health of low-income and vulnerable Coloradans improves through a balance of health and social programs made possible by partnerships.

- The Department aims to decrease the number of opioid pills dispensed among members who use the Rx benefit from 10.09 to 9.59 by June 30, 2019.

4


Operational Excellence


We are a model for compliant, efficient and effective business practices that are person- and family-centered.


- The Department plans to maintain provider call average speed of answer at <61 seconds.
- The Department plans to increase the percentage of targeted Medicaid households using the *PEAKHealth* mobile app from 23% to 26.5% (15%) by June 30, 2019.

FY 2019-20 CHANGE REQUESTS



R-01 Medical Service Premiums	
\$354.6 million Total Funds, \$166.7 million General Fund	
 Operational Excellence	<ul style="list-style-type: none"> The Department requests funds to continue to provide services to 1.3 million Coloradans and respond to cost and caseload changes for services including: acute care, such as physicians services, hospitals, and pharmaceuticals; and long-term services and supports (LTSS) including community based long-term care, such as Home and Community Based Services (HCBS) waivers and home health services, and long-term care facilities such as alternative care facilities and nursing facilities.

R-02 Behavioral Health Community Programs	
\$26.9 million Total Funds, \$12.7 million General Fund	
 Operational Excellence	<ul style="list-style-type: none"> The Department requests resources to continue to administer the State’s Behavioral Health Community Programs while accounting for changes to caseload and cost of service. Behavioral Health Community Programs are administered by the Department, primarily through managed care contracts with Regional Accountable Entities (RAEs) across the state. Services provided include but are not limited to: inpatient hospitalization, psychiatric care, rehabilitation, and outpatient care; clinic services, case management, medication management, physician care, substance use disorder; and non-hospitalized residential care as it pertains to behavioral health.

R-03 Child Health Plan Plus	
\$27.9 million Total Funds, \$0 General Fund	
 Operational Excellence	<ul style="list-style-type: none"> The Department requests funds to continue to provide affordable health insurance to children under the age of 19 and pregnant women in low-income families (up to 260% of the federal poverty level) who do not qualify for Medicaid and do not have private insurance. The request is to account for caseload growth and increases in prepaid capitation rates. Federal Funding for the CHP+ program has been reauthorized for six years expiring September 30, 2023. Currently, the federal financial participation (FFP) rate is 88%. Beginning October 1, 2019 FFP falls to 76.5% and reduces to 65% FFP beginning October 1, 2020 and ongoing until the sunset date.

FY 2019-20 CHANGE REQUESTS



R-04 Medicare Modernization Act State Contribution Payment

\$1.5 million General Fund



Tools of
Transformation

- The Department requests funds to cover the State’s share of the costs of the Medicare Part D outpatient prescription drug benefit for dual-eligible clients.
- The State is required to reimburse the federal government for the amount the federal Centers for Medicare and Medicaid Services (CMS) determines is the State’s obligation for such prescription drug coverage. This reimbursement to CMS is called the “clawback” payment.
- The State’s obligation varies from year to year and is affected by changes in caseload and the per member per month (PMPM) rate, which is also determined by CMS.

R-05 Office of Community Living Cost and Caseload Adjustments

\$6.3 million Total Funds, \$2.5 million General Fund



Operational
Excellence

- The Department requests resources to fund Home and Community Based Services (HCBS) waiver program costs for individuals with intellectual and developmental disabilities (IDD).
- The Department requests to adjust existing expenditure and enrollment appropriations and designated full program equivalents (FPE) within three Medicaid waiver programs for people with IDD to maintain the current policy of having no waiting lists for the HCBS-SLS and HCBS-CES waivers and to accommodate emergency enrollments, foster care transitions, Colorado Choice Transitions (CCT), and youth transitions.

R-06 Local Administration Transformation

\$3.2 million Total Funds, \$2.0 million General Fund





Operational
Excellence

- The Department requests funds to implement changes to local administration of Department programs that would lead to efficiencies, improved member experience, and improved performance.
- The Department requests funding to implement three initiatives that would improve county performance and accountability, increase incentive funding and oversight, remove Non-Emergent Medical Transportation (NEMT) administration from county administration responsibilities, and consolidate returned mail processing.
- The Department expects that centralizing NEMT and consolidating returned mail administration would help to reduce county workload for these functions, allow counties to focus on improved case maintenance and customer service, and improve the Department’s ability to appropriately close inactive cases resulting in improved caseload management and costs avoided for the State.

FY 2019-20 CHANGE REQUESTS



R-07 Primary Care Alternative Payment Models	
\$2.5 million Total Funds, \$535,928 General Fund	
 Tools of Transformation	<ul style="list-style-type: none"> • The Department requests resources to continue work on value-based payment methodologies for primary care, and fund the health information technology (HIT) components necessary to make value-based payments. • The Department requires additional funding to set up electronic clinical quality measures (eQMs) leveraging existing health information exchange infrastructure. These eQMs are to be used in new, performance-based payment methodologies. • The Department also requests resources to provide publicly funded support for Medicaid's share of ongoing work under the multi-payer collaborative. • The Department expects these programs would result in greater flexibility for practices, reduce unnecessary care, connect payment to quality of care, reduce reporting burden on primary care providers, and improve patient health outcomes. • The request includes savings from costs avoided on more expensive medical care starting in FY 2021-22, once the value-based payment methodologies have been fully implemented.

R-08 Benefits and Technology Advisory Committee	
\$342,248 Total Funds, \$124,897 General Fund	
 Tools of Transformation	<ul style="list-style-type: none"> • The Department requests resources to create a dedicated Benefits and Technology Advisory Committee and increase Department capacity to research technologies and benefits and assess their level of evidence. • The Department does not currently have the resources necessary to conduct comprehensive reviews of recent research and evidence prior to publishing and implementing all benefit policies, which define the appropriate amount, scope, and duration of services provided to clients. • This request would create a dedicated committee to review benefits research and determine what services, and how much, are cost effective for the State to manage differently in order to improve outcomes for Medicaid clients. • The request would also provide funding for outside vendors to conduct more thorough research, as necessary, and for consultation with national experts to inform benefits design decisions. It would also provide funding for an outside vendor to produce an annual report on cost savings and outcomes associated with this program.

FY 2019-20 CHANGE REQUESTS



R-09 Long Term Home Health and Private Duty Nursing Acuity Tool

\$358,583 Total Funds, \$179,292 General Fund



Delivery
Systems
Innovation

- The Department requests funding to hire a contractor to design, pilot, and validate a clinical assessment tool for adult Long-Term Home Health (LTHH) and all Private Duty Nursing (PDN) clients to accurately assess the appropriate level of services for their medical needs.
- The current assessment tools available to evaluate medical necessity and authorize clients for both adult LTHH and PDN are either severely outdated or do not exist, which does not allow for the accurate medical assessment of the needs of clients enrolling in the services.
- The implementation of this new tool is expected to better align clients with an appropriate level of care. This will generate significant savings from the clients who are currently enrolled and are receiving an improper amount of care for their medical needs or who were enrolled without demonstrating sufficient medical need for these services.

R-10 Transform Customer Experience

\$2.2 million Total Funds, \$753,356 General Fund



Operational
Excellence

- The Department requests funding to improve the customer experience for the 1.3 million Coloradans enrolled in its programs and the tens of thousands of stakeholders and providers who interact with the Department and its programs daily.
- The Department requests funding to implement initiatives to improve customer experience, including providing more readily available and consistent information and automation to call center representatives and members, funding for temporary call center staff, and for internal staffing who are focused on customer experience. This request also includes ongoing funding to continue the Member Experience Advisory Councils (MEAC).
- Implementation of these initiatives is expected to reduce call center hold times and call abandonment rates, ensure members get the information they need to access their benefits, and improve member satisfaction with Department customer service.

R-11 All-Payer Claims Database Financing

\$2.6 million Total Funds, \$2.8 million General Fund



Tools of
Transformation

- The Department requests additional funding to fully fund the costs of operating the All-Payer Claims Database (APCD) and fill a gap in funding created by a lower than expected level of federal financial participation with state-only funding.
- The increased state funding would take the form of a contract with the non-profit organization currently administering the database, the Center for Improving Value in Health Care (CIVHC). This will allow the organization to focus on increasing the quality and affordability of data in the APCD and related data releases, to drive insights and reduce the cost of health care in Colorado.
- The APCD collects claims data from over 21 commercial health insurance companies and builds a more comprehensive picture of health care in Colorado. The APCD takes claims data and turns it into actionable information that provides insights about Coloradans' health, quality of care, utilization, outcomes and cost. It is a valuable state resource that can inform positive future health outcomes for the State.

FY 2019-20 CHANGE REQUESTS



R-12 Medicaid Enterprise Operations

\$26.4 million Total Funds, \$654,663 General Fund



Operational
Excellence

- The Department requests funding to address operational and compliance issues that impact the Department’s Medicaid Enterprise, including related contracted services
- The Medicaid Enterprise includes four primary services provided through separate contractors. Efficient performance is critical for timely provider payments, pharmaceutical management services, client data protection and analytics, and Medicaid eligibility determinations.
- The request addresses three strategic components of the Medicaid Enterprise: obtaining CMS certification to enable the Department to continue claiming enhanced federal funding; maintaining adequate member and provider experience; and, developing and implementing new standards and conditions for procuring future services.

R-13 Provider Rate Adjustments

\$61.1 million Total Funds, \$26.7 million General Fund



Delivery
Systems
Innovation

- The Department requests funding in order to implement targeted rate increases for certain Medicaid services and an across-the-board rate increase for all other eligible Medicaid services of 0.75%. The Department targeted rate adjustments that would secure adequate funding for imperative programs and services. These include increases to Home- and Community- Based Services, transportation services, maternity care, dental services, and other services that have been identified as significantly lower than benchmark rates.
- Additionally, a targeted rate increase requested for personal care and homemaker rates allows providers to keep pace with rising wages around the state and maintains a competent and quality workforce to deliver services to a growing aging population in their homes and communities rather than costly alternative care facilities.
- Providing adequate reimbursement to providers encourages participation in Medicaid and therefore increases client access, which aligns with the Department’s Strategic Plan.

R-14 Office of Community Living Governance

\$1.6 million Total Funds, \$442,282 General Fund



Operational
Excellence

- The Department requests resources to implement several compliance and best practices initiatives throughout the Department’s Office of Community Living.
- These initiatives would allow the Department to: ensure the continuation of a federally mandated review program; fund dedicated staff to implement recommendations from the Cross-System Crisis Response Behavioral Health Pilot Program; bring the State into compliance with statute concerning conflict-free case management; increase oversight of host homes; and, increase spending for nursing home innovation projects.
- This request aligns with the Departments strategy of “operational excellence” by promoting rigorous compliance with state and federal laws, and by ensuring that business practices are person- and family- centered.



FY 2019-20 CHANGE REQUESTS



R-15 Operational Compliance and Program Oversight

-\$780,722 Total Funds, \$0 General Fund



Operational
Excellence

- The Department has identified seven initiatives that would strengthen program oversight and its stewardship of state resources.
- These initiatives include a comprehensive review of eligibility determinations, additional operational and financial oversight of the Program for All-Inclusive Care for the Elderly, expanded scope of existing Managed Care Organization audits, validation of rate-setting data submissions from providers for the Hospital Back-up Program, dedicated FTE for subrecipient monitoring of case management agencies, dedicated FTE to support program integrity responsibilities, and dedicated FTE to review claims for people with intellectual and developmental disabilities (IDD).

R-16 Employment First Initiatives and State Programs for People with Intellectual and Developmental Disabilities (IDD)

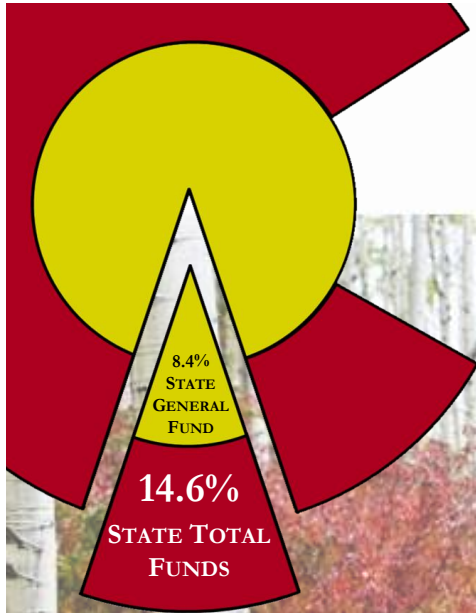
\$6.8 million Total Funds, \$0 General Fund



Partnerships to
Improve
Population
Health

- The Department, in conjunction with the Colorado Department of Labor and Employment, requests funds for Employment First initiatives and improving State programs for people with intellectual and developmental disabilities (IDD).
- The request addresses recommendations from the Employment First Advisory Partnership including creating a Colorado Office of Employment First; and conducting a supported employment pilot program to incentivize outcomes where people with IDD achieve and maintain employment.
- Additionally, this request provides additional supports to adults and families with children with IDD by eliminating the waitlist for the State-only Supported Living Service (SLS) program and enrolling 272 waitlist members onto the Family Support Services Program (FSSP).





FY 2019-20 GOVERNOR'S REQUEST

\$1,115.3 million General Fund

Share of Statewide General Fund: 8.4%

\$4,869.1 million Total Funds

Share of Statewide Total Funds: 14.6%

Mission Statement:

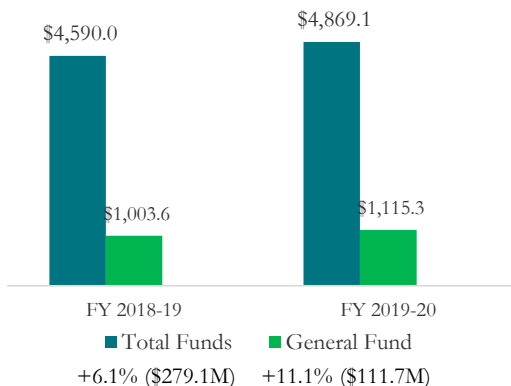
The mission of the Department of Higher Education is to improve the quality of, ensure the affordability of, and promote access to, postsecondary education for the people of Colorado.

Department Description

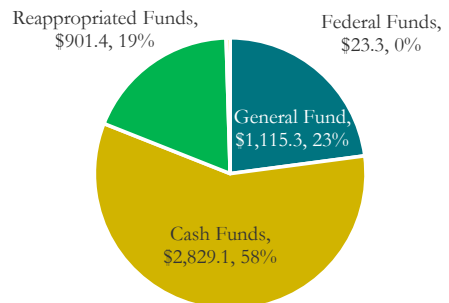
The Department of Higher Education serves as the central administrative and coordinating agency for higher education (comprised of 29 public institutions, three area vocational schools, over 330 occupational schools, and over 100 private degree authorizing institutions). Over 160,000 resident full-time FTE attend Colorado public institutions, with 45 percent of the students attending two-year and certificate granting institutions.

The Department oversees system-wide planning, financial aid allocations, degree and program authorizations; recommends state funding allocations to the institutions; and coordinates statewide tuition policies. The Department collects and analyzes data to help inform decision makers, colleges, students, and the public and collaborates with other state agencies including the Colorado Department of Education on P-20 alignment and the Department of Labor and Employment on workforce training.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



STRATEGIC POLICY INITIATIVES



COLORADO
Department of
Higher Education

1

Increase Credential Completion

The Department seeks to increase the number of credentials that students earn over an eight-year period and increase credential completion in high-demand areas such as STEM and teacher preparation.

- The Department projects a 5,000-9,200 increase in credential production for high-demand areas.

2

Erase Equity Gaps

The Department seeks to erase equity gaps in the attainment of post-secondary education.

- Colorado's gap between the educational attainment of the white population and the Hispanic population is the second largest in the nation (behind only California).
- The Department seeks to increase the age 25-34 credential attainment to 66 percent for the Hispanic population (currently 29 percent), for the African American population (currently 39 percent), and for the Native American population (currently 29 percent).

3

Improve Student Success

The Department seeks to increase persistence and retention in college and to reduce the time it takes to get a degree.

- 50% of students who enroll in a public institution take 150% longer to attain a degree than the traditional duration. This is six years for a four-year bachelor's degree or three years for a two-year associate's degree.
- Dual enrollment is a strategy that may help reduce the length of time to degree. In 2016, 38,519 high school students enrolled in a college course.

4

Invest in Affordability and Innovation

The Department seeks to increase public investment in student success, research and innovation.

- The average student debt is \$25,877 for a bachelor's degree and \$13,374 for an associate degree.
- State-by-state comparisons and affordability studies suggest that Colorado is very close to pricing students out of a post-secondary education.
- CCHE recommends increased public investment as a means to maintain and increase affordability.




FY 2019-20 CHANGE REQUESTS




R-01 Investing in College Affordability and Outcomes

\$214.7 million Total Funds, \$120.9 million General Fund

 4 Invest in Affordability and Innovation	<ul style="list-style-type: none"> The Department of Higher Education requests an increase of \$120.9 million General Fund (\$214.7 million total funds) to increase affordability for students and families and to improve outcomes for students. Over 210,000 Colorado residents are enrolled in 2 and 4-year public institutions. Over 62,000 post-secondary credentials were awarded by 2- and 4-year institutions in 2017. The 2017 Colorado Commission on Higher Education Master Plan seeks to respond to workforce demand for credentials, erase equity gaps, improve student success, and improve college affordability. Since FY 2011-12, tuition increases averaged 6.9 percent a year at four-year schools, increasing over 48.0 percent in total. In contrast, median income grew only 34.0 percent during this time, a 14.0 percentage point difference. Adding funding for inflation and health care costs for Colorado's public colleges and universities will allow for tuition to be held constant. Base funding increases to offset tuition increases, and an increase of over 12.9 percent for student financial aid will increase affordability for resident undergraduate students and their families. Tuition increases have been outpacing income and tuition has grown by 48.0 percent since FY 2011-12. Continued increases could hinder affordability and discourage many students from attending college. Colorado needs to increase its post-secondary credentials in order to meet future workforce demand. The requested increase of \$120.9 million General Fund increases affordability for Colorado students by holding tuition constant and increasing financial aid to low-income students. The request is calculated based on the goal of capping tuition increases at FY 2018-19 levels for Colorado resident undergraduate students.
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R-02 Tuition Spending Authority

\$50.8 million Total Funds, \$0 General Fund

 4 Invest in Affordability and Innovation	<ul style="list-style-type: none"> The Department of Higher Education requests an additional \$50.8 million in cash funds spending authority to reflect public institutions' tuition revenue for FY 2019-20. The resident tuition in this request is tied to flat tuition rates for resident, undergraduate students, so the increased spending authority is only tied to an increased rate for non-resident students. The goal of this request ties directly to the General Fund support in R-01 (Investing in College Affordability and Outcomes) and is focused on college affordability. Colorado public institutions' tuition revenue for resident and non-resident students is appropriated by the General Assembly. Each 1.0 percent increase in tuition results in about \$9.6 million in revenue across all institutions. Pursuant to Section 23-5-129 (6) (c), C.R.S. and Section 23-1-108 (12) (b), C.R.S., the Commission of Higher Education is required to provide its tuition recommendations for resident undergraduate students for each state institution of higher education in its budget request. Inflationary and health care costs, along with funding for other strategic initiatives, must be covered by one of two sources: state General Fund or student tuition revenue. Providing Colorado students and families with constant tuition rates relative to FY 2018-19 promotes affordability of higher education. Tuition cash fund spending authority for resident and non-resident students at Colorado public institutions must be appropriated by the General Assembly pursuant to statute. Funding in this request is necessary to implement the Department's goals for college affordability outlined in its R-01 (Investing in College Affordability and Outcomes). An increase of \$50.8 million cash fund spending authority for tuition revenue allows institutions to increase non-resident tuition up to 5.0 percent
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FY 2019-20 CHANGE REQUESTS



R-03 Fort Lewis Native American Tuition Waiver

\$2.3 million Total Funds, \$2.3 million General Fund



Invest in
Affordability
and
Innovation

- The Department requests an increase of \$2,293,590 General Fund for the Fort Lewis College Native American Tuition Waiver in FY 2019-20.
- Colorado is required via Federal treaty and State law to fund tuition for any qualified Native American student who attends Fort Lewis College. Federal treaty with Colorado applies to all Native American students throughout the United States. Therefore, the appropriation covers both resident and non-resident tuition for participating students.
- Fort Lewis College is forecasting an enrollment increase of 7.5 percent for resident students and 7.2 percent for non-resident students. These student enrollment changes are the result of tightening admissions requirements at Fort Lewis College. The enrollment changes coupled with tuition rate increases for resident and non-resident students are driving up the necessary funding for the program.
- If the funding for the Fort Lewis Native American Tuition Waiver is not increased, the line item will be underfunded.
- The Department requests that the Fort Lewis College Native American Tuition Waiver funding be increased to adjust for the impact of the forecasted Native American student enrollment and changes in tuition rates.

R-04 Colorado Teacher Scholarship

\$6.5 million Total Funds, \$6.5 million General Fund



Improve
Student
Success

- The Department requests \$6,560,000 General Fund for the creation of a scholarship program for current students and recent graduates of teacher preparation programs at public institutions. The program would also create an online recruitment tool based on Teach.org and provide funding for an evidence-based evaluation.
- Like many other states, Colorado is facing a teacher shortage in specific subjects and in geographic areas, such as small rural districts and suburban districts. Between FY 2010-11 and FY 2015-16, enrollment in Colorado's teacher preparation programs fell 24.0 percent and completions fell 16.0 percent. Most state funding in support of teachers addresses retention in the first few years of teaching or recruitment and support in high-demand classrooms after graduation rather than increasing the number of students starting teacher preparation programs.
- The average starting salary for a teacher in a Colorado public school is \$32,126, and in the state's smallest rural districts where 95.0 percent of teacher starting salaries are below the cost of living, the average starting salary is just \$26,761. The turnover rate for Colorado teachers is approximately 17.0 percent, and the state's estimated cost of filling those positions ranges from \$21 million to \$61 million. Approximately 50.0 percent of Colorado's teachers are recruited from out-of-state due to a lack of applicants for hard-to-fill positions; out-of-state teachers are more challenging to retain.
- When districts cannot fill empty positions, they have no choice but to staff classrooms with teachers not yet qualified to teach those subjects. This is detrimental to students in those classrooms. The urban/rural divide will be exacerbated without a meaningful solution to attract teachers.
- The Department will allocate \$6,180,000 to block grants, of up to \$4,000 per student per year, to institutions for the purpose of recruiting and retaining students in teacher education programs and during their first two years of teaching. This solution is designed to substantively change the recruitment, retention, and success of teacher candidates. The request also includes \$250,000 to fund the creation of a Colorado-specific Teach.org recruitment tool, and \$130,000 for an evidence-based evaluation.



FY 2019-20 CHANGE REQUESTS



HC-01 Strengthen and Build Capacity for Historic Preservation Services

\$661,623 Total Funds, \$661,623 General Fund



Become
Financially
Stable

- History Colorado requests \$661,623 General Fund and ongoing to strengthen and build capacity for statutorily required core state historic preservation services.
- History Colorado is responsible for providing the State’s core historic preservation services by collecting and housing artifacts representative of the State’s history and preserving historic monuments. 5.0 FTE are responsible for over 15 million collections, 55 buildings, and over 425,400 total square feet.
- History Colorado is not receiving enough Limited Gaming funds to keep up with increasing operating costs and inflation. Limited Gaming funds are appropriated to multiple different agencies, and History Colorado’s share is determined by current statute.
- Without funding to strengthen and build capacity for core historic preservation services, the agency’s statutorily required core historic preservation services will deteriorate. History Colorado will have to make difficult choices about whether to build much needed capacity in core historic preservation services or continue to stabilize its finances through investments in earned revenue.
- To ensure the agency is able to maintain financial stability and provide the state with its required services, History Colorado is requesting to cover half of the costs for these services with General Fund. The agency will use the freed-up Limited Gaming cash funds to repurpose FTE to help with preservation services, and will invest in revenue-building activities, such as additional marketing to increase attendance, targeted direct mailing to increase donations and membership acquisitions. It will also add a new point-of-sale system for the History Colorado Center that integrates the member and donor database to sales data to better understand how members are using their membership benefits.

IT CC-01 E-106 and Office of Archeology Preservation Database and Systems Modernization

\$518,026 Total Funds, \$393,026 General Fund

- History Colorado requests a one-time capital funding request of \$518,026 total funds (\$393,026 in IT Capital Construction Funds) to create a new customized web application system solution supporting the needs of Office of Archeology and Historic Preservation (OAHP) programs. On-going costs are estimated at \$93,570 annually and will be paid for using OAHP fees.
- The OAHP is provided ten to thirty calendar days to evaluate and respond to Section 106 projects submitted by Federal agencies. The agency is charged as the state enforcer of Federal historic preservation regulations. The division has 4.0 FTE and reviews over 2,500 consultations annually.
- Much of the business of the OAHP is still confined to paper. Hard-copy information can be difficult to manage with a single copy of materials in the office and potentially multiple hard-copy submissions being made for the same project as well as staff keeping track of multiple project responses, review times, and mitigation stipulations. In addition, many other states have moved to a fully electronic system that offers payment options online. Colorado is behind the times in its Section 106 review while its partners are experiencing better customer service through technology in other states.
- If this project is not funded, OAHP will continue to function under its current, outdated processes. As a result, Colorado may become a state which is unable to provide the expected level of customer service to its various archaeology and historic preservation partners, from federal agencies to contractors and oil and gas speculators. The agency will have to make do with disparate databases for various OAHP data.
- Based on a cost-benefit analysis, History Colorado will save about \$1,459,171 in 2018 dollars with the implementation of the comprehensive OAHP web application.



FY 2019-20 CHANGE REQUESTS



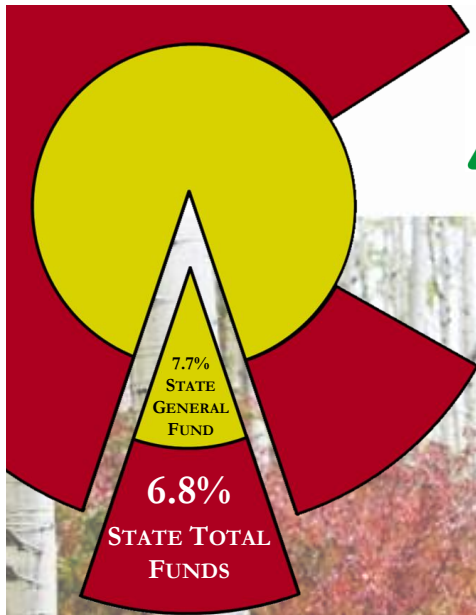
COLORADO
Department of
Higher Education

FY 2019-20 Institution Capital Construction Projects

\$74.2 million Total Funds, \$74.2 million General Fund

- CSU Shepardson Building Renovation and Addition (\$13,482,700 Capital Construction Funds)
- Fort Lewis Whalen Gymnasium Expansion and Renovation (\$25,252,103 Capital Construction Funds)
- FRCC Larimer Campus Health Care Career Center (\$11,927,424 Capital Construction Funds)
- UC at Denver & Anschutz Health Sciences Center (\$19,846,986 Capital Construction Funds)
- UNC Heat Plant Boiler Replacement (\$3,679,012 Capital Construction Funds)





FY 2019-20 GOVERNOR'S REQUEST

\$1.0 billion General Fund

Share of Statewide General Fund: 7.7%

\$2.3 billion Total Funds

Share of Statewide Total Funds: 6.8%

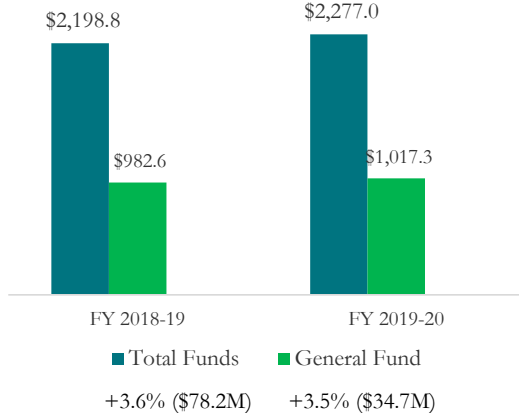
Mission Statement

Collaborating with our partners, our mission is to design and deliver high-quality human services and health care that improve the safety, independence and well-being of the people of Colorado.

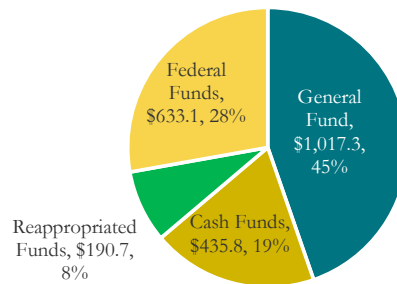
Department Description

The Colorado Department of Human Services serves Colorado's most vulnerable populations. It assists struggling Colorado families who need food, cash, and energy assistance to provide for their families; families in need of safe and affordable child care; children at risk of abuse or neglect; families who struggle to provide care for their adult children with developmental disabilities; youth who have violated the law; Coloradans who need effective treatment for mental illness or substance use disorders; and families who need resources to care for their elderly parents or nursing home care for their veteran parents. The Department of Human Services has approximately 5,000 employees and a budget of \$1.9 billion in FY 2016-17.

Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20



Breakdown of Total Funds, \$s in Millions, FY 2019-20



1

Expand Living Options For All People Served by the Department

The Department seeks to expand community living options for all people served using a person-centered approach.

- CDHS will achieve this goal by creating adult and aging services programs to help older adults remain safely in their homes. The programs will be focused on nutrition, money management, legal assistance, and senior community service.
- The Department will also timely process expedited food assistance applications in order to ensure that eligible Coloradans have access, as soon as possible, to needed financial assistance for food. In 2017, 97.7% of applications were expedited, exceeding the benchmark of 95%

2

Ensure Child Safety Through Improved Prevention, Access, and Permanency

The Department and counties have implemented a number of strategies to prevent child abuse and neglect, promote stability and establish permanency for children and youth.

- The Department aims to increase timely response to abuse and/or neglect. After consistently attaining the 90% goal, leadership increased the goal to 95% in June 2017. Thus far, performance reached the revised 95% goal one time in FY19.
- In order to achieve permanency, the Department aims to reduce congregate care. The percent of children and youth in congregate care has steadily declined from 7.8% in April 2017 to 7.6% in March 2018.

3

Utilize Employment and Education to Provide Economic Security

The Department will continue the programmatic and cultural shifts occurring in all of its employment programs.

- CDHS aims to connect Colorado Works participants with employment to increase the likelihood of long-term economic security.
- To increase the overall economic stability of the family and have a direct impact on the well-being of children in Colorado, the Department seeks to maximize the collection of current child support owed.

4

Improve Kindergarten Readiness Through Quality Early Care

While the basic infrastructure is in place to improve Colorado's child care system, the Department will continue to monitor, troubleshoot, and implement changes to the programs as necessary.

- The Office of Early Childhood continues to provide support for the Healthy Steps program, which seeks to increase families ability to provide safe and stable environments for their children. Healthy Steps currently serves 1,500 clients whose ages range from birth to age three.
- The Department is encouraging early childcare providers to work with Colorado Shines to increase the quality of child care they provide. In 2017, 51.3% of providers worked with this program and improved the quality of their service.

5

Ensure Youth Committed to the Division of Youth Services Are Prepared to Succeed

The Department gathers real-time data on youth in the Division of Youth Services (DYS) to make adjustments to programming or to explore problem areas as they are identified. In addition, DYS continues to expand vocational and educational opportunities for youth at DYS.

- DYS estimates that 25% of committed youth in state-operated facilities are participating directly in expanded Career Technical Education programming. This includes youth who have completed both secondary and postsecondary education and is approximately 125 youth per year.
- The Department aims to increase the percent of youth committed to DYS who are enrolled in educational programs. In 2017, 82.5% of youth were enrolled in a full or part time educational program. In 2016, 90.4% of youth were enrolled in a full or part time educational program.

FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Human Services

R-01 Mental Health Institute Pueblo Bed Expansion

\$5.1 million Total Funds, \$5.1 million General Fund

- The requested funds and staff will allow the Department of Human Services to open 42 additional inpatient beds at the Colorado Mental Health Institute at Pueblo (CMHIP).
- The Department proposes utilizing the vacant F2 unit in High Security Forensic Institute (HSFI) which will provide the Department an additional 18 beds.
- Additionally, the Department aims to utilize the vacant unit in Building 115 which will provide the Department an additional 24 beds.
- The court referrals competency restoration services continues to outpace available capacity for treatment, and the Department continues to be challenged to comply with timeframe requirements mandated in a settlement agreement regarding wait times for connection to competency restoration. The requested beds will help the State improve wait times for treatment.

R-02 Compensation for Direct Care Employees

\$13.9 million Total Funds, \$10.3 million General Fund

- The requested funds will allow the Department to begin the first phase of a two-phase initiative to increase salaries for all direct care staff job classifications at four Veterans Community Living Centers and ten Division of Youth Services facilities.
- Direct care positions include job classifications: health care technician; client care aide; nurse; correctional/youth services officers; mental health clinicians; mid-level providers; social workers; and therapy assistants.
- The direct care staff at these facilities are currently paid 22 percent below the market, and the Department continues to experience increased difficulty in recruiting and retaining highly qualified individuals to fill direct care positions.
- The initiative aims to reduce staff turnover and vacancies.

R-03 Youth Services Capacity and Behavioral Health

(\$718,399) Total Funds, (\$718,399) General Fund



Prepare DYS
Youth for
Success

- The Department requests a reduction of funding in order to balance detention and commitment bed capacity and enhance Division of Youth Services treatment programming to meet recommendations made by the Development Services Group as part of an overall evaluation.
- Over the past five years, detention bed use has fallen below each year's average daily maximum, resulting in unused capacity. Simultaneously, the Department has experienced an increasing need for secure beds for committed youth.
- Implementation of the Development Services Group recommendations will create a system that is right sized, provide effective treatment services near a youth's home community, and reduce length of stay in residential care.





R-04 Reducing Child Neglect via Employment

\$1.7 million Total Funds, \$0 General Fund



Economic Security

- The Department requests federal Temporary Assistance for Needy Families (TANF) funds to connect child welfare cases, with poverty as an identified issue, to employment strategies.
- Quality employment is a key factor in abating poverty. However, counties have few resources available to provide employment services to child welfare cases.
- The requested funds will be used to create a three-year pilot program to connect families to work-based learning and employment services with a goal to increase family income.

R-05 Improving Nutrition in Rural and Underserved Communities

\$1.0 million Total Funds, \$465,000 General Fund

- The Department requests General Fund and Supplemental Nutrition Assistance Program (SNAP) funds to solidify SNAP outreach, access, and delivery for a three-year project.
- One out of every eight Coloradans, including one out of every five children, struggle with food insecurity. The majority of these underserved Coloradans live in rural communities within the State.
- The requested funds will improve Colorado’s food security and access, specifically aimed at improving nutrition in underserved rural/frontier communities.

R-06 Child Support Employment

\$966,977 Total Funds, \$0 General Fund

- The Department requests federal Temporary Assistance for Needy Families (TANF) funds to provide employment services to low-income non-custodial parents.
- On average, about 30,000 families receive none of the monthly child support they are owed each month. Families lacking this income source are more likely to live in poverty.
- The requested funds will support a four-year pilot program for non-custodial parents who owe child support.

R-07 Employment Affairs Staffing

\$589,251 Total Funds, \$329,981 General Fund

- The requested funds add 6.0 FTE human resources staff to ensure the Department can hire and retain talent to design and deliver high quality human services that help individuals, families and communities to be safe and independent.
- Human resources provides consultation to the business regarding the attraction, motivation and retention of staff. Customers include all 5,146 FTE working in programs covering 80+ lines of business. The Department is currently resourced at 0.63 HR Professionals per 100 employees. This ratio is below national averages and below other State Executive Branch agencies.
- The requested funds will bring the ratio of HR employees closer to the national benchmark.



FY 2019-20 CHANGE REQUESTS



R-08 County Child Welfare Staff – Phase 5

\$6.1 million Total Funds, \$4.5 million General Fund



Ensure Child Safety

- The Department requests \$6.1 million total funds to hire an additional 100 county child welfare caseworkers.
- A 2016 Division of Child Welfare Caseload Study determined that counties need 610 additional child welfare staff to promote the safety of children and youth within Child Welfare.
- This is the fifth phase of a multi-phased approach to support counties in hiring additional staff to ensure caseloads are manageable, and to expand the reach of recruitment of qualified child welfare candidates.

R-09 Colorado Works Basic Cash Assistance COLA

\$1.2 million Total Funds, \$0 General Fund

- The Department’s requested funding will be used to implement a Colorado Works Basic Cash Assistance (BCA) annual cost of living adjustment (COLA).
- The value of the cash assistance benefits has eroded over time, as it has not been adjusted for inflation or cost of living increases.
- Since the Colorado Works program was established in 1997, the purchasing power of Colorado’s BCA has decreased 35% because the grant amount has not kept pace with inflation.
- The Department has determined that the TANF Long Term Works Reserve (LTR) needs to contain a minimum of \$33.9 million (one quarter of the annual federal block grant) to maintain program stability. Any year when the TANF LTR year-end balance is projected to dip below \$33.9 million, the COLA increase would not be implemented.

R-10 Adult Protective Services Support

\$0 Total Funds, \$0 General Fund


- The Department proposes a net-zero transfer of \$185,472 total funds/General Fund and 2.0 FTE from the Adult Protective Services (APS) line item to the State Administration line item for an Adult Protective Services program specialist and an administrator for the Colorado Adult Protective Services data system (CAPS).
- The APS program offers protective services to prevent, reduce, or eliminate the current or potential risk of mistreatment or self-neglect to at-risk adults in Colorado. The APS Unit is currently unable to conduct sufficient monitoring, training, and technical assistance of the county department APS programs. Without sufficient staffing levels the State APS Unit is not able to address compliance issues identified during the quality assurance reviews.
- The requested funds will add support and technical assistance to the APS program.





R-11 Colorado Crisis Enhancements	
\$2.5 million Total Funds, \$2.5 million General Fund	
<ul style="list-style-type: none"> The Office of Behavioral Health proposes numerous enhancements to the current Colorado crisis system. Currently, the Department manages \$32 million in state funds to operate the statewide crisis hotline, mobile response, walk-in centers, crisis stabilization units, respite, and marketing campaign. This request aims to integrate the electronic health records system across crisis service providers, increase crisis hotline capacity and functionality, and add co-responder pilot Emergency Medical System (EMS/911) to better coordinate emergency response information by funding local pilots to integrate EMS systems with a uniform electronic crisis record system. 	

R-13 Colorado Trails Maintenance	
\$2.5 million Total Funds, \$1.1 million General Fund	
<ul style="list-style-type: none"> Trails is Colorado’s statewide child welfare case management system and is used by the State, counties, and other state agencies to meet the needs of children who must be placed, or at risk of placement outside of their homes for reasons of protection or community safety. Colorado Trails has not had an operations and maintenance increase in over nine years despite rising technology costs. There are several State and federal regulations that need to be implemented in Trails, and additional funding must be identified to cover the costs of contract services. The requested funding will pay for contracting developers, business analysts, data base administrators and service desk support to operate and maintain Trails. 	

R-16 Old Age Pension Program Cost of Living Adjustment	
\$3.2 million Total Funds, \$0 General Fund	
 Expand Living Options	<ul style="list-style-type: none"> The Department requests to fund a 2.8% Cost of Living Adjustment (COLA) to the grant award provided to Old Age Pension (OAP) Program participants. The OAP Program is established in the State constitution and is continuously appropriated. The program provides basic cash assistance to low-income adults, age 60 or older, who meet eligibility standards. Not passing along the COLA to OAP participants would result in the OAP grant standard not keeping pace with inflation and create a negative fiscal impact on a vulnerable population. The FY 2019-20 COLA monthly increase will be \$22, setting the grant standard to \$810 per month to support the Department’s priority of helping individuals thrive in their own community.



R-17 State Staff for 24-Hour Monitoring

\$164,519 Total Funds, \$136,551 General Fund



Ensure Child Safety

- The requested funds will be used to hire additional State child welfare staff needed for monitoring, technical assistance, and oversight of 24-hour child care facilities.
- There have been an increased number of complaints from constituents throughout the state with regards to 24-hour licensed facilities. Current State staff are overstretched and cannot meet the increasing needs of rising complaints.
- The Department’s ability to provide proactive inspections in an effort to avoid future complaints and exposure to liability of 24-hour child care facilities is limited.
- The additional positions will increase coordinated efforts of counties to protect children from harm and assist agencies and facilities in caring for and protecting children and youth residing with these providers.

R-19 Covering Child Support Unfunded Disbursements

\$150,896 Total Funds, \$150,896 General Fund

- The Department requests funds in order to sufficiently cover unfunded child support disbursements, given shortfalls in the Family Support Registry (FSR) Fund.
- When the FSR Fund was created, interest earned on the account’s daily balance was large enough to cover unfunded disbursements. Declining interest rates and advances in financial transaction times have reduced interest earned on the Fund’s daily balance, effectively eliminating these funds’ ability to cover the State’s expense of the unfunded disbursements.

Provider Rate Increases

\$20.9 million Total Funds, \$11.7 million General Fund

- **R-12 Contracted Physician Salary Adjustment:** Targeted increases for nurse practitioners, physician assistants, and physicians at the Colorado Mental Health Institutes.
- **R-14 Child Welfare Provider Rate Implementation – Phase 2:** Targeted increases for child placement providers as a result of a salary survey and actuarial analysis directed in House Bill 17-1292.
- **R-15 Community Provider Rate Increases:** One percent across the board provider rate increase to account for inflation.
- **R-18 Hotline for Child Abuse and Neglect:** Targeted provider rate increase for the Child Abuse and Neglect Hotline.

FY 2018-19 CHANGE REQUESTS



COLORADO
Department of Human Services

CC-03 CMHIFL F2 & F3 Cottage Renovation

\$18.6 million Total Funds, \$18.6 million General Fund

- The requested funding will add 44 inpatient psychiatric beds at the Colorado Mental Health Institute at Fort Logan, completed by late 2021, by renovating the vacant F2 and F3 cottages on the campus.
- The additional capacity will help the Department serve civil commitment clients.

CC-07 DYS Facility Refurbishment for Safety and Risk Mitigation, Modernization

\$2.6 million Total Funds, \$2.6 million General Fund

- The requested funding will allow the Department to complete the sixth phase of a six phase project first funded in FY 2014-15 to address the highest risk safety and security deficiencies in the Division of Youth Services 12 State-owned secure facilities.
- The needs identified and included in this Phase 6 are the result of a comprehensive assessment that was completed on all 12 secure care youth centers.

CR-11 CMHIP Campus Utility Infrastructure Upgrade

\$9.2 million Total Funds, \$9.2 million General Fund

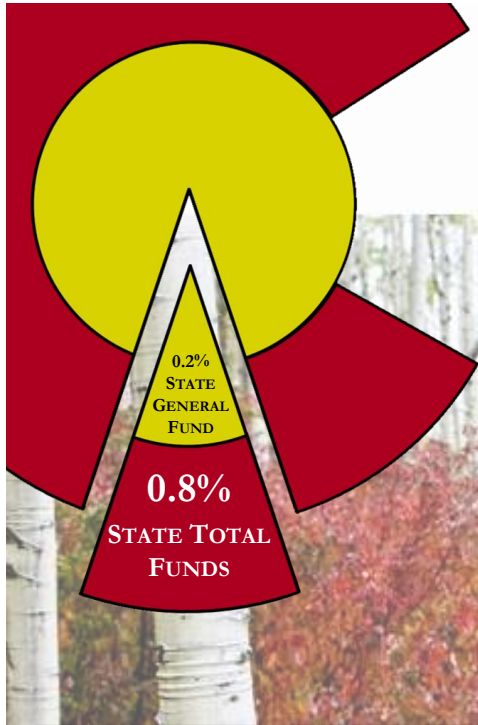
- The requested funding will allow the Department to begin the first phase of a Capital Renewal project to replace outdated infrastructure on the Colorado Mental Health Institute at Pueblo campus.
- The project will replace or upgrade the campus' electrical service, roads, parking areas and walkways, storm and sanitary sewer systems, water lines, and utility tunnels. This project will provide functional utility systems for the next 50 years.

IT-CAP Joint Agency Interoperability – Phase 5

(\$16.1 million) Total Funds, \$2.3 million General Fund

- The requested funds are intended to align the Interoperability spending authority with the project costs submitted to the Centers for Medicare and Medicaid Services.
- Interoperability is defined as the ability of two or more systems or applications to exchange information and use the information to make better decisions to provide better coordinated services to improve the lives of children, youth, and families in Colorado.
- The Department proposes the implementation of a sustainable, strategic pathway to 'connect' all of the internal systems. This begins with development of an Enterprise Service Bus that allows systems to be joined and for caseworkers and other decision makers to view data across systems.
- This request represents the fifth phase of the Interoperability project for the Department.





FY 2019-20 GOVERNOR'S REQUEST

\$24.2 million General Fund
Share of Statewide General Fund: 0.2%

\$276.2 million Total Funds
Share of Statewide Total Funds: 0.8%

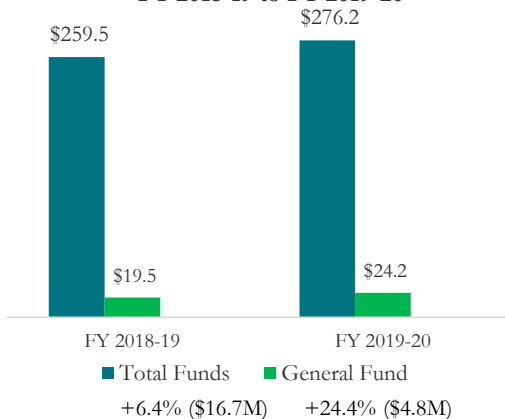
Mission Statement

To protect and promote the integrity and vitality of Colorado's employment environment. This statement encompasses every function of the Department as we serve Colorado's employers and workers to help our state thrive.

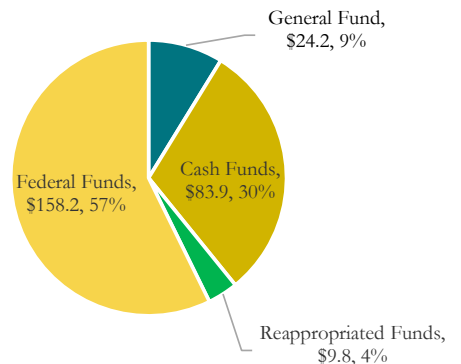
Department Description

The Colorado Department of Labor and Employment (CDLE) provides information and tools to help Colorado businesses and workers remain competitive. CDLE is comprised of six main divisions. These include the Division of Labor, which administers Colorado employment and labor laws; the Division of Oil and Public Safety, which is responsible for a variety of regulatory functions related to public health and safety; the Division of Workers' Compensation, which administers and enforces the provisions of the Workers' Compensation Act; the Division of Employment and Training, which includes Workforce Development Programs, the Colorado Workforce Development Council and Labor Market Information; the Division of Unemployment Insurance; and the Division of Vocational Rehabilitation and Independent Living Services.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



STRATEGIC POLICY INITIATIVES



COLORADO
Department of
Labor and Employment

1

Customer Service

CDLE fosters an agency-wide culture of service based on values, customer feedback and strategic initiatives to consistently deliver exceptional service.

- Customer satisfaction will be measured through the creation and implementation of an ongoing customer service survey and after a baseline is set will increase by 5% annually up to a threshold of 90%. The benchmark for 2017-18 was 90% and the actual was 87%

2

Employee Engagement & Accountability

CDLE will establish a culture of engagement and accountability that affords employees the opportunity, structure, and tools to thrive and provide an exceptional customer experience.

- Employee engagement will be demonstrated through an increase in the number of employees stating they agree or strongly agree with items on the Statewide employee survey. The benchmark for 2017-18 was 68% and the actual was 78%.
- The Department has prioritized employee growth and development by filling 50% of open positions internally.

3

Process Improvement

CDLE will maximize the value we bring to our customers through streamlining and improving our work processes and developing a culture of continuous process improvement.

- The Department will implement six key process improvements annually that bring savings of cost, time, and/or create an exceptional experience for our customers or stakeholders. In 2017-18, the benchmark was 6 key process improvements and the actual was 13 key process improvements implemented.



STRATEGIC POLICY INITIATIVES



4

Technology

CDLE will implement optimal technology solutions that helps streamline internal processes and creates an exceptional customer experience.

- The Department will have a timely resolution of technology issues identified by users of applications and infrastructure as reported in the service desk system. The benchmark for 2016-17 was 90% and the actual was 98.5%.
- The Department will also propose replacement of or enhancements to critical systems that are assessed at less than 80% overall health.

5

Partnerships & Stakeholder Relationships

CDLE will build and strengthen relationships with partners and stakeholders.

- The Department will survey two stakeholder groups per year to assess how CDLE could provide better service and hold at least 15 stakeholder group meetings annually.
- The Department aims to incorporate feedback from all stakeholders during the creation of new rules.

FY 2019-20 CHANGE REQUESTS



R-01 Unemployment Insurance Migrated System Operations

\$3.8 million Total Funds, \$0 General Fund



Technology

- The Colorado Department of Labor and Employment (CDLE), specifically the Unemployment Insurance Division (UI) in cooperation with the Governor’s Office of Information Technology (OIT) is requesting an operating increase of \$3,801,509 cash funds spending authority to support production operations of the recently migrated UI claimants benefits processing system (also known as CUBS) and UI employer premiums system (also known as CATS). The request will not increase fees and will add 4.5 FTE to the OIT mid-year for FY 2019-20 to support the new system.
- The Unemployment Insurance Program provides temporary and partial wage replacements to workers who have become unemployed through no fault of their own and is funded by employer paid premiums. The program provides benefits to those who meet the eligibility requirements of the Colorado Employment Security Act. The program provides unemployment insurance benefits in a fair, timely, accurate, and efficient manner to the employers and citizens of Colorado, to stabilize the workforce, and to minimize the impact of unemployment on the state's economy. The 30-year old mainframe computer systems were successfully migrated from the mainframe environment to OIT’s Enterprise Hosting Environment. After the successful migration, a needs assessment was conducted to determine future support and software licensing costs.
- If the request is not approved, the system will not be fully supported. The benefits and tax systems produce and consume over 300 interfaces with varying requirements for delivery schedules, access control, and data classification. This support is either performed by OIT staff and/or software automation.

R-02 Division of Workers’ Compensation Modernization Project

\$76,817 Total Funds, \$0 General Fund



Technology

- The Division of Workers’ Compensation (DOWC) requests \$76,817 cash fund spending authority in FY 2019-20 and ongoing from the Workers’ Compensation Cash Fund for ongoing license costs with the new IT system.
- The DOWC requested funding to migrate its claim system off a 23-year old mainframe computer system and on to a modernized computer platform. The Division received capital construction funding in the amount of \$5,932,500 in cash spending authority and zero FTE for this project. The project is a success and is currently in its fourth and final year of implementation, spanning July 1, 2014 through June 30, 2018.
- The Office of Information Technology (OIT) staff will continue to develop and customize the DOWC User-Interface Screens beyond the originating capital construction project scope of functionality through the use of these applications.
- The old system hindered the ability for staff to access the new claims system to assist the needs of the public. DOWC’s functional computer system updates, problem resolution, production changes and future customization depend upon OIT staff’s integration of service and support applications.



FY 2019-20 CHANGE REQUESTS



R-03 Division of Labor Standards and Statistics Claims System

\$34,802 Total Funds, \$0 General Fund



Technology

- The Division of Labor Standards and Statistics (DLSS) requests \$34,802 cash fund spending authority in FY 2019-20 and beyond from the Employment Support Cash Fund for licensing costs of the new claims system.
- The DLSS’s purpose is to assist employees performing work in Colorado with the recovery of earned compensation, and labor law violations. The Wage Protection Act of 2014 requires the Division to conduct investigations and hold hearings for wage complaints received. Each year, the Division investigates approximately 3,500 complaints, responds to 2,000 emails, and answers 40,000 calls from the public. To meet this public need and efficiently administer a high work volume, the Division required replacement of a modern software platform that launched January 2018. The new system is a centralized database utilizing a Salesforce platform where investigators can review and create needed documents to conduct their investigations.
- There are 28 staff utilizing the modern system that each require a Salesforce and Conga license.
- Without funding for the software licenses, the Division’s goal to structure and implement an effective public outreach program would be impacted. The number of log-ins purchased for public users logging into the system would need to decrease for the Division to afford this added cost. Address verification and text messages would also need to decrease. The Division would be unable to financially support additional internal users such as other division staff and the Office of Information Technology.

R-04 Division of Oil and Public Safety - Petroleum Program

\$50,000 Total Funds, \$0 General Fund



Process
Improvements

- The Division of Oil and Public Safety (OPS) requests \$50,000 cash fund spending authority in FY 2019-20 and ongoing from the Petroleum Storage Tank Fund to replace equipment and supplies.
- The Petroleum program provides quality control testing of petroleum products. Through a joint agreement with the Colorado Department of Public Health and Environment, OPS also conducts vapor monitoring to ensure that petroleum delivery carriers are capturing vapors when delivering fuel. Consumer complaints for fuel quality issues and dispenser measurements also go to OPS for records and processing. The OPS laboratory ensures equity in the marketplace by testing the accuracy of labels on fuel from competing gas stations for consistency, ethanol content, and accuracy.
- The machinery in the laboratory is aging and OPS has delayed replacements due to a limited operating budget. With the increase in demand of gas stations and petroleum storage tanks, more supplies are needed. Some of these supplies include containers to test the fuel samples and gloves to avoid contamination of the samples and waste disposal.
- Without approval of this request, OPS will be unable to continue to provide important consumer protections and The Division will not be able to provide air quality data to the Colorado Department of Public Health and Environment.
- OPS is requesting a \$50,000 increase to the operating budget to replace worn out equipment and purchase more supplies in order to meet the increased demand of petroleum storage tanks and gas stations.



FY 2019-20 CHANGE REQUESTS



R-05 Replacement of the Legacy Field Audit System

\$450,000 Total Funds, \$0 General Fund



Technology

- The Division of Unemployment Insurance (UI) requests \$450,000 Cash Fund spending authority in FY 2019-20 and ongoing from the Employment Support Fund to replace the legacy field audit system.
- The UI Field Audit program ensures employers comply with state and federal unemployment laws. The UI Field Audit Unit completes on average 2,500 audits annually, with each audit having Tax Performance System functions that must be met. Currently, the system in place for the UI Field Audit program is Chronicles.
- The existing system is an internally developed office automation tool that utilizes a combination of Microsoft Access databases and Excel spreadsheets, which was implemented in the late 1990's. The current system has to be manually upgraded every time an Excel version is updated or security patch occurs, causing downtime and workaround issues.
- If the request is not approved, system downtime may require a rescheduling of an employer audit, and the Division may be unable to meet federal and state measures in the future if this system is not updated.
- The Department and the Office of Information Technology are recommending a replacement of the entire Chronicles system to a more current technology platform. The new system would be a sustainable solution that will enable the Field Audit Unit to comply with state and federal statutes.

R-06 Independent Living Services Provider Rate Increase


\$67,335 Total Funds, \$67,335 General Fund

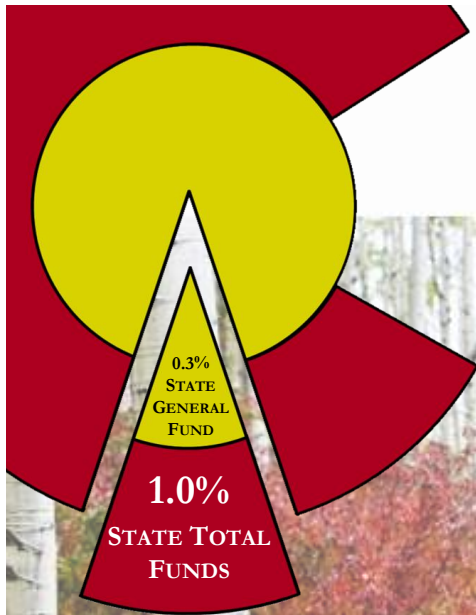
- The Department requests an increase of \$67,335 General Fund in the Office of Independent Living Services to address continued inflationary increases experienced statewide by community service providers and to provide the same standard of services to the disabled.
- The Independent Living Services line provides funding to nine independent living centers statewide who contract with the Department of Labor and Employment (CDLE) to provide five core services, including advocacy, information and referral, peer support, independent living, and transition services for the disabled, pursuant to the statewide plan for independent living. For FY 2018-19, the Department was allocated \$7,072,790, of which \$6,733,512 was General Fund and \$305,350 was federal funds. This request represents a 1.0 percent increase applied to General Fund.
- In FY 2019-20, the Governor's November 1 Budget Request includes a 1.0 percent across-the-board increase for community providers. This includes the Independent Living Centers, who contract with the Department of Labor and Employment to provide five core services of advocacy, information and referral, peer support, independent living, and transition services for the disabled pursuant to the Statewide Plan for Independent Living. The Department requests an increase of \$67,335, which represents a 1.0 percent increase for service provision.
- If the request is not funded, the Centers for Independent Living may be forced to absorb inflationary costs of service provision, thereby crowding out available funds for services.



FY 2019-20 CHANGE REQUESTS



IT CC-01 COSTIS System Replacement	
\$2.8 million Total Funds, \$0 General Fund	
 Technology	<ul style="list-style-type: none"> • The Division of Oil and Public Safety (OPS) requests \$2,172,516 cash fund spending authority in FY 2019-20 and ongoing from the Petroleum Storage Tank Fund (PSTF) and \$612,761 from the Petroleum Clean-Up and Redevelopment Fund (PCRF) for a total request amount of \$2,785,277. • The COSTIS system houses the majority of the information related to regulating petroleum storage tank facilities sites within the State of Colorado. The current system is in need of modernization to eliminate potential disruptions in maintenance and security. Information contained within the database includes inspections, records review of release detection methods, and permitting of petroleum regulated facilities in the state. • Recent security scans have identified numerous critical risks, which are deemed as irreparable by the Office of Information Technology (OIT), given that the software is no longer supported. The original vendor is no longer in business and the SQL software used to create the system is not supportable by any other vendors. These risk introduce potential vulnerabilities with the environments, such as access to the data from an outside source as well as access to other Department systems within the same server. • If this request is not funded, the Division will have to work with OIT to determine how COSTIS will be operated given the current security, compliance and sustainability challenges. A potential loss of some or all of the system resulting in loss of data for 5,000 active facilities and approximately 15,000 active tanks.



FY 2019-20 GOVERNOR'S REQUEST

\$41.5 million General Fund
Share of Statewide General Fund: 0.3%

\$317.3 million Total Funds
Share of Statewide Total Funds: 1.0%

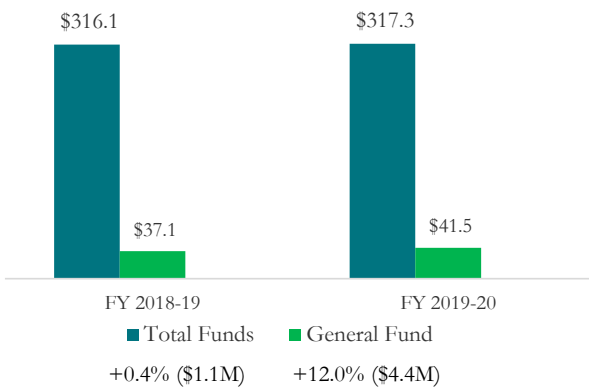
Mission Statement

The Department of Local Affairs empowers Colorado's communities to be fiscally stable and meet community development and housing needs by providing training, research, technical expertise, advice and funding.

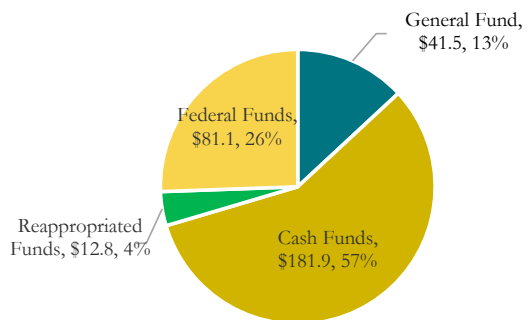
Department Description

The Department of Local Affairs (DOLA) serves as the primary interface between the State and local communities. DOLA provides financial support to local communities and professional and technical services to community leaders in the areas of governance, affordable housing, and property tax administration. DOLA makes financial resources available to support community infrastructure and services either through statutory formula distributions of state and federal funds or through state and federal grants. In addition to providing assistance and services to local governments and communities, DOLA provides technical assistance and services for individual citizens as well, such as by assisting property owners with their property taxes, helping with rental assistance, and through channeling federal aid for disaster recovery.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Local Affairs

1

Increase Affordable Housing Opportunities

Increase decent, affordable housing supply across Colorado in order to decrease the number of individuals and families experiencing homelessness and housing insecurity.

- The Department measures success through the annual increase in affordable housing opportunities created by both development and voucher awards. The FY 2019-20 goals are to provide 3,300 new affordable housing opportunities and to provide 1,200 formerly homeless individuals or families with stable housing. Additionally, homeless veterans will be housed within 35 days after receiving a voucher.
- Special focus will be to use newly appropriated resources for targeted homeless populations to include recently released mental health patients, state prison system parolees, veterans, and homeless youth.

2

Local Government Transparency and Sustainability

Promote local government transparency and sustainability by providing sound fiscal management practices and operational training for communities annually.

- The Department is providing additional live streaming of property valuation protest hearings and developing video educational classes for county property assessment staff.
- The Division of Local Government is also working with 8 selected communities to adopt 15 best applicable management practices to promote fiscal health.

3

Rural Economic Development

Lead Rural Response, Recovery, and Resilience in eight selected counties reliant on extractive industries.

- The Department is helping local governments implement economic and community development objectives. It is also funding broadband infrastructure “middle-mile” projects.
- These efforts assist communities in diversifying their economies, improve infrastructure, and build community institutions for 21st Century success.

4

Community Development Block Grant-Disaster Recovery

Effectively and efficiently invest all remaining CDBG-DR dollars prior to September 2021.

- The Department intends to invest the remaining \$48 million in CDBG-DR funds in FY 2019-20 in order to foster long-term recovery of disaster-impacted communities.





R-01 Colorado Choice Transitions Funding Deficit

\$1.6 million General Fund



Increase Affordable Housing

- The Department requests \$1,693,126 General Fund in FY 2019-20 and ongoing to maintain funding for housing vouchers that enable clients to transition from living in institutions or nursing facilities back into the community, which is supported by the Colorado Choice Transitions (CCT) program.
- The cost of funding CCT vouchers has grown significantly since FY 2014-15 due to an unprecedented increase in rents. In FY 2014-15, the cost to fund one CCT voucher was \$6,005 per client. By the end of FY 2017-18, the cost to fund one CCT voucher increased to \$9,024 and the estimated cost per voucher for FY 2019-20 is \$11,840.
- Additionally, H.B. 18-1326 established the CCT program permanently in the Department of Health Care Policy and Financing (HCPF) and expanded it by increasing the number of transition coordination services providers. This will increase referrals to the CCT program by an additional 138 for FY 2019-20.
- The request is critical for compliance with the State’s Olmstead Plan and it will take advantage of HCPF’s improved transition coordination. The program also results in significant savings to the State because the cost to provide a voucher is less than the cost of institutionalization.

R-02 Colorado Resiliency Office

\$249,454 General Fund and 2.7 FTE



Local Government Transparency and Sustainability

- In FY 2019-20, the Department requests an appropriation of \$249,454 General Fund and 3.0 FTE (prorated to 2.7 FTE in FY 2019-20 due to the pay date shift) for the Colorado Resiliency Office. The request would annualize to \$268,361 General Fund and 3.0 FTE beginning in FY 2020-21.
- House Bill 18-1394, “Update Colorado Disaster Emergency Act”, established the Colorado Resiliency Office (CRO) in the Department to lead long-term recovery efforts from disasters and create, maintain, and implement resiliency and community recovery programs. However, H.B. 18-1394 stipulates that the CRO exist contingent upon the availability of grant funding. There is not a stable source of funding for this core function.
- Current funding for the CRO from the Disaster Emergency Fund will expire on June 30, 2019 and result in closure of the CRO. The use of grant funds as a method for funding this core statewide function means there are limited dollars available for recovery and resilience work to support communities.
- The Department proposes to fully fund Colorado’s core long-term disaster recovery and resiliency planning services beginning July 1, 2019, and remove the requirement that the CRO exist solely on the basis of grant funding as stipulated in Sections 24-32-121 and 24-32-122 (4), C.R.S.





R-03 Transfer of Home Modification Waiver Program

\$57,800 reappropriated funds and 0.7 FTE

- The Department requests \$57,800 in reappropriated funds for 0.7 FTE in FY 2019-20 and \$73,636 in reappropriated funds for 1.0 FTE in FY 2020-21 and beyond to assume oversight of all Medicaid-funded home modifications over \$2,500 on behalf of the Department of Health Care Policy and Financing (HCPF).
- HCPF and the Department partner to oversee the Home Modification Program for four distinct waiver populations: the Elderly, Blind, & Disabled; Community Mental Health Supports; Brain Injury and Spinal Cord Injury. The Department’s Division of Housing (DOH) currently receives funding from HCPF to support 2.0 FTE that approve all projects over \$2,500 for these populations.
- Community-Centered Boards (CCBs) currently approve home modifications up to \$10,000 for Child Extensive Support (CES) and Supported Living Services (SLS) waiver clients. Determinations regarding compliance vary according to internal processes managed by each CCB
- Overseeing home modifications requires a specialized skill set that is typically outside of that of a CCB case manager. Rather than undertake a challenging and inefficient training process for CCB staff across the state, HCPF has requested to transfer oversight of home modifications for CES and SLS clients to the Department since the DOH has the expertise and experience to ensure compliance with rules, project quality standards, and person-centered service planning.
- Full oversight of this benefits program by the Department would improve the consistency and quality of approved home modifications, promote transparency, increase client satisfaction, and lower the risk of improper authorizations and inappropriate spending.

R-04 Census 2020 Communications and Outreach Support

\$300,000 General Fund (one-time)



Local Government Transparency and Sustainability

- The Department requests \$300,000 General Fund in FY 2019-20 for temporary resources to promote participation in Census 2020.
- The federal Census is the largest peacetime mobilization that the country conducts each decade with all levels of government and citizenry needed to count every person living in the United States. The complete count is critical for reapportionment, redistricting, federal per capita funding to Colorado, and the statewide planning efforts of almost every department in the State.
- Approximately \$400 billion in federal funding is distributed to communities nationwide each year based on population data established through the federal census. Of this, Colorado receives roughly \$8 billion which is estimated at \$1,400 per person. Every person not counted in Colorado could mean a loss of per capita funding.
- It is estimated that the State’s population grew by 578,000 people from 2010 to 2017. Funding efforts to promote participation in Census 2020 and to support local communities will greatly increase the likelihood that the State’s population is accurately collected.
- Of the total requested, \$52,000 will fund a full-time program assistant for nine months to provide operational support. The remaining \$248,000 will fund marketing and communications to educate, engage, and encourage people to respond to the Census questionnaire.





R-05 Housing Assistance for Reentry Population

\$408,052 cash funds (one-time)



Increase Affordable Housing

- The Department requests \$408,052 in spending authority from the Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System Cash Fund (“Cash Fund”). This request is made pursuant to the provisions of S.B. 18-016.
- Pursuant to S.B. 18-016, the Cash Fund is funded through ongoing transfers of unexpended General Fund dollars appropriated to the Division of Criminal Justice in the Department of Public Safety (DPS) for community corrections programs and services. Funds are used to provide housing vouchers to persons with mental illness transitioning from the criminal or juvenile justice systems, pursuant to S.B. 17-021.
- While S.B. 18-016 allows the Cash Fund to receive the ongoing transfers, the legislation requires the Department to request spending authority from the Cash Fund through the annual legislative budget process. As such, the Department is submitting this request as part of its FY 2019-20 budget submission.
- Failure to approve this request will prevent the State from utilizing the funds transferred from DPS to the Cash Fund and the original policy objectives of S.B. 17-021 will not be implemented. This will hamper the State’s ability to address mental illness in the homeless population throughout Colorado.

R-06 Lifelong Colorado Initiative

\$485,959 General Fund and 0.9 FTE

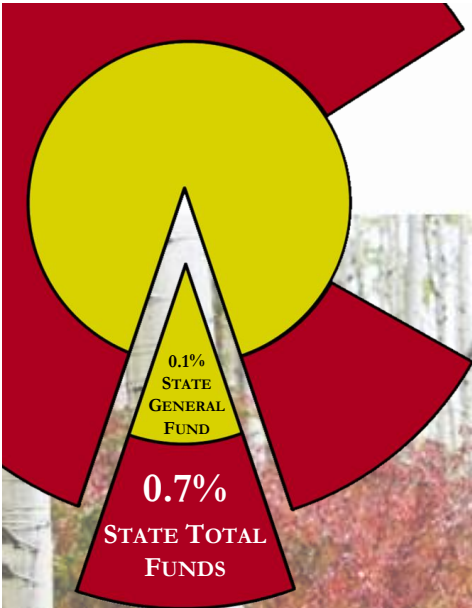
- To help achieve the objectives of the Lifelong Colorado Initiative, the Department requests \$485,959 General Fund and 1.0 FTE (prorated to 0.9 FTE in FY 2019-20 due to the pay date shift) to increase the State’s age-friendly strategic planning and implementation resources for local communities. The request annualizes to \$486,386 and 1.0 FTE beginning in FY 2020-21.
- Colorado’s aging population is projected to grow at a rapid pace through 2030 – an increase of 77%. With this trend, communities are struggling to plan for and mitigate the impacts to transportation, health care, housing, local government revenues, and increased demand for services.
- There seems to be a strong and growing consensus among aging experts and researchers that policies and strategies associated with age-friendly communities often increase overall quality of life while extending the lives and reducing health care costs for many residents.
- The request includes \$216,000 for technical consultants, \$200,000 for a grant program to help participant communities with planning and implementing community improvement efforts, and \$69,959 for 1.0 FTE to administer the program. With these resources, the Department will leverage existing efforts in other agencies to assist communities statewide on these issues.





COLORADO

Department of Military and Veterans Affairs



FY 2019-20 GOVERNOR'S REQUEST

\$11.8 million General Fund
Share of Statewide General Fund: 0.1%

\$233 million Total Funds
Share of Statewide Total Funds: 0.7%

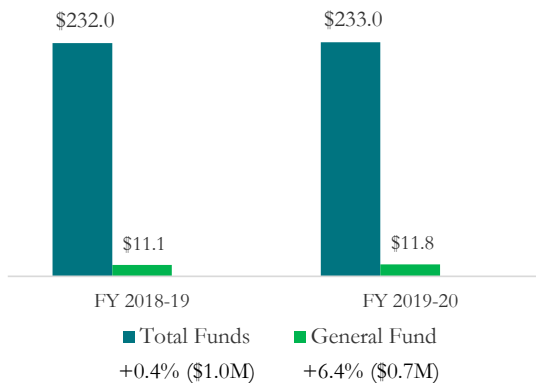
Mission Statement

Colorado's Department of Military and Veterans Affairs supports the Division of the Colorado National Guard (CONG) in delivering land, air, space, and cyber power in support of state and federal operations; enables the Division of Veterans Affairs (DVA) to deliver high quality service to the State's Veterans and their families; and oversees the operations of the Colorado Wing of the Civil Air Patrol (CAP) in delivering aerospace education and emergency services.

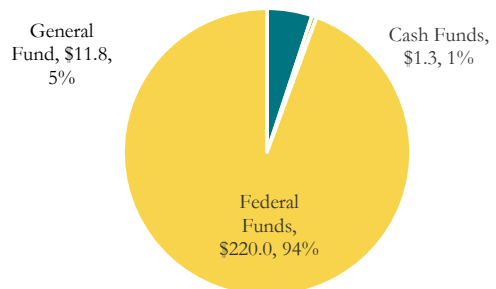
Department Description

The Department of Military and Veterans Affairs provides assistance and protection in the event of emergencies and disasters for the citizens of Colorado, provides assistance for Colorado veterans, and houses the state's Civil Air Patrol. The National Guard maintains a ready military force that can augment the active duty military, and is available to the State for assistance during emergencies and disasters.

Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20



Breakdown of Total Funds, \$s in Millions,
FY 2019-20





STRATEGIC POLICY INITIATIVES

1

Improve the Resilience of Service Members

Improve the resilience of service members and their families to face and cope with adversity, change, and setbacks.

- The Department aims to reduce stigma of seeking mental health assistance which is reflected by a 15% increase over three years for those seeking mental health assistance. The baseline is 358 (2017) total mental health referrals.
- The Department aims to decrease the number of high risk/high interest mental health cases by 15% over three years. The baseline is 106 (2017) total mental health cases.

2

Improve Veterans Satisfaction with Services

Increase understanding of veteran's needs and their customer experience with Veteran Services Officers across all 64 counties by 2020.

- The Department will implement an online customer service feedback program and achieve a 50 percent response rate by June 2020.
- The Department will implement and analyze VSO information across all 64 counties by 2020 and achieve state VSO participation in at least 120 community outreach events.
- The Western Region One Source will be fully operational no later than June 2019.

3

Increase Total Annual Infrastructure Investment

Enhance the Department's capacity to support the Colorado National Guard and Division of Veteran's Affairs by investing \$95 million dollars in infrastructure development by 2020.

- The Department will invest at least \$57 million in 2018, \$22 million in 2019, and \$16 million in 2020, totaling \$95 million in infrastructure development and improvements by 2020.

FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Military
and Veterans Affairs

R-01 Facilities Maintenance Staff and Vehicles

\$141,521 General Fund and 1.4 FTE



Increase Total
Annual
Infrastructure
Development

- The Department is requesting \$141,521 General Fund in FY 2019-20 for 1.5 state-funded FTE (prorated to 1.4 in FY 2019-20 due to the pay date shift) and four fleet vehicles for the Construction and Facilities Management Office (CFMO) within the Department’s Army National Guard Unit (COARNG). The requested General Fund will leverage \$607,056 in federal funding for a total of 9.0 FTE and eight vehicles to fully support the CFMO. The request will annualize to \$141,458 General Fund beginning in FY 2020-21.
- The CFMO requires additional FTE and vehicles to address the maintenance needs of both legacy / aging facilities and new facilities that have complex systems related to environmental design. The current backlog of work orders is equivalent to nine months of work.
- The total addition of 9.0 FTE and eight maintenance vehicles will allow the CFMO to provide full coverage support to all COARNG facilities dispersed throughout the state. This would enable the Department to eliminate the backlog of work orders and reduce the deferred maintenance cost for COARNG facilities.

R-02 Western Region Director and One Source Utilities

\$251,919 Total Funds and 0.9 FTE



Improve
Veterans
Satisfaction
with Services

- The Department is requesting \$251,919 total funds and 1.0 FTE (prorated to 0.9 FTE for FY 2019-20 due to the pay date shift), which includes \$217,464 General Fund and \$34,455 in cash fund spending authority from the Veterans One-Stop Center Cash Fund, to hire a Western Region Division Director and to pay for operating and utilities at the Western Region One Source (WROS) in Grand Junction, CO. The request will annualize to \$255,857 total funds and 1.0 FTE, including \$186,947 General Fund and \$68,910 cash fund spending authority, beginning in FY 2020-21.
- Funding a regional division director gives the Department the opportunity to appropriately manage the full portfolio of veterans resources on the Western Slope that includes the WROS, the Veterans Memorial Cemetery of Western Colorado, and the training and assistance provided to 24 County Veterans Service Officers on the Western Slope.
- The current budget for the WROS, which is scheduled to be fully open and operational in May 2019, does not include funding for operating and utilities. Funding these costs will allow for a bridge until true operating cost, capacity, and rental revenue is established. The Department intends to maximize its use of rental revenue to offset its reliance on General Fund in the long term.



FY 2019-20 CHANGE REQUESTS



R-03 Staff Development & Education Program

\$59,675 General Fund

- The Department is requesting an annual appropriation of \$59,675 General Fund beginning in FY 2019-20 for a staff development and education program.
- Employee growth and development has been identified as a priority area in need of improvement as indicated by the 2017 employee engagement survey results in which only 29% of the employees had a favorable view of the Department's growth and development program, down 13% from the 2015 employee engagement survey.
- The request for \$59,675 will fund participation for approximately 25 employees per year in the State's Center for Organizational Effectiveness customer service and leadership certification programs. Under this proposal, the Department's 150 State employees will receive training every six years.
- Providing a staff development and education program will have a positive impact on employee development, growth, and retention, and improve customer service to the Department's customers.

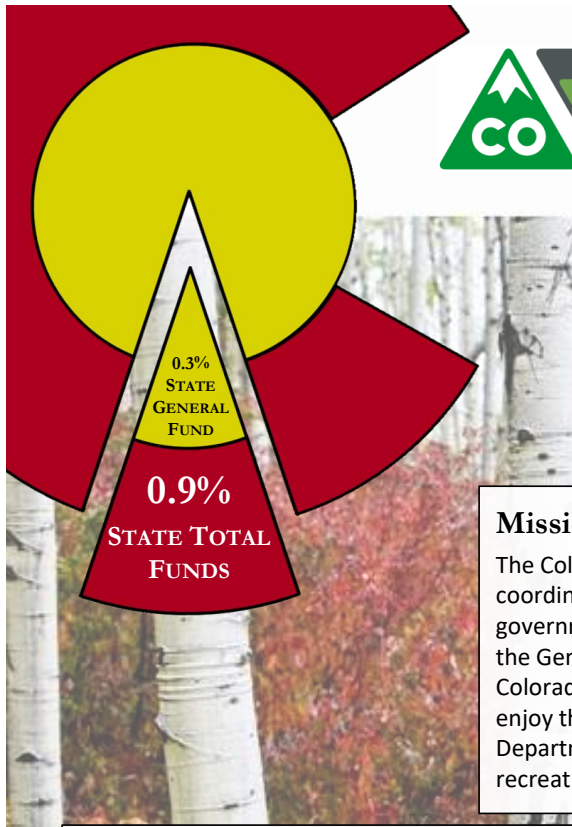
R-04 Veterans Memorial Cemetery Construct Columbarium and Upgrade Stream Filter System

\$2,667,390 Capital Construction Funds



Improve
Veterans
Satisfaction
with Services

- The Department is requesting \$2,667,390 in Capital Construction Funds for the design and construction of eight new columbaria and infrastructure upgrades at the Veterans Memorial Cemetery located in Grand Junction, Colorado.
- Based on historical records, the Cemetery will fill up all available niches and be out of columbaria space around April 1, 2021. Constructing eight new columbaria is anticipated to provide nice capacity for an additional 12 years, until 2033.
- Large amounts of silt accumulation within the pond and stream system have created an enormous amount of maintenance upkeep for cemetery staff to maintain operation of the irrigation system. Plastic liners have failed in numerous locations and silt is now seeping up through the liners. The request includes funding to remove silt from the upper and lower ponds, replace liners, and expand the silt trap.
- The request includes a one-time purchase of new equipment essential for the ongoing maintenance of the Cemetery grounds.
- Ensuring that the cemetery is prepared to serve future generations of veterans is a high priority for the Department.



FY 2019-20 GOVERNOR'S REQUEST

\$33.3 million General Fund
Share of Statewide General Fund: 0.3%

\$290.9 million Total Funds
Share of Statewide Total Funds: 0.9%

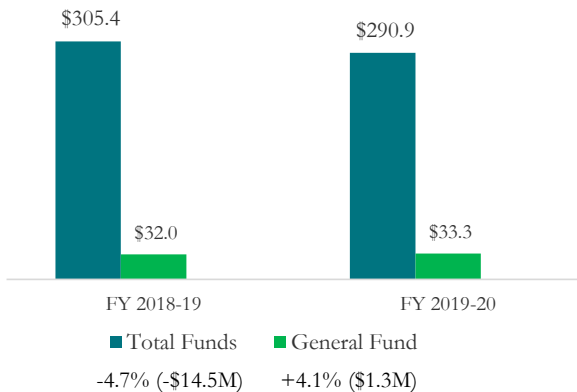
Mission Statement

The Colorado Department of Natural Resources acts as a leader in coordinating the protection of natural resources with the federal government, other state agencies, local governments, businesses, the General Assembly, and private citizens. By soundly managing Colorado's natural resources, future generations of Coloradans will enjoy the same high standard of living enjoyed today. The Department's mission also includes the promotion of outdoor recreation as well as natural resources education.

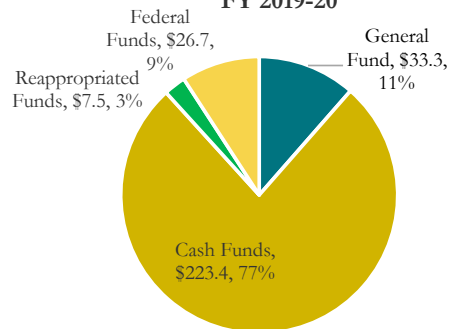
Department Description

The Colorado Department of Natural Resources (DNR) is responsible for the management of the water, land, wildlife, minerals and energy, oil & gas, state trust lands, and outdoor recreation resources of the State. Its mission is to develop, preserve, and enhance Colorado's natural resources for the benefit and enjoyment of citizens and visitors. This includes use or access to some resources, promotion of the responsible development of select resources, and the protection or preservation of other resources.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Natural Resources

1

Improve Safety for High Priority Sites

Implement regulatory changes to improve safety through inspections and emergency action plans for high priority sites.

- The Department aims to increase the number of high priority hardrock mine and wells inspections completed.
- The Department aims to increase the percentage of dams with Emergency Action Plans (EAP). By 2021 the Departments expects that 99% of dams will have an EAP.

2

Improve Accessibility

Implement programs to improve habitat and public access

- The Department aims to increase the number of priority land habitat conserved statewide. By 2021 DNR expects to have 855,706 acres conserved.
- The Department expects to increase acreage enrolled in the Public Access Program. By 2020, DNR projects that 535,000 acres will be enrolled in the program.

3

Promote Water Conservation

Implement Colorado's Water Plan through increasing water storage and water conservation.

- The Department aims to increase the number of acre-feet created which has state financial support (based on % of completion). By 2021, DNR expects to have 27,000 acre feet with state financial support.
- The Department expects to increase the number of acre-feet conserved as reported through approved conservation plans and the 1051 database. By 2021, DNR aims to have 54,000 acre feet conserved.

4

Improve Customer Service

Increase customer service through increasing public engagement and formal feedback mechanisms.

- The Department will increase customer service by increase the number of customer surveys completed, the number of public meetings, and the number of participants in outdoor recreation programs. By 2021, DNR expects to have 175,600 participants in outdoor recreation programs.



FY 2018-19 CHANGE REQUESTS



COLORADO
Department of Natural Resources

R-01 Increased Spending Authority for State Park Operations

\$3,661,298 Total Funds, \$0 General Fund

- Colorado Parks and Wildlife (CPW) requests an increase to the State Park Operations line item consisting of \$3,661,298 in new cash spending authority and \$1,375,000 in spending authority reallocated from the Wildlife Operations line item. The total amount of the increase is \$5,036,298.
- CPW has not received increased spending authority to reflect significant increases in visitation compounded by inflationary increases for the cost of goods. The funding level for the State Park Operations line item has been largely unchanged for the last ten years. Over this time period, annual visitation has grown from 12.3 million to 14.6 million, an 18.7 percent increase.
- These adjustments will bring the line item's cash spending authority closer to the level necessary to support the true cost of park operations.

R-02 Additional Staffing to Address Backlogs at the OGCC

\$648,304 Total Funds, \$0 General Fund



Improve
Safety for
High Priority
Sites

- The Oil and Gas Conservation Commission (OGCC) requests an increase of \$648,304 from the Oil and Gas Conservation and Environmental Response Fund for 5.0 FTE to address workload increases and severe backlogs in permitting, engineering, field inspections, reclamation, and data analysis.
- Higher, more stable oil prices led to an increase in oil and gas activity to levels that, by some measures, made FY 2017-18 the busiest on record. The resulting uptick in workload quickly gave rise to large backlogs throughout its regulatory program despite assistance from state temporary employees.
- The workload increases and resulting backlogs add unnecessary risk to the public and environment due to delays in reviewing regulatory reports and addressing issues on the ground; it will likely cause major delays and additional costs for the industry by early FY 2019-20.
- Funding this request will address the OGCC's most critical issues and slow the growth of backlogs while it continues to seek non-FTE solutions,

R-03 Spending Authority for Asset Maintenance and Repair

\$2,043,120 Total Funds, \$0 General Fund

- Colorado Parks and Wildlife (CPW) requests \$2,043,120 in increased cash spending authority to fund a permanent Wildlife Small Capital Program.
- For more than 15 years, the State Parks branch of CPW has dedicated a portion of its overall budget to small construction projects, defined (via internal policy) as projects with a total cost of between \$5,000 and \$100,000 and located within state parks. These projects are primarily maintenance in nature and address fire/safety/health issues or repair minor problems before they become major.
- The Small Capital Program, as it has come to be known, is very successful and averages about 120 projects a year. The budget is \$2.0 million annually and is supported with Lottery funding.
- CPW is very appreciative of GOCO and its support, but in approving the grant the GOCO Board indicated that this funding was intended to help initiate the program and should not be considered a long-term funding source. GOCO is unlikely to fund all or even most of a Wildlife Small Capital program in future years.
- These two changes, in conjunction with existing cash spending authority in the Asset Maintenance and Repair line item, will allow CPW to manage a Wildlife Small Capital program with an annual budget of \$3.0 million.



FY 2018-19 CHANGE REQUESTS



COLORADO

Department of Natural Resources

R-04 Capital Development Staff and Operating

\$401,653 Total Funds, \$0 General Fund

- Colorado Parks and Wildlife (CPW) requests \$401,653 in cash fund spending authority for 3.0 FTE to support increased capacity for capital development, maintenance, and renovation of facilities and dams. This will annualize to \$496,454 cash funds and 4.0 FTE in FY 2020-21 and beyond.
- The CPW Capital Development Program manages construction, renovation, rehabilitation, and other development projects around the state, ranging in size from small landscaping projects to the development of new state parks. The program manages construction that supports operations at facilities division-wide, including over 350 wildlife areas, 41 state parks, and 19 hatcheries.
- Despite significant investments of time, effort, and capital over the last several years, CPW's capital assets are in need of increased maintenance, rehabilitation, and renovation, particularly those assets located on state wildlife areas.
- CPW estimates its dam maintenance and repair backlog at more than \$44 million as of FY 2018-19.
- CPW requests 1.0 FTE for dam projects, 1.0 FTE for project engineering and design, and 2.0 FTE to function as regional project managers. These staff members would be hired in phases as new capital projects are undertaken, so the request is for 3.0 FTE in FY 2019-20 and 4.0 FTE in FY 2020-21.

R-05 Staff and Operating for Cameo State Recreation Area

\$351,025 Total Funds, \$0 General Fund

- Colorado Parks and Wildlife (CPW) requests \$351,025 in cash spending authority to support 3.0 FTE and operations at the new Cameo State Recreation Area in Mesa County.
- CPW is developing a major sport shooting and education complex in western Colorado, three miles east of Palisade. The Cameo Sport Shooting Complex (Cameo) will eventually include several varieties of indoor and outdoor ranges for archery, rifle, pistol, and shotgun shooting recreation, as well as facilities for hunting and environmental education. Cameo opened on a limited basis in August 2018, expanding to full scale operations later in FY 2018-19.
- As a new facility, Cameo has no dedicated FTE and is currently being operated with staff and budget reallocated from other cost centers in the CPW system. This will allow the facility to function at a relatively modest capacity for the first few months of FY 2018-19 but will not be sufficient for expanded operations in the longer term.
- The staff resources and operating budgets that have been temporarily reallocated to Cameo are badly needed at their original locations. These cost centers can operate temporarily with slightly reduced staffing but cannot sustain this for long periods of time.

R-06 Increased Spending Authority for the Wildlife Council

\$1,100,000 Total Funds, \$0 General Fund

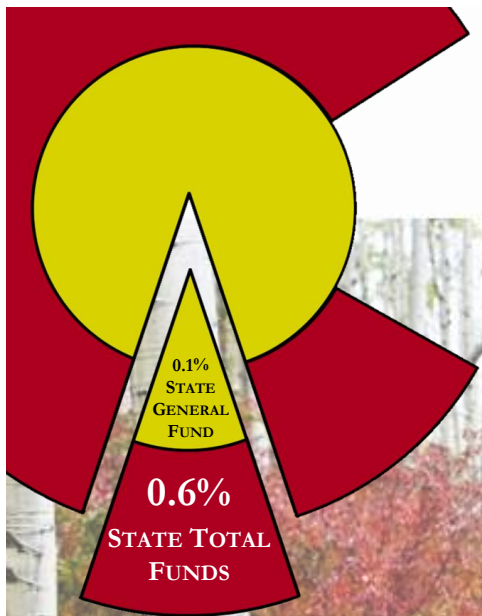
- Colorado Parks and Wildlife (CPW) requests \$1,100,000 in increased cash spending authority to expand opportunities to provide public education about the benefits of wildlife, wildlife management, and wildlife-related recreation opportunities in Colorado.
- The Wildlife Management Public Education Advisory Council (Wildlife Council) was conceived by a coalition of hunters, anglers, and conservationists and created in statute (33-4-120 C.R.S.) in 1998. The Council's general goal is to educate the public about the role that hunting and fishing plays in preserving and enhancing many aspects of Colorado's outdoor recreation opportunities.
- Council activities are funded by a \$0.75 surcharge on all hunting and fishing licenses sold in Colorado. This increase will be supported by an increase of the license surcharge to \$1.50.
- The increased spending authority will allow the Wildlife Council to expand education programs and increase awareness about the importance of hunting and fishing in Colorado.





COLORADO

Department of Personnel & Administration



FY 2019-20 GOVERNOR'S REQUEST

\$14.9 million General Fund

Share of Statewide General Fund: 0.1%

\$211.3 million Total Funds

Share of Statewide Total Funds: 0.6%

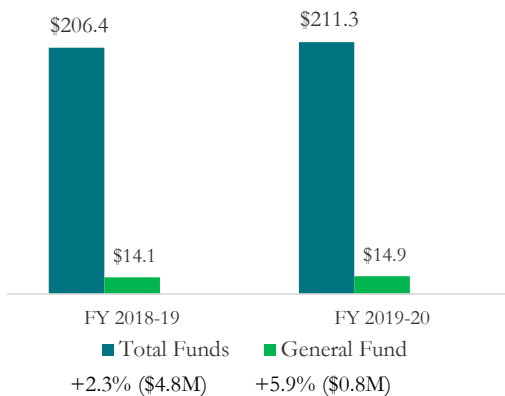
Mission Statement

The mission of the Department of Personnel & Administration (DPA) is to provide quality services to enhance State government success through improved customer service, modernized business operations, and investment in the workforce.

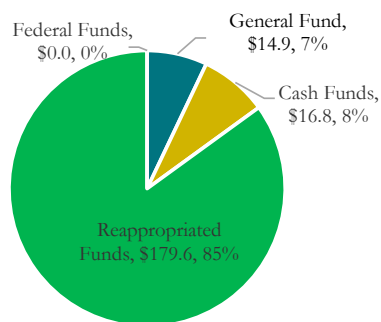
Department Description

The Department of Personnel & Administration (DPA) provides centralized services to State agencies that are necessary for the operation of Colorado State government. These services include: supporting and maintaining the integrity of the State personnel system; managing the State's insurance pool; providing management, monitoring, and oversight of the State's financial and purchasing operations; providing administrative law judge services statewide; developing statewide total compensation and operating expense policies common to all departments; and providing statewide central services such as mail, data entry, reprographics, facility maintenance and fleet. The Department also manages the State's new Colorado Operations Resource Engine financial system, also known as CORE.

Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20



Breakdown of Total Funds, \$s in Millions,
FY 2019-20



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Personnel
& Administration

1

Increase Employee Engagement

Provide an environment that fosters engaged and talented employees to thrive and grow.

- The Department aims to enhance branding the State of Colorado as an “employer of choice” by improving the employee engagement index score to greater than 80% by 4th quarter 2019.
- One-Year Outcome Goals for June 30, 2019: 1) Provide opportunities to enable employees’ engagement in agency improvements; 2) Encourage employees to take more control over their career planning; 4) Expand and enhance skills training to meet State and agency demographic needs; 5) Enable leadership to grow and thrive in their role elevating their organizations.

2

Improve Customer Service

Increase satisfaction among DPA customers across the State of Colorado.

- The Division of Central Services, Division of Capitol Assets and Office of Administrative Courts will lead system implementations and/or upgrades and process improvements for DPA customers.
- Top five One-Year Outcome Goals for June 30, 2019: 1) Gain deep knowledge and understanding of the customers’ outputs to address their needs and expectations 2) Offer the right services so that Agencies and State employees supported by DPA remain productive to meet mission deliverables 3) Overcome the challenges and barriers to responsiveness in meeting the customers’ or DPA’s changing needs.

3

Modernize Business Operations

Improve statewide business processes for managing personnel, assets, finances, and adjudication.

- Several divisions will lead system implementations and/or upgrades and process improvements for DPA customers, including State employees.
- Top four One-Year Outcome Goals for June 30, 2019: 1) Update systems and equipment to operate more efficiently 2) Simplify the interfaces and accessibility of DPA services to make it easier to work with DPA 3) Promote a continuous improvement mindset and use “LEAN Events” to remove the non-value added steps in the process.



FY 2019-20 CHANGE REQUESTS



R-01 Fleet Integrated Management Software Ongoing Costs

\$130,000 Total Funds, \$0 General Fund



**Modernize
Business
Operations**

- The Department requests \$130,000 in reappropriated funds spending authority in FY 2019-20 and ongoing for the maintenance and support expenses of a Fleet Integrated Management Software (FIMS) solution. A corresponding IT capital construction request has been submitted for the initial purchase and installation of this software solution.
- Currently State Fleet Management (SFM) utilizes the Colorado Automotive Reporting System (CARS) as its FIMS. CARS is used to track all state fleet vehicles through their entire life cycle from acquisition to disposal. The system tracks data points such as depreciation, fuel consumption, maintenance required and completed, accidents, repairs and vehicle utilization. All of these data points are used by SFM to oversee the fleet.
- If this request is not funded, SFM will not be able to provide high level customer service to State agencies that use Fleet vehicles. In the event of a failure of the current system SFM will not be able to track the necessary data points to ensure that fleet vehicles are purchased, maintained, and effectively utilized throughout the state which will lead to increased expenses for all agencies.
- The anticipated vendor expense for implementation of this software is \$1,300,000. The market research indicates that ongoing costs for maintenance and support are approximately 10 percent of the implementation expense

R-02 Integrated Document Solutions Increased Input Costs

\$500,756 Total Funds, \$0 General Fund



**Improve
Customer
Service**

- The Department's Integrated Document Solutions (IDS) program requests additional reappropriated spending authority of \$500,756 in FY 2019-20, and \$971,847, including a five percent contingency, in FY 2020-21 and ongoing due to increased paper and postage expenses.
- IDS is Colorado's State Printer, and is an end-to-end document management operation, serving all government entities across Colorado. IDS provides graphic design, printing, imaging, mail and delivery to state agencies, and the volume processed through the program allows the State to negotiate discounts for a number of products and services.
- As a result of several changes in the paper market, the prices for roll stock paper and envelopes have increased and are projected to continue increasing in FY 2019-20 by approximately eight percent. On December 1, 2017, the Postal Regulatory Commission (PRC) issued findings that the current postal rate system did not allow the USPS to achieve pricing efficiency or long-term financial stability measures. As a result, the PRC proposed new rules allowing the postage rates to be increased by up to three percent above the rate of inflation in the next five calendar years.
- Due to the increased paper and postage expenses in future fiscal years, if IDS does not receive additional spending authority, it will not be able to meet its customers' demands. IDS may be at risk of turning down business if sufficient spending authority does not exist. Turning down business negatively affects all IDS customers who benefit from volume discounts.
- The Department requests an increase to spending authority which will allow IDS to continue to meet its customers' demands for printing and processing mail, which will continue to generate bulk savings for all participating agencies.



FY 2019-20 CHANGE REQUESTS



R-03 Support for Colorado DRIVES

\$2,609,297 Total Funds, \$0 General Fund



**Modernize
Business
Operations**

- The Department of Personnel & Administration’s Integrated Document Solutions (IDS) Group is requesting \$2,609,297 in reappropriated funds spending authority for FY 2019-20, annualizing to \$3,516,038 in FY 2020-21 and ongoing to provide support for the Colorado Drive License, Record, Identification, and Vehicle Enterprise Solution (DRIVES) project. IDS anticipates initially supporting the 37 counties currently enrolled in Colorado DRIVES in FY 2019-20 and is requesting spending authority that would allow for the onboarding of the additional 27 counties in FY 2020-21, at which point all Colorado counties would be involved.
- Currently Colorado DRIVES creates 64 separate files of documents for printing are distributed to the respective counties, such as renewal notices and registrations. Once received, the counties must print the documents, insert them into envelopes, apply postage, and deliver them to USPS.
- IDS will be able to support Colorado DRIVES by providing centralized printing and mailing services. These centralized services will lead to cost savings via IDS’ pricing agreements with USPS for reduced postage, reduced material expenses due to large volume orders, reduced material spoilage, and less maintenance required on county printers. Staff at county offices throughout the state will be able to be more productive and focus their time and attention on customers rather than tedious tasks such as stuffing envelopes and applying postage.
- If IDS does not centralize these processes individual counties will continue to spend more than necessary on materials and postage, and their staff will need to focus more on these tedious tasks, taking them away from providing customer service.
- The proposed solution is to centralize printing, inserting, metering, and mailing of DRIVES documents within IDS. These processes are well within IDS’s current scope of work.

R-04 Annual Fleet Vehicle Request

\$417,795 Total Funds, \$0 General Fund

- The Department of Personnel & Administration (DPA) is requesting to replace 709 fleet vehicles (371 of which are designated as potential Alternate Fuel Vehicles (AFV)), requiring an increase of \$468,330 in appropriated funds for all state agencies’ vehicle lease payment appropriations, and an increase of \$417,795 for the Department’s Vehicle Replacement Lease/Purchase line item for FY 2019-20.
- DPA is charged with the oversight of the State Fleet, including its maintenance, operation, and replacement as necessary. All departments that participate in the State Fleet program are impacted by this request.
- On an annual basis, DPA submits a fleet replacement request to address the needs of individual state agencies across the State. The Department’s Fleet Management Program analyzes each vehicle on an annual basis to determine its replacement eligibility. This year, 1,996 vehicles were identified as potentially eligible. Due to budget and resource constraints, for FY 2019-20 the Department included 709 replacement vehicles, in the most critical need of replacement.
- Replacement vehicles for the Colorado State Patrol represent 29.2 percent of the request. These vehicles routinely travel at a high rate of speed under various conditions. Failing to replace these vehicles in a timely fashion would significantly increase the likelihood of failure of key components, thereby increasing the probability of injury to patrolmen. For other agencies, replacement vehicles are typically requested because the cost to maintain the older vehicle meets or exceeds the cost of replacing the vehicle.



FY 2019-20 CHANGE REQUESTS



IT CC-01 CARS Replacement

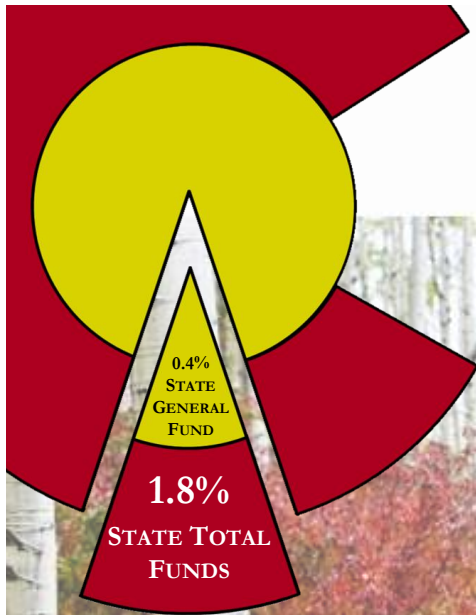
\$1.6 million Total Funds, \$0 General Fund



**Modernize
Business
Operations**

- The Department of Personnel & Administration's Fleet Management Program requests \$1,625,610 in cash fund spending authority in FY 2019-20 for a System Replacement IT capital project to replace the Colorado Automotive Reporting System (CARS) which will no longer be supported by the Office of Information Technology (OIT). Ongoing costs of \$130,000 in reappropriated funds spending authority will be addressed with an operating request through the regular Decision Item process. State Fleet Management (SFM) has been planning for this purchase and has sufficient fund balance to cover the initial purchase price and to offset continuing expenses. Once the fund balance has been spent down to its targeted amount the continuing expenses will then be included in the calculations used to determine management fees.
- Currently SFM utilizes CARS as its Fleet Information Management System (FIMS). CARS is used to track all state fleet vehicles through their entire life cycle from acquisition to disposal. The system tracks data points such as depreciation, fuel consumption, maintenance required and completed, accidents, repairs and vehicle utilization. All of these data points are used by SFM to oversee the fleet.
- CARS is a 21-year old custom product built exclusively for the State of Colorado that can no longer be supported. OIT has determined that it is no longer cost efficient to effectively support this software, and that no vendors are available to provide support to the antiquated system. OIT has recommended that SFM purchases a commercial-off-the-shelf (COTS) software solution that the vendor will support and continue to develop, and this funding request will allow SFM to follow OIT's recommendation.
- If this request is not funded SFM will not be able to provide high level customer service to State agencies that use Fleet vehicles. In the event of a failure of the current system SFM will not be able to track the necessary data points to ensure that fleet vehicles are purchased, maintained, and effectively utilized throughout the state which will lead to increased expenses for all agencies.
- The proposed project will replace this system with a COTS system that incorporates the transportation market's best practices in addition to enhanced tracking and reporting capabilities. Using a vendor sourced software of this nature will allow the State to respond to changes and expansion in the transportation market which is not possible with the current software. The ability to rapidly respond allows SFM to adapt to new vehicle technology and continue to provide excellent customer service to all state agencies that it serves.





FY 2019-20 GOVERNOR'S REQUEST

\$56.3 million General Fund
Share of Statewide General Fund: 0.4%

\$598.6 million Total Funds
Share of Statewide Total Funds: 1.8%

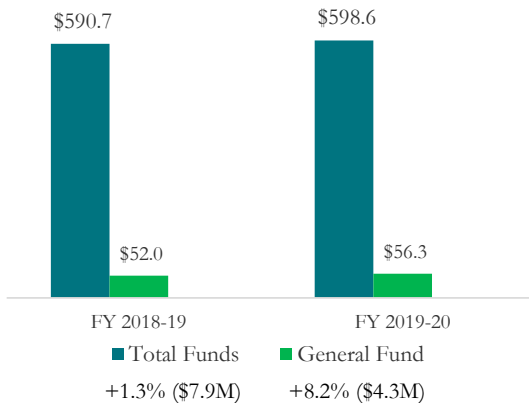
Mission Statement

The mission of the Colorado Department of Public Health and Environment is to protect and improve the health of Colorado's people and the quality of its environment

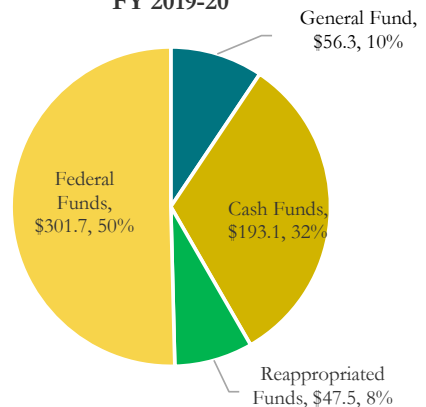
Department Description

The Department of Public Health and Environment is comprised of 11 divisions. These divisions are organized into three groups: 1) Administration and Support; 2) Environmental Programs consisting of the Air Pollution Control Division, Water Quality Control Division, Hazardous Materials and Waste Management Division, and Environmental Health and Sustainability; and 3) Health Programs including the Center for Health and Environmental Information, Laboratory Services, Disease Control and Environmental Epidemiology, Prevention Services, Health Facilities and EMS, and the Office of Emergency Preparedness and Response.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**



Strategic Policy Initiatives



1

Implement Plans the Governor's Vision for Colorado as the Healthiest State

CDPHE has established targets designed to implement the plans supporting health and environment priorities.

- CDPHE aims to target youth substance abuse, reduce opioid misuse, reduce the impact on daily life of mental illness, reduce the percentage of adults who are obese, reduce emissions from coal-fired power plants, increase the percentage of lakes and rivers meeting quality standards, reduce the amount of waterborne disease outbreaks at public drinking water systems, and increase the percentage of Coloradans served by drinking water systems that meet health standards, among other goals.

2

Increase CDPHE's Efficiency, Effectiveness, and Elegance

The Department is dedicated to improving internal operations and external customer service while maintaining a high standard of professionalism.

- The Department aims to increase their efficiency index from 67% to 69%, their effectiveness index from 75% to 77%, and their elegance index from 62% to 64% by June 30, 2019.

3

Improve Employee Engagement

The Department is committed to improving the employee engagement index from 78% to 80% by June 30, 2019.

- The Department aims to develop and promote engagement using Career Development Plans, ensuring professional development information is readily available for employees, and improving employee satisfaction with the recognition they get for doing their work.

4

Promote Health Equity and Environmental Justice

The Department trains employees on a "health in all policies" approach and aims to incorporate understanding of the social determinants of health into policy decisions.

- The Department hosts Health Equity & Environmental Justice Trainings for employees, works with other state agencies to incorporate health equity into policy decisions, mobilizes community voices, and grants funds to health equity projects in the state.


5


Be Prepared and Respond to Emerging Issues


CDPHE aims to make sure its data systems and processes are up-to-date to deal with emerging issues.

- The Department aims to achieve a 7.9 Health Security Surveillance Score by 2018 and meet or exceed national average through 2021.
- The Department expects to prioritize emerging issues by developing a statewide threat and risk assessment.

FY 2019-20 Change Requests

R-01 Family Planning Purchase of Services Increase	
\$1,025,000 Total Funds, \$1,025,000 General Fund	
 <p>Healthiest State</p>	<ul style="list-style-type: none"> • The Department requests \$1,025,000 General Fund to expand the Family Planning Program (FPP). • The primary focus of the FPP is to reduce unintended pregnancies. Such pregnancies can be associated with poor health, and poor economic and social outcomes. • The Department estimates that 48,457 Colorado women are still in need of subsidized contraceptive services, increasing the likelihood of unintended pregnancies. This funding would allow the department to serve up to 2,537 new clients in need of a reproductive health care safety net.

R-02 Public Health Transformation	
\$240,472 Total Funds, \$240,472 General Fund	
 <p>Healthiest State</p>	<ul style="list-style-type: none"> • The Department requests \$240,472 General Fund to support efforts to identify the most efficient and effective model for delivering public health to urban, rural, and frontier communities across the State. • With a 14% increase in Colorado’s population over the past decade, increasing need for services, and rising costs, Colorado’s local public health agencies (LPHAs) (especially those in rural areas) struggle to provide necessary public health services to their communities. • The requested funding would allow the Department to assess the degree to which core public health services are delivered, identify gaps and/or inefficiencies in services, and make recommendations for more effective service delivery. • Ultimately, this will result in more Coloradans receiving the services and support they need to lead healthy, productive lives.

R-03 Lab Spending Authority	
\$59,628 Total Funds, \$88,270 General Fund	
 <p>Healthiest State</p>	<ul style="list-style-type: none"> • The Department requests \$59,628, of which includes \$88,270 General Fund, \$81,452 cash funds, and an offsetting refinance of \$110,094 reappropriated funds to support mission critical lab testing. • Current operating spending authority does not cover the costs of laboratory supplies and equipment and does not adequately support the costs to perform mission critical testing. • With limited spending authority, the State Laboratory must make difficult decisions on what supplies and equipment to purchase. This includes making the decision to turn non-critical tests away or reduce testing volumes • The requested funding will improve service delivery and ensure the State Laboratory performs necessary testing activities quickly and accurately.

FY 2019-20 Change Requests

R-04 Local Public Health Electronic Medical Records

\$837,774 Total Funds, \$837,774 General Fund



Emerging
Issues

- The Department requests \$837,774 General Fund for maintenance and support of the newly launched Electronic Health Record (EHR) system developed for local public health agencies (LPHAs).
- While EHR adoption has been proven to increase population health outcomes and financial sustainability, most of Colorado’s 53 LPHAs have been unable to implement an EHR.
- Now that the LPHA EHR system has launched, the Department’s requested funds will be used to finalize expansion of the EHR system to additional LPHAs and to develop a long-term sustainability plan for use of the system.

R-05 Tableau for Data Transparency

\$85,000 Total Funds, \$0 General Fund



Healthiest
State

- The Department requests \$85,000 reappropriated funds to support annual license fees and training for Tableau, the Department’s data visualization software.
- The Department utilizes Tableau to create interactive dashboards, graphs, and charts for internal performance management and external data sharing with customers and citizens.
- By funding Tableau through indirect cost recoveries, all divisions will have the ability to utilize the software which enables Department customers to access data and information needed to help improve Colorado’s health and environment.

R-06 Equity Trainer


\$104,348 Total Funds, \$104,348 General Fund





Health
Equity

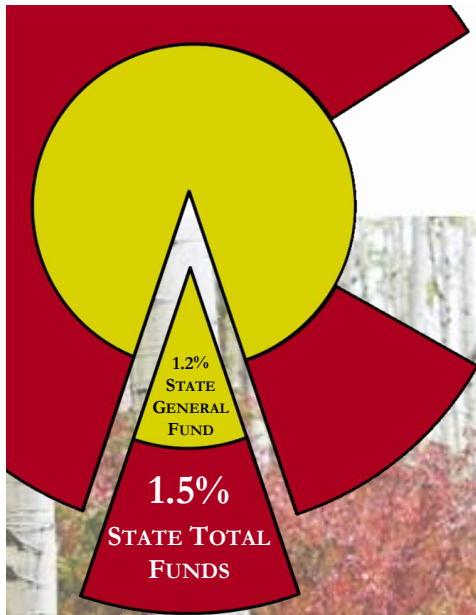
- The Department requests \$104,348 General Fund to implement a pilot program that would build capacity around advancing equity in State programs, policies, budgets, and services.
- Equity means that everyone in Colorado, regardless of who they are, has the ability to thrive.
- There is currently no formalized process that exists for state agencies to integrate equity into critical decision-making.
- The requested funding will support an equity trainer to function as an expert on integrating equity into State functions.

FY 2019-20 Change Requests

R-07 Tribal Liaison	
\$82,211 Total Funds, \$82,211 General Fund	
 Healthiest State	<ul style="list-style-type: none"> The Department requests \$82,211 General Fund to represent the Department and serve American Indians in Colorado. While the Department participates in the leadership council with the Colorado Commission of Indian Affairs, it does not have sufficient resources to address opportunities to strengthen the relationship and customer service to the tribes and urban Indians. This request would provide the tribes with a central point of contact for health and environmental concerns, needs, and opportunities.

R-08 Assisted Living Residence Spending Authority	
\$648,296 Total Funds, \$0 General Fund	
 Healthiest State	<ul style="list-style-type: none"> The Department requests \$648,296 cash fund spending authority to enhance the quality of life and safety of residents in assisted living residence (ALR) facilities. The Division has struggled to provide a comprehensive system of regulation to the ALR community. ALRs that do not have routine inspections are more likely to violate minimum standards and regulations, resulting in practices that can lead to resident harm including falls, injuries, and death. The requested funding will fund program-staffing needs to increase oversight of ALRs.

R-09 1% Provider Rate	
\$93,714 Total Funds, \$68,329 General Fund	
 Healthiest State	<ul style="list-style-type: none"> The Department requests \$93,714 total funds to account for a provider rate increase of 1.0 percent, which affects the local public health agencies in the State. Without an increase, local public health agencies will continue to absorb cost increases, potentially inhibiting the ability to offer programs that improve the health of people in their counties.



FY 2019-20 GOVERNOR'S REQUEST

\$152.6 million General Fund
Share of Statewide General Fund: 1.2%

\$504.8 million Total Funds
Share of Statewide Total Funds: 1.5%

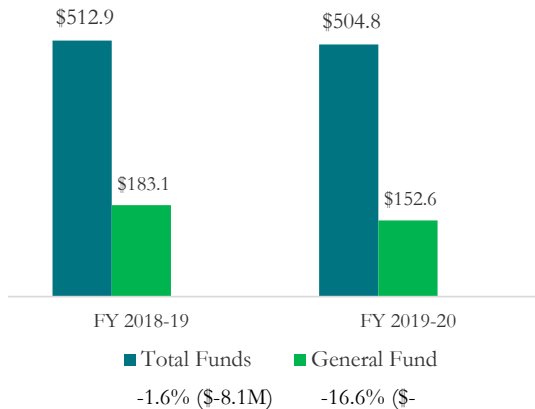
Mission Statement

Engaged employees working together to provide diverse public safety services to local communities and safeguard lives.

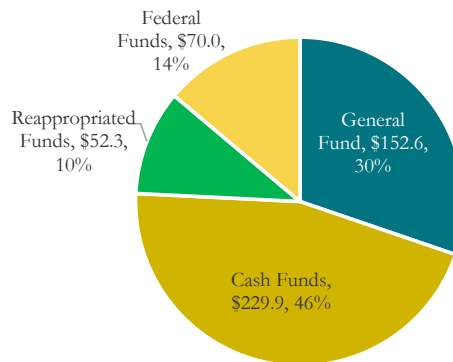
Department Description

The Colorado Department of Public Safety (CDPS) promotes, maintains, and enhances public safety through law enforcement, criminal investigations, fire and crime prevention, emergency management, recidivism reduction, and victim advocacy. The Department also provides professional support of the criminal justice system, fire safety and emergency response communities, other governmental agencies, and private entities. The Department's goal is to serve the public through an organization that emphasizes quality and integrity.

Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20



Breakdown of Total Funds, \$s in Millions,
FY 2019-20



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Public Safety

1

Keep Colorado Communities Safe

The Department demonstrates its commitment to ensuring safe Colorado communities by aiming to reduce the number of fatal and injury crashes on Colorado roadways, and the impact or occurrence of large wildland fires.

- CDPS aims to reduce the number of fatal and injury crashes under CSP's jurisdiction by 5% by June 30, 2019, and by 15% by June 30, 2021, for highway users.
- As of June 1, 2017, the actual number of large wildfires was 39. The Department has a goal of reducing the number to 37 by June 30, 2019, and 34 by June 30, 2021.

2

Provide Excellent Customer Service

In an effort to provide excellent customer service to local partners and stakeholders, the Department has identified two areas for continuous improvement. The Department aims to:

- Implement a division-made monitoring system for all sub-recipients of federal and/ or state grants from DHSEM to increase the number of annual on-site monitoring visits from 45 to 50 by June 30, 2019, and to 55 by June 30, 2021, to better identify high-risk sub-recipients early and mitigate risk of local communities losing funding.
- Improve the efficiency and ease-of-use of the DCJ grants system for grantees to achieve a 75% customer satisfaction rate by June 30, 2019, and a 90% customer satisfaction rate by June 30, 2021.

3

Maintain an Engaged and Supported Workforce

CDPS realizes that its employees require a sense of belonging and clear organizational direction in order to provide excellent customer service to the public. Therefore, CDPS is committed to measuring and improving employees' satisfaction and connection with the agency's mission.


- Implement at least 1 process improvement per division and a total of 10 process improvements per year by June 30, 2019. By June 30, 2021, CDPS hopes to implement 30 process improvements.
- The Department aims to complete Governor's Lean Academy and increase the awareness and use of LEAN and other process improvement tools.





FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Public Safety

R-01 Sustain State Emergency Management Program	
\$1.38 million Total Funds, \$1.38 million General Fund	
 Keep Colorado Communities Safe	<ul style="list-style-type: none"> The Department requests \$1,384,773 General Fund and a net-zero transfer of 13.3 FTE in FY 2019-20 and beyond to sustain emergency management in Colorado, and reduce the dependence on federal grants for this critical function. Additional state resources will allow the Division of Homeland Security and Emergency Management (DHSEM) to maintain the current level of critical emergency management capabilities, and maintain funding for local emergency management programs.

R-02 Colorado State Patrol Civilian and Uniform Staff	
\$2.34 million Total Funds, \$0 General Fund	
 Keep Colorado Communities Safe	<ul style="list-style-type: none"> The Department requests \$2,337,254 Highway Users Tax Funds (HUTF) and 20.0 FTE in FY 2019-20, annualizing to \$2,364,982 HUTF and 22.0 FTE in FY 2020-21 and beyond, for uniformed and civilian staff to increase visibility, reach traffic safety goals, and ultimately save lives on Colorado’s highways. This request represents a 2.0 percent increase in total funds over FY 2018-19 funding. The additional 20.0 trooper and civilian FTE are necessary to increase visibility and proactive traffic enforcement across Colorado. The added resources will help the CSP meet departmental performance measures by decreasing traffic accidents and promoting public safety on Colorado roadways.

R-03 Increase Colorado State Patrol Overtime	
\$832,456 Total Funds, \$0 General Fund	
 Maintain an Engaged and Supported Workforce	<ul style="list-style-type: none"> The Department requests an increase of \$832,456 Highway Users Tax Funds “Off-the-Top” in FY 2019-20 and beyond to fully fund the Colorado State Patrol (CSP) overtime budget. Over the past 12 years, merit pay and cost of living (COLA) increases have increased trooper salaries nine times totaling 45.3 percent, yet the overtime budget has not increased at all. Fully funding CSP’s overtime budget will keep troopers on Colorado highways and further support the CSP mission to promote public safety.



FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Public Safety

R-04 Additional Resources for Fire and Life Safety Section

\$618,185 Total Funds, \$0 General Fund



Excellent
Customer
Service

- The Department requests an increase of \$618,185 cash funds and 5.0 FTE in FY 2019-20 and \$620,782 cash funds spending authority and 5.0 FTE in FY 2020-21 and beyond from various cash funds to employ a permit technician and create a Professional Standards Unit, within the Division of Fire Prevention and Control.
- Creating the Professional Standards Unit will provide ongoing code training and mentorship for certified inspectors in cooperation with local government organizations and trade groups, ensuring consistency between State and local enforcement entities, leading to safer facilities and decreased costs to customers.

R-05 Marijuana Tax Cash Funds for Toxicology Lab

\$520,000 Total Funds, \$0 General Fund



Excellent
Customer
Service

- The Department requests an increase of \$520,000 cash fund spending authority in FY 2019-20, annualizing to \$0 total funds in FY 2020-21 with a net zero refinance of the Colorado Bureau of Investigation (CBI) toxicology laboratory funding with \$1.7 million from the Marijuana Tax Cash Fund.
- The CBI state toxicology laboratory provides toxicology testing services for law enforcement agencies in the enforcement of laws pertaining to driving under the influence of alcohol or drugs. This request intends to eliminate the fee for testing blood samples for drugs and alcohol in order to incentivize drug screening and bolster the State's data collection effort on individuals driving under the influence of drugs.

R-06 Increase E-470 Cash Fund Spending Authority

\$276,569 Total Funds, \$0 General Fund



Keep
Colorado
Communities
Safe

- The Department requests an increase of \$276,569 cash funds spending authority and 2.0 FTE in FY 2019-20, and \$254,524 cash funds spending authority and 2.0 FTE in FY 2020-21 and beyond to increase patrol hours on the E-470 corridor.
- Traffic on highway E-470 has grown 114.8 percent in the past ten years and requires additional patrol support from the Colorado State Patrol (CSP) to promote safe travel and respond to calls for service. The addition of 2.0 FTE E-470 troopers will fully staff the E-470 highway and meet the increased patrolling demand.



FY 2019-20 CHANGE REQUESTS



COLORADO
Department of Public Safety

R-07 Fire Arson Investigator Funding Transfer

\$0 Total Funds, \$0 General Fund

- The Department is requesting a net-zero transfer of \$115,256 General Fund and 1.0 FTE Fire Arson Investigator in FY 2019-20 from the Colorado Bureau of Investigation (CBI) to the Division of Fire Prevention and Control (DFPC).
- By aligning the existing personal services arson investigation resources with the fire investigations staffing structure under DFPC, the Department believes that it can better leverage limited funding resources and staff to provide better support to local governments in the investigation of fires.

R-08 Increase Cash Fund Spending Authority

\$110,429 Total Funds, \$0 General Fund

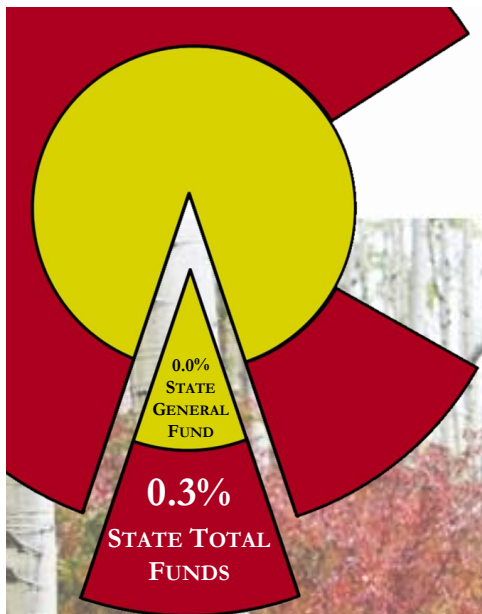
- The Department requests an increase of \$110,429 cash funds spending authority in FY 2019-20 and beyond for the Vehicle Identification Number (VIN) Inspection program to align spending authority with revenues collected. This request represents a 65 percent increase in total funds over FY 2018-19 funding.
- Since 2010, the number of VIN inspections provided by the CSP has increased by 181 percent, from 6,277 inspections in 2010 to 17,646 inspections in 2017. With the increased number of inspections, revenues collected are consistently surpassing the annual appropriated spending authority in the long bill. The CSP proposes increasing spending authority for the VIN program by \$110,429 to align the spending authority with the increased revenues and allow the Patrol to spend the collected revenues in order to meet public demand for this critical public service.

R-09 Community Corrections Provider Rate Increase

\$707,006 Total Funds, \$680,588 General Fund

- The Department requests an increase of \$707,006 total funds (\$680,588 General Fund) for FY 2019-20 and beyond to account for a community provider rate increase of 1.0 percent, which includes the Community Corrections providers who contract with the Department of Public Safety.
- The Office of Community Corrections seeks to address continued inflationary increases and to provide the same standard of supervision, treatment, and housing for offenders placed in community corrections programs.
- The 1.0 percent community provider rate increase represents an increase of per diem rates paid to providers in both the standard and specialized community corrections line items.





FY 2019-20 GOVERNOR'S REQUEST

\$2.1 million General Fund
Share of Statewide General Fund: 0.0%

\$102.7 million Total Funds
Share of Statewide Total Funds: 0.3%

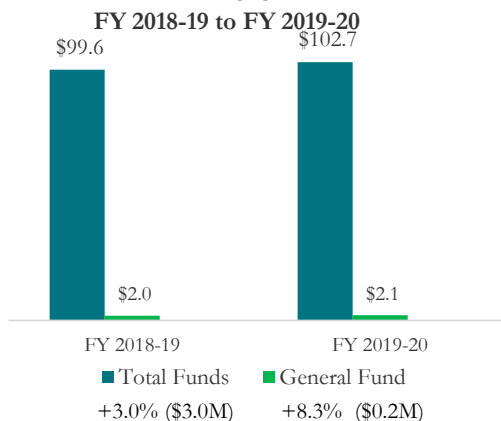
Mission Statement

The Department of Regulatory Agencies (DORA) is dedicated to preserving the integrity of the marketplace and promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

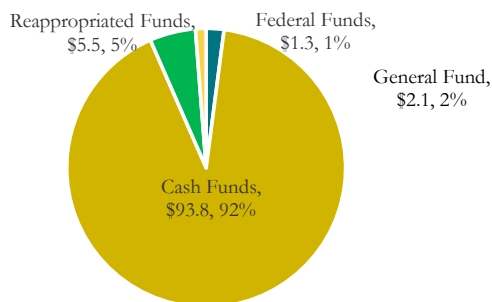
Department Description

The Colorado Department of Regulatory Agencies (DORA) protects the citizens of Colorado from fraudulent or dangerous businesses and professionals by regulating state-chartered financial institutions, public utilities, insurance providers, a host of professional occupations, and it enforces state civil rights laws. The Department is primarily cash funded by regulated entities and collects fees from professional licensing, registration, and public utilities, which are set based on legislative appropriations specific to operating and regulatory oversight expenses.

Total Funds and General Fund, \$s in Millions



Breakdown of Total Funds, \$s in Millions, FY 2019-20



STRATEGIC POLICY INITIATIVES



COLORADO
Department of
Regulatory Agencies

1

Improve Public Protection Through Effective Enforcement & Regulatory Activities

DORA is dedicated to ensuring that it provides the public with professional, accessible and reliable service. The Department strives to continually improve operations, streamline processes and improve interfaces with the public. Examples of metrics:

- 80% of civil rights cases resolved within 270 days by June 30, 2019.
- 95% of real estate complaints resolved within 60 days, sustained through June 30, 2021.
- 99% of public utilities complaints and inquiries resolved within 15 days, sustained through June 30, 2021.

2

Enhance Education and Outreach

DORA seeks to strengthen statewide and online opportunities for Coloradans to interact with the Department. Examples of metrics for this initiative include:

- Disseminating 55 consumer alerts Department-wide by June 30, 2019.
- 89% of Divisions to live-stream boards and commissions meetings, sustained through June 30, 2020.
- 25% increase in utilization of the Healthcare Professions Profile Program (HPPP), a database that helps consumers find health-care providers that meet their needs and expectations via the CO Health Professional Check website by June 30, 2018, followed by an additional increase by June 30, 2020.

3

Improve Processes to Better Engage with Regulated Entities

Though its primary responsibility is to protect the public, DORA also has a duty to treat the industries they regulate fairly and in a way that doesn't create unnecessary administrative burden. Examples include:

- Reducing the processing time for Addiction Counselor applications from 52 days to 30 days by June 30, 2019.
- 100% of securities examinations completed within an average of 90 days, sustained through June 30, 2020.
- \$50,000 savings to military personnel and veterans and their spouses applying for licensure.



FY 2019-20 CHANGE REQUESTS



R-01 Division of Securities Operating Expenses Adjustment

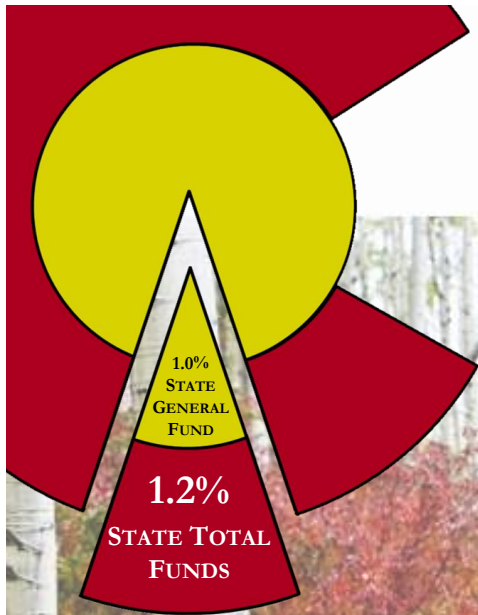
\$40,000 Total Funds, \$0 General Fund



Improve
Public
Protection

- The Department requests \$40,000 from cash funds to align ongoing operating expenses with an increased demand in examinations.
- This request represents an increase to the Operating Expenses line item, which currently makes up only 1.3% of the Division’s overall budget.
- The request would increase the operating line from \$58,999 to \$98,999, which would be an average of just more than \$4,000 per FTE. This sets the Division more in line with, but still below, the agency average of just more than \$5,000 per FTE.
- The Division conducted an average of 57 examinations annually from FY 2005-06 through FY 2011-12, which has recently increased by more than 250%, to 146 annually. This is due in part to the 2009 federal Dodd-Frank act, which expanded the number of firms under the jurisdiction of the Division.
- This increase would fund necessary trainings, certifications, and travel expenses to handle the increased demand. In addition, the funding would provide access to technological tools to help the Division target potential fraud through background checks, and by monitoring the flow of digital currency.





FY 2019-20 GOVERNOR'S REQUEST

\$116.1 million General Fund
Share of Statewide General Fund: 0.9%

\$394.1 million Total Funds
Share of Statewide Total Funds: 1.2%

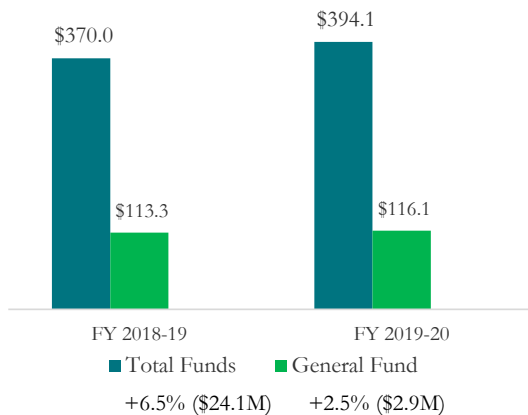
Mission Statement

To provide quality service to our customers in fulfillment of our fiduciary and statutory responsibilities while instilling public confidence through professional and responsive employees.

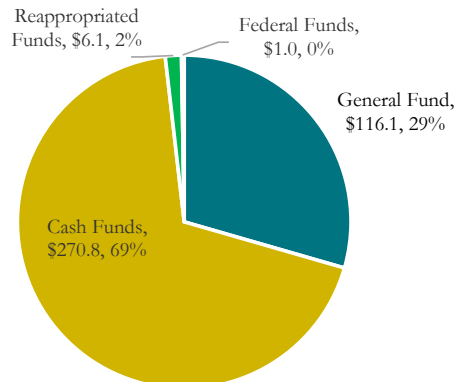
Department Description

The key responsibilities of the Colorado Department of Revenue (DOR) are to (1) administer, audit, and enforce taxes, fees, and licenses covered under Colorado's laws, including the collection and distribution of more than \$12.5 billion annually; (2) issue driver licenses and identification cards, oversee the statewide vehicle titling and registration system, maintain driver records, and enforce the State's auto emissions program through the Division of Motor Vehicles; (3) regulate individuals and entities in the liquor, tobacco, gaming, racing, auto, and marijuana industries through the Enforcement Business Group; and (4) administer the Colorado Lottery.

**Total Funds and General Fund, \$s in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$s in Millions,
FY 2019-20**





STRATEGIC POLICY INITIATIVES

1

Center Colorado Residents and DOR Employees in Decision Making

The Department strives to put Colorado residents and DOR employees at the center of every decision they make. This includes the following metrics:

- The Department will redesign the DMV website to improve customer satisfaction of website usability scores by at least 10% between establishment and June 30, 2019.
- Improve employee satisfaction by an average of 5.0 percentage points on a biennial basis for each of the three categories each year.
- The Auto Industry Division will reach the objective of concluding the initial investigation on consumer complaints within 180 days of case initiation 92.0% of the time.

2

Help Residents Comply with State Laws

DOR plans to guide and assist Colorado residents in complying with the state's laws, rules, and regulations through the following metrics:

- Increasing the number of underage compliance checks by 10% at licensed retail marijuana businesses.
- Conducting compliant inspections of licensed Colorado casinos on an annual basis to ensure compliance with the Colorado Limited Gaming Act, Colorado Gaming Regulations, and minimum internal control standards increasing the rate to 97% in FY 2018-19.
- Maintaining a completion rate of 95% of final agency actions for renewal license applications of liquor business licenses within 60 days of receipt in FY 2018-19 and going forward.

3

Instill Trust and Confidence Through Transparency, and Customer Service

DOR aims to instill public trust and confidence through transparency, customer service, and responsive employees through the following metrics:

- Implement one page executive dashboard reports for all four divisions and a global dashboard for the department.
- Grow Colorado Lottery sales and profits to maximize proceeds for beneficiaries that are receiving distributions at percentages as defined in CRS 33-60-104, and achieve a profitability percentage of 23% by the end of FY 2018-19.
- The Tax Call Center will answer calls within an average of six minutes and twenty seconds entering the queue for FY 2018-19, with a reduction annually.

FY 2019-20 CHANGE REQUESTS



R-01 Taxation – GenTax Support Enhancements

\$1.4 million Total Funds, \$1.4 million General Fund



Instill Trust and Confidence Through Transparency and Customer Service

- The Department of Revenue requests \$1,420,355 and 6 FTE in FY 2019-20 from the General Fund, annualizing to \$2,827,850 and 13 FTE in FY 2020-21, and \$2,762,008 in FY 2021-22 and thereafter to provide additional support and reduce a backlog of more than 700 change requests for the Department’s tax administration software platform, GenTax.
- The request also includes 6 FTE for the Office of Information Technology in FY 2019-20, annualizing to 13 FTE in FY 2021-22 and thereafter. These positions would provide support to eliminate the backlog of change requests, maintain that support, and continue to provide programming for strategic enhancements to increase functionality and ensure system integrity.
- Of the 11 states that the software vendor provides support to, Colorado is the only one with no state-funded programming support. This request includes the state-funded FTE positions dedicated to increasing electronic and self-service functionality, and improving data and reporting. In addition, these FTE will help map and simplify business processes, ensure process adherence and accountability, and provide training for the 600+ GenTax users statewide.

R-02 Taxation – Sales and Use Tax Collection

\$1.1 million Total Funds, \$1.1 million General Fund



Help Residents Comply with State Laws

- The Department of Revenue requests an increase of \$1,057,808 from the General Fund and 14.6 FTE in FY 2019-20, annualizing to \$814,778 and 10.6 FTE in FY 2020-21 and thereafter to enable Colorado to comply with the U.S. Supreme Court’s decision in *South Dakota v. Wayfair*, requiring retailers to collect and remit sales taxes in state’s where they don’t physically reside.
- Issued in June 2018 the *Wayfair* decision overturned the requirement that a business must maintain a physical presence to remit taxes within that state. The ruling also requires states to meet certain criteria to collect the tax, which this request is intended to resolve.
- The request also increases the capacity for the Department to process additional returns, answer customer calls, process payments to local governments, and facilitate training and support to businesses and local governments complying with the Supreme Court’s decision.

R-03 Lottery – Back Office Restructure

\$2.2 million Total Funds, \$0 General Fund



Instill Trust and Confidence Through Transparency and Customer Service

- The Department of Revenue requests an increase in cash fund spending authority of \$2,347,150, partially offset by a reduction of \$148,157 and 2.0 FTE, for a net increase of \$2,198,993 in FY 2019-20 and thereafter.
- The request would completely transition the Lottery’s back office applications, such as Scratch Game Management and the interface with the State’s Accounting System, to a vendor-provided service, on par with most other state lotteries in the country.
- The vendor-supported system would provide ongoing maintenance of IT standards, security, and continuity, likely preventing IT capital expenditures at a future date.
- In addition, the added functionality of the vendor-provided system will help the Lottery to optimize various games, maximize revenue for their beneficiaries, and lower the ratio of administrative expenses to total sales.




FY 2019-20 CHANGE REQUESTS




R-04 Division of Motor Vehicles – Drivers’ License Documents

\$1.3 million Total Funds, \$0 General Fund

 <p>3</p>	<ul style="list-style-type: none"> The Department of Revenue requests an increase in cash fund spending authority of \$1,312,872 in FY 2019-20, annualizing to \$1,729,341 in FY 2020-21 to issue more drivers’ licenses, instruction permits, and identification cards. The cost of paying for drivers’ licenses and identification cards is funded by fees that Coloradans pay when they request these documents. Due to population growth there has been an annual average increase in demand of these documents of 6.2%. The existing appropriation is insufficient to handle this additional demand. If the increasing trend continues, the Department will experience an estimated \$1.3 million shortfall in the Driver’s License Documents line item in FY 2019-20 that would result in the inability to issue these types of documents for the latter part of the fiscal year.
<p>Instill Trust and Confidence Through Transparency and Customer Service</p>	


R-05 Division of Motor Vehicles – Leased Space

\$3.2 million Total Funds, \$0 General Fund

 <p>1</p>	<ul style="list-style-type: none"> The Department of Revenue requests an increase in cash fund spending authority from the Driver’s License Service Cash Fund of \$3,172,536 and 8.0 FTE in FY 2019-20 annualizing to \$954,146 and 8.0 FTE in FY 2020-21 and thereafter to relocate four offices for the Division of Motor Vehicles (DMV) and to increase personnel in order to reduce wait times. Over the last several years, customer volume at the Littleton, Parker, Boulder, and Longmont DMV offices have increased an average of 19%, while staff and square footage have remain unchanged. In addition, leases for these offices have or will expire during FY 2018-19, putting the DMV at risk of being asked to vacate with 30-days notice of the property owner. Customers are often forced to wait outside during high volume times. The additional FTE will assist in reducing the full customer experience by 15%-25% compared to current staffing levels, and will help to serve more than 53,000 customers per year.
<p>Center Residents in Decision Making</p>	

R-06 Lottery – Wal-Mart Expansion

\$5.7 million Total Funds, \$0 General Fund

 <p>1</p>	<ul style="list-style-type: none"> The Department of Revenue (DOR) requests an increase in cash fund spending authority for the Lottery Division of \$5,719,000 in FY 2019-20 annualizing to \$2,321,000 in FY 2020-21 and thereafter for expansion of Lottery vending machines into Wal-Mart Super Centers across the state. This request would allow the Department to lease 200 new vending machines, providing access to more than 20,000 Wal-Mart Super Center shoppers per day. This increase in market access could increase annual sales by anywhere between \$29 million to \$40 million annually. These new vending machines will help maximize proceeds to the Lottery’s beneficiaries while maintaining or lowering the ratio of administrative expenses to total sales.
<p>Center Residents in Decision Making</p>	



FY 2019-20 CHANGE REQUESTS



R-07 Marijuana Enforcement Division Operations

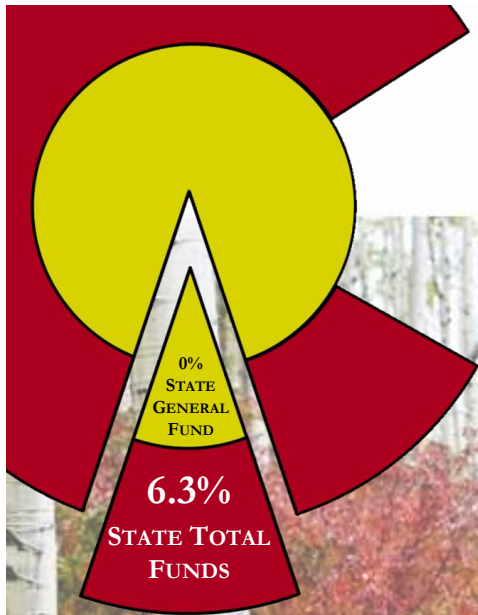
\$2.1 million Total Funds, \$0 General Fund



Help
Residents
Comply
with State
Laws

- The Department of Revenue requests a cash fund spending authority increase totaling \$2,138,418 and 8.0 FTE in FY 2019-20 (of this amount, \$914,416 will be transferred to the Marijuana Tax Cash Fund (MTCF) to fund 5.0 FTE in the Colorado Bureau of Investigation (CBI) to combat black market activity). This request will annualize to \$1,839,432 and 8.0 FTE in FY 2020-21 (of this total, \$890,901 will be transferred to the MTCF to fund 5.0 FTE in CBI for a second year). This request will ultimately annualize to \$948,531 and 8.0 FTE in FY 2021-22 ongoing in DOR with no continuation of funding for the CBI resources from this cash fund.
- This request will allow for the creation of a black market enforcement team comprised of criminal investigators and analysts to augment CBI drug task forces around the state.
- This request also allows for the acquisition of software to synthesize and analyze data to curb black market activity.





FY 2019-20 GOVERNOR'S REQUEST

\$0 General Fund

Share of Statewide General Fund: 0%

\$2.09 billion Total Funds

Share of Statewide Total Funds: 6.3%

Mission Statement

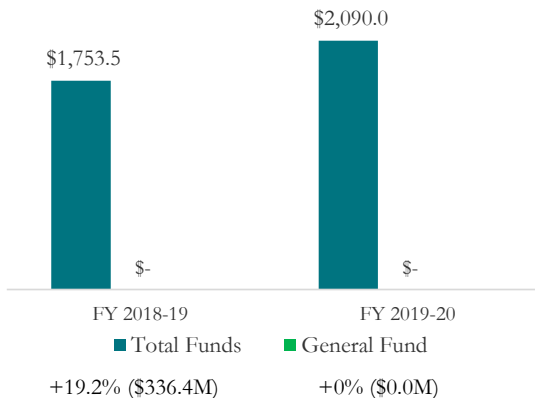
To provide the best multi-modal transportation system for Colorado that most effectively and safely moves people, goods and information.

Department Description

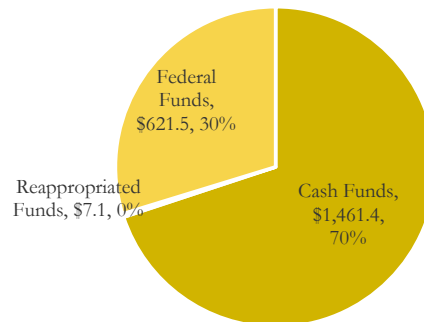
The Colorado Department of Transportation (CDOT) is the cabinet department that plans for, operates, maintains, and constructs the state-owned transportation system, including state highways and bridges. The Department coordinates modes of transportation and integrates governmental functions in order to reduce the costs incurred by the state and the public in transportation matters. CDOT is responsible for a state highway system that encompasses more than 9,100 center-lane miles (about 23,000 total lane miles) and includes more than 3,400 bridges. This system each year handles more than 28 billion vehicle miles of travel. Although the Interstate system accounts for only about 10 percent, or 952, of the center-lane miles on the state system, about 40 percent of state-highway travel within Colorado takes place on Interstate highways.

The state's transportation system is managed by CDOT under the direction of the Colorado Transportation Commission, composed of eleven members who represent specific districts. Each commissioner, appointed by the Governor and confirmed by the Senate, serves a four-year term.

**Total Funds and General Fund, \$\$ in Millions
FY 2018-19 to FY 2019-20**



**Breakdown of Total Funds, \$\$ in Millions,
FY 2019-20**



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Transportation

1

Safety

Limit the increase in roadway fatalities in Colorado, with the long-term goal of moving towards zero deaths.

- CDOT tracks fatalities on all Colorado roadways, not only those on highways the Department owns and maintains.
- In partnership with other safety stakeholders, CDOT aims to ensure roadway fatalities do not exceed 728 for calendar year 2019, compared to 648 in 2017.

2

Pavement Condition

Drivability Life is an indication of how long a stretch of highway will have acceptable driving conditions.

- CDOT aims to attain High or Moderate Drivability Life for 80% of sampled lane miles of pavement by 2025. CDOT also aims to achieve 75% High or Moderate Drivability Life in 2019, compared to 80 percent in 2017.
- These goals are intended to mitigate the decline in condition stemming from the age of CDOT's pavement inventory.

3

Travel Time

Slow the increase in average travel times on Interstate 25, between Northwest Parkway and C-470, during peak weekday hours and Interstate 70, between Vail and C-470, during peak weekend hours.

- CDOT aims to reduce the average Saturday travel time on westbound Interstate 70 from a projected average of 101 minutes per trip to an actual average of 93 minutes in 2019.
- CDOT aims to reduce the average weekday travel time on northbound I-25 from a projected average of 53 minutes per trip to an actual average of 49 minutes in 2019.



STRATEGIC POLICY INITIATIVES



COLORADO
Department of Transportation

4

Maintenance

Maintain CDOT's roadways and facilities to minimize the need for replacement or rehabilitation in a constrained funding environment.

- Achieve overall Maintenance Levels of Service (MLOS) grade of B- for the state highway system in fiscal year 2019 and a B- for fiscal year 2021, compared to a C+ in fiscal year 2017.
- Maintaining roads, bridges, tunnels, and other infrastructure improve safety and mobility, while also minimizing the need for replacement and rehabilitation.

5

Customer Service

The Department seeks to maintain a positive relationship with the general public by improving the customers' perception of the Department and increasing the customer service satisfaction to 85%

- CDOT aims to respond to 100% of all direct customer inquiries to the department within 48 hours.
- CDOT aims to keep the public updated on the progress of their construction program and major projects by ensuring that 70% of customers are satisfied with a project's progress at the end of the project and ensuring 100% response rate for hotline calls related to construction program projects.



FY 2019-20 CHANGE REQUESTS



R-01 First Time Drunk Driver Program Stability

\$0.0 million Total Funds, \$0.0 million General Fund



Safety

- The Department requests \$500,000 Marijuana Tax Cash Funds (MTCF) for FY 2019-20, as well as a corresponding decrease in spending authority from the First Time Drunk Driver Fund (FTDD).
- The funds will be distributed by the CDOT Highway Safety Office (HSO) to local Colorado Law Enforcement for High Visibility Impaired Driving Enforcement. The HSO has adequate staff to manage this funding.
- CDOT's Office of Transportation Safety (OTS) currently allocates \$1.5 million to over 100 local law enforcement agencies statewide each year to conduct overtime DUI enforcement on 147 days each fiscal year. Due to declining FTDD revenue and rising costs at the Department of Revenue (DOR), which is allocated their portion of FTDD funds prior to CDOT, the program's funding of \$1.5 million is not expected to materialize in FY 2019-20 for further enforcement on all forms of impaired driving.
- A revenue neutral refinancing of spending authority from FTDD funds to MTCF for CDOT's First Time Drunk Driver program will ensure that CDOT's critical impaired driving enforcement efforts continue unimpeded.

R-02 Southwest Chief and Front Range Rail Commission

\$1.4 million Total Funds, \$0.0 million General Fund

- The Department of Transportation (CDOT) requests on-going budget authority to utilize \$1,380,447 in the Southwest Chief Rail Line Economic Development, Rural Tourism, and Infrastructure Repair and Maintenance Fund (SW Chief Rail Fund) for the purpose of ensuring that the Senate Bill (SB) 18-001 transfer on July 1, 2018 is utilized according to statute.
- The SW Chief Rail Fund consists of revenue provided by voluntary sources, including local governments and other contributors. The SW Chief Rail Fund received \$2.5 million on July 1, 2018 (as a portion of a larger General Fund transfer to the Multimodal Transportation Options Fund), however, the funds were never appropriated for use by the Department.
- As a result of the September 20th supplemental request, the Southwest Chief and Front Range Passenger Rail Commission (Commission) has access to only \$931,409 of the funds and 1.4 FTE in FY 2018-19 to promote the Front Range Passenger Rail and Southwest Chief Rail lines.
- CDOT asks the General Assembly to approve \$1,380,447 and 0.6 FTE of additional budget authority from the SW Chief Rail Fund for use in FY 2019-20.



COLORADO
Office of State Planning
& Budgeting

111 State Capitol
Denver, Colorado 80203

November 1, 2018

The Honorable John Cooke
Chair, Capital Development Committee
029 State Capitol Building
Denver, CO 80203

RE: OSPB Submission of FY 2019-20 Prioritized Capital Construction Requests

Dear Senator Cooke:

As required by Section 24-37-304 (1) (c.3) (I), C.R.S., please find attached the Governor's Office of State Planning and Budgeting (OSP) prioritization of capital construction requests for FY 2019-20.

This November 1 package includes the following:

- A prioritized list of capital construction projects utilizing Capital Construction Funds;
- A non-prioritized list of capital construction projects utilizing 100 percent federal or cash funds, all recommended for funding; and
- An updated assessment of the need for a General Fund transfer into the Capital Construction Fund.

OSP has recommended twenty-four capital construction projects for funding in FY 2019-20 (of which, six are entirely cash funded). This recommendation includes the continuation of projects begun in prior years. These projects are prioritized based on recommendations from the Capital Planning Unit within the Office of the State Architect.

Please note that the Department of Higher Education (CDHE) and the Commission on Higher Education reserve the ability under Section 23-1-306 (7) (a), C.R.S. to submit a prioritized list to the Capital Development Committee that may include projects not recommended by OSP. OSP has delegated review of all 100 percent cash funded projects for institutions of higher education to the Department of Higher Education. These cash requests will be submitted directly to the Capital Development Committee by CDHE.

Please feel free to contact my office at (303) 866-3317 with questions or concerns. At the Committee's request, I am available to present any necessary information at a future meeting.

Thank you for your consideration of these important requests.



Sincerely,



Lauren Larson
Director

cc: Representative Daneya Esgar, Vice Chair, CDC
Senator Jerry Sonnenberg, CDC
Senator John Kefalas, CDC
Representative Jon Becker, CDC
Representative Chris Hansen, CDC
Ms. Kori Donaldson, CDC Staff
Mr. John Ziegler, JBC Staff Director
Mr. Alfredo Kemm, JBC Staff
Ms. June Taylor, Executive Director, Department of Personnel and Administration
Mr. Jason Schrock, Deputy Director, OSPB
Mr. Larry Friedberg, Office of the State Architect



General Fund Transfer for Capital Construction and Information Technology Projects	
Capital Construction Projects (CCF)	
Total Controlled Maintenance	\$54,561,688
Capital Construction Recommended for Funding	\$146,660,417
Subtotal Capital Projects Recommended	\$201,222,105
Information Technology Projects	\$23,164,680
All Projects	\$224,386,785
General Fund Transfer Requirement	\$224,386,785

Capital Construction Recommendation - Overview		
	TF	CCF
Continuation Projects	\$100,054,989	\$73,148,140
New Projects	\$73,557,277	\$73,512,277
Controlled Maintenance	\$54,561,688	\$54,561,688
Total Recommended Funding	\$228,173,954	\$201,222,105
Higher Ed Projects	\$101,095,074	\$74,143,225
State Agency Projects	\$72,517,192	\$72,517,192
Controlled Maintenance	\$54,561,688	\$54,561,688
Total Recommended Funding	\$228,173,954	\$201,222,105

FY 2019-20 Capital Construction Requests - Recommended, 1-year outlook											
OSP Priority	CCE Priority	Recommend Funding	Department	Division or Institution	Request Title	CC/CM/CR	FY 2019-20 Request				
							TF	CCF	CF	RF	FF
1	NA	YES	Statewide	NA	Level I Controlled Maintenance	CM	\$27,963,348	\$27,963,348			
2	NA	YES	Human Services	Division of Youth Services	Facility Refurbishment for Safety and Risk Mitigation, Modernization	CC	\$2,638,927	\$2,638,927			
3	1	YES	Higher Education	UC - Denver & Anschutz	Colorado Center for Personalized Medicine & Behavioral Health	CC	\$31,251,986	\$19,846,986	\$11,405,000		
4	2	YES	Higher Education	Fort Range Community College	Larimer Campus Health Care Career Center - Phase 1/2	CC	\$15,623,484	\$11,927,424	\$3,696,060		
5	3	YES	Higher Education	CSU - Ft. Collins	Shepardson Building Renovation and Addition	CC	\$22,482,700	\$13,482,700	\$9,000,000		
6	4	YES	Higher Education	Fort Lewis College	Whalen Gymnasium Expansion and Renovation for Exercise, South	CC	\$28,057,892	\$25,252,103	\$2,805,789		
7	NA	YES	Corrections	Denver Reception & Diagnostic Center, Centennial Correctional Facility	Population Swap	CC	\$11,122,534	\$11,122,534			
8	NA	YES	Human Services	CMHI - Pueblo	Campus Utility Infrastructure Upgrade	CR	\$9,155,876	\$9,155,876			
9	NA	YES	Corrections	Sterling Correctional Facility	Steam Condensate Line Replacement	CR	\$6,595,031	\$6,595,031			
10	NA	YES	Corrections	Arkansas Valley Correctional Facility	Utility Water Lines Replacement	CR	\$7,038,924	\$7,038,924			
11	12	YES	Higher Education	University of Northern Colorado	Heat Plant Boiler Replacement #3	CC	\$3,679,012	\$3,634,012	\$45,000		
12	NA	YES	Military Affairs	Grand Junction Veterans Memorial Cemetery	Construct Columbarium and Upgrade Stream Filter System	CC	\$2,667,390	\$2,667,390			
13	NA	YES	Statewide	NA	Level II Controlled Maintenance (Partial)	CM	\$26,598,340	\$26,598,340			
14	NA	YES	Human Services	CMHI - Fort Logan	F2 & F3 Cottage Renovation	CC	\$17,835,851	\$17,835,851			
15	NA	YES	Higher Education	CSU - Ft. Collins	NWC COP lease payments through construction - Funded through HB15-1344		NA				
16	NA	YES	Higher Education	CSU - Ft. Collins	National Western Center CSU Building - Funded through HB15-1344		NA				
17	NA	YES	Higher Education	CSU - Ft. Collins	National Western Center Animal Health Building - Funded through HB15-1344		NA				
18	NA	YES	Human Services	TBD	Secure Treatment Facility for Restorations	TBD	\$15,462,659	\$15,462,659			
Total Capital Construction Requests Recommended for Funding by the Governor							\$228,173,954	\$201,222,105	\$26,951,849	\$0	\$0

FY 2019-20 Capital Construction Requests - Not Recommended, 1-year outlook											
OSP Priority	CCH Priority	Recomm Funding	Department	Division or Institution	Request Title	CC/CM/ CR	FY 2019-20 Request				
							TF	CCF	CF	RF	FF
19	NA	No	Human Services	CMHI - Fort Logan	Campus Utility Infrastructure Upgrade	CR	\$10,493,712	\$10,493,712			
20	12	No	Higher Education	Auraria Higher Education Center (AHEC)	Critical Infrastructure Heating and Hot Water System Replacement - Phase 1/1	CR	\$18,688,778	\$18,488,778	\$200,000		
21	NA	No	Human Services	CMHI (All)	Suicide Mitigation Continuation	CC	\$11,061,491	\$11,061,491			
22	NA	No	Corrections	Arkansas Valley Correctional Facility	Electronic Security System Replacement	CR	\$2,745,296	\$2,745,296			
23	NA	No	History Colorado	Grant-Humphreys mansion	Exterior Repairs	CR	\$3,293,581		\$3,293,581		
24	NA	No	Statewide	NA	Level II Controlled Maintenance (Remainder)	CM	\$18,387,145	\$18,387,145			
25	NA	No	Statewide	NA	Level III Controlled Maintenance	CM	\$22,800,000	\$22,800,000			
26	NA	No	Corrections	Sterling Correctional Facility	Renovate Kitchen, Food Services Building	CR	\$31,966,193	\$31,966,193			
27	5	No	Higher Education	Western State Colorado University	Mountain Bowl Events Complex	CC	\$6,077,784	\$4,037,784	\$2,040,000		
28	6	No	Higher Education	University of Colorado Denver	Engineering and Physical Sciences Building Renovation	CC	\$18,670,391	\$4,802,793	\$13,867,598		
29	7	No	Higher Education	Community College of Aurora	New Diesel Education and Support Services Building	CC	\$8,411,262	\$5,911,262	\$2,500,000		
30	8	No	Higher Education	Arapahoe Community College	Health Programs Integration Renovation	CC	\$11,152,093	\$8,364,000	\$2,788,093		
31	9	No	Higher Education	University of Colorado Boulder	Hellem Building Renovation	CC	\$7,679,700	\$3,225,474	\$4,454,226		
32	10	No	Higher Education	Colorado Mesa University	PA/PT/OT Center - Phase 1/1	CC	\$10,768,131	\$8,937,548	\$1,830,583		
33	10	No	Higher Education	Colorado School of Mines	Subsurface Frontiers Building - Phase 1/1	CC	\$11,225,759	\$1,856,741	\$9,369,018		
34	14	No	Higher Education	Community College of Denver	Boulder Creek	CC	\$24,524,696	\$20,600,745	\$3,923,951		
35	15	No	Higher Education	Colorado Mesa University	Kinesiology Renovation and Expansion	CC	\$22,853,608	\$20,796,784	\$2,056,824		
36	16	No	Higher Education	Colorado School of Mines	Arthur Lakes Library Renovation	CC	\$13,000,000	\$10,000,000	\$3,000,000		
37	17	No	Higher Education	University of Colorado Boulder	Guggenheim Capital Renovation	CC	\$2,599,052	\$1,039,621	\$1,559,431		
38	17	No	Higher Education	Fort Lewis College	Whalen Gymnasium Expansion and Renovation for Athletics, North	CC	\$2,024,775	\$1,619,820	\$404,955		
39	19	No	Higher Education	UC - Colorado Springs	Renovation of Existing Engineering Building	CC	\$14,056,086	\$8,056,086	\$6,000,000		
40	20	No	Higher Education	UC - Anschutz	College of Nursing and Student Support Services Renovation	CC	\$17,626,412	\$8,813,206	\$8,813,206		
41	21	No	Higher Education	Colorado Mesa University	Electrical and Computer Engineering Building	CC	\$19,731,698	\$16,377,308	\$3,354,390		

FY 2019-20 Capital Construction Requests - Not Recommended, 1-year outlook											
OSPB Priority	CCH Priority	Recommend Funding	Department	Division or Institution	Request Title	CC/CM/ CR	FY 2019-20 Request				
							TF	CCF	CF	RF	FF
42	22	No	Higher Education	CSU - Ft. Collins	Anatomy Zoology East Wing Revitalization - Phase 1/1	CC	\$16,717,169	\$16,717,169			
43	22	No	Higher Education	University of Northern Colorado	Gray Hall mechanical systems replacement	CR	\$3,679,012	\$3,679,012			
44	24	No	Higher Education	CSU - Pueblo	Technology Building Renovation and Addition	CC	\$16,583,000	\$16,417,170	\$165,830		
45	25	No	Higher Education	Colorado Mesa University	Student Parking Garage	CC	\$25,453,594	\$23,162,770	\$2,290,824		
46	25	No	Higher Education	Colorado Mesa University	Performing Arts Expansion and Renovation	CC	\$9,477,180	\$8,624,233	\$852,947		
47	27	No	Higher Education	Lamar Community College	Library/Learning Resource Center Renovation - BW Building	CR	\$1,922,205	\$1,872,205	\$50,000		
48	28	No	Higher Education	CSU - Ft. Collins	Chemistry B&C wing revitalization	CR	\$26,399,351	\$26,399,351			
49	29	No	Higher Education	Otero Junior College	Computer Laboratory & Emergency Notification Upgrades	CC	\$550,000	\$475,000	\$75,000		
50	30	No	Higher Education	University of Northern Colorado	Next Generation Cyber Secure Network	CC	\$1,488,706	\$1,488,706			
51	31	No	Higher Education	Otero Junior College	Humanities Center Asbestos Abatement & Seating Replacement - Phase 1/2	CR	\$782,300	\$782,300			
52	32	No	Higher Education	Community College of Aurora	Improving Student Access to Technology	CC	\$527,845	\$475,061	\$52,784		
53	33	No	Higher Education	Lamar Community College	Modernize Campus Technology	CC	\$585,422	\$570,422	\$15,000		
54	34	No	Higher Education	Trinidad State Junior College	Berg Fourth Floor Remodel	CR	\$1,691,355	\$1,691,355			
55	35	No	Higher Education	Lowry Campus	CCA North Quad (901) Building	CC	\$1,911,970	\$1,911,970			
56	36	No	Higher Education	Trinidad State Junior College	Technology Infrastructure (TSJC)	CC	\$636,846	\$636,846			
57	37	No	Higher Education	Pikes Peak Community College	Campus Emergency Notification and Power	CC	\$524,865	\$524,865			
58	38	No	Higher Education	CSU - Pueblo	Communications System Upgrade	CC	\$4,290,130	\$4,290,130			
59	39	No	Higher Education	CSU - Ft. Collins	Network Refresh and Upgrade for CSU - Phase 1/3	CC	\$498,000	\$498,000			
60	40	No	Higher Education	Northeastern Junior College	Consolidation of Physical Plant Spaces	CC	\$450,000	\$450,000			
61	NA	No	Personnel & Administration	1881 Pierce St.	Renovate Parking Lots	CC	\$5,195,202	\$5,195,202			
62	NA	No	Transportation	Eisenhower-Johnson Memorial Tunnels (EJMT)	Electrical System	CC	\$1,000,000	\$1,000,000			
Total							\$430,201,795	\$357,243,554	\$72,958,241	\$0	\$0

FY 2019-20 Capital Construction Requests - Recommended, 4-year outlook

OSPB Priority	Request Title	Prior Appropriations					FY 2019-20 Request					FY 2020-21 Expected Impact					FY 2021-22 Expected Impact				
		TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF
1	Level I Controlled Maintenance	Ongoing	Ongoing	Ongoing			\$27,963,348	\$27,963,348				\$0					\$0				
2	DHS, DYS: Facility Refurbishment for Safety and Risk Mitigation, Modernization	\$5,904,772	\$5,904,772				\$2,638,927	\$2,638,927				\$0					\$0				
3	HighEd, CU Denver: Colorado Center for Personalized Medicine & Behavioral Health	\$156,659,999	\$12,346,906	\$144,313,093			\$31,251,986	\$19,846,986	\$11,405,000			\$21,859,241	\$21,859,241				\$0				
4	HighEd, Fort Range: Larimer Campus Health Care Career Center - Phase 1/2	\$18,841,895	\$14,118,684	\$4,723,211			\$15,623,484	\$11,927,424	\$3,696,060			\$0					\$0				
5	HighEd, CSU Ft. Collins: Shepardson Building Renovation and Addition	\$4,527,223	\$4,527,223				\$22,482,700	\$13,482,700	\$9,000,000			\$15,794,995	\$15,794,995				\$0				
6	HighEd, Ft. Lewis: Whalen Gymnasium Expansion and Renovation for Exercise, South	\$3,336,956	\$3,003,260	\$333,696			\$28,057,892	\$25,252,103	\$2,805,789			\$0					\$0				
7	DOC, Centennial: Population Swap	\$0					\$11,122,534	\$11,122,534				\$0					\$0				
8	DHS, CMHIP: Campus Utility Infrastructure Upgrade	\$0					\$9,155,876	\$9,155,876				\$12,595,526	\$12,595,526				\$14,269,096	\$14,269,096			
9	DOC, Sterling: Steam Condensate Line Replacement	\$0					\$6,595,031	\$6,595,031				\$0					\$0				
10	DOC, Arkansas: Utility Water Lines Replacement	\$0					\$7,038,924	\$7,038,924				\$0					\$0				
11	HighEd, UNC: Heat Plant Boiler Replacement #3	\$0					\$3,679,012	\$3,634,012	\$45,000			\$0					\$0				
12	DMVA, Grand Junction: Construct Columbarium and Upgrade Stream Filter System	\$0					\$2,667,390	\$2,667,390				\$0					\$0				
13	Level II Controlled Maintenance	Ongoing	Ongoing	Ongoing			\$26,598,340	\$26,598,340				\$0					\$0				
14	DHS, CMHIFL: F2 & F3 Cottage Renovation	\$0					\$17,835,851	\$17,835,851				\$0					\$0				
15	HighEd, CSU Ft Collins: NWC COP lease payments through construction (15-1344)	\$0					NA					NA					NA				
16	HighEd, CSU Ft Collins: National Western Center CSU Building (15-1344)	\$0					NA					NA					NA				
17	HighEd, CSU Ft Collins: National Western Center Animal Health Building (15-1344)	\$0					NA					NA					NA				
18	DHS: Secure Treatment Facility for Restorations	\$0					\$15,462,659	\$15,462,659				\$18,743,412	\$18,743,412				\$0				
Total Capital Construction Requests Recommended for Funding by the Governor		\$189,270,845	\$39,900,845	\$149,370,000	\$0	\$0	\$228,173,954	\$201,222,105	\$26,951,849	\$0	\$0	\$68,993,174	\$68,993,174	\$0	\$0	\$0	\$14,269,096	\$14,269,096	\$0	\$0	\$0

FY 2019-20 Capital Construction Requests - Not Recommended, 4-year outlook																									
OSP Priority	Department	Request Title	CC/CM/CR	Prior Appropriations					FY 2019-20 Request					FY 2020-21 Expected Impact					FY 2021-22 Expected Impact						
				TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF		
19	DHS, CMHIFL	Campus Utility Infrastructure Upgrade	CR	\$8,935,147	\$8,935,147					\$10,493,712	\$10,493,712				\$6,861,006	\$6,861,006					\$0				
20	HighEd, Auraria	Critical Infrastructure Heating and Hot Water System Replacement - Phase 1/1	CR	\$0						\$18,688,778	\$18,488,778	\$200,000			\$0						\$0				
21	DHS, CMHI	Suicide Mitigation Continuation	CC	\$0						\$11,061,491	\$11,061,491				\$0						\$0				
22	DOC, Arkansas	Electronic Security System Replacement	CR	\$0						\$2,745,296	\$2,745,296				\$0						\$0				
23	HC, Grant-Humphreys	Exterior Repairs	CR	\$40,949		\$40,949				\$3,293,581		\$3,293,581			\$0						\$0				
24	Statewide	Level II Controlled Maintenance (Remainder)	CM	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing		\$18,387,145	\$18,387,145														
25	Statewide	Level III Controlled Maintenance	CM	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing		\$22,800,000	\$22,800,000				\$0						\$0				
26	DOC, Sterling	Renovate Kitchen, Food Services Building	CR	\$0						\$31,966,193	\$31,966,193				\$0						\$0				
27	HighEd, Western State	Mountain Bowl Events Complex	CC	\$0						\$6,077,784	\$4,037,784	\$2,040,000			\$0						\$0				
28	HighEd, CU Denver	Engineering and Physical Sciences Building Renovation	CC	\$0						\$18,670,391	\$4,802,793	\$13,867,598			\$39,652,601	\$19,939,451	\$19,713,150				\$15,066,240	\$11,299,680	\$3,766,560		
29	HighEd, Aurora CC	New Diesel Education and Support Services Building	CC	\$0						\$8,411,262	\$5,911,262	\$2,500,000			\$0						\$0				
30	HighEd, Arapahoe CC	Health Programs Integration Renovation	CC	\$0						\$11,152,093	\$8,364,000	\$2,788,093			\$0						\$0				
31	HighEd, CU Boulder	Hellems Building Renovation	CC	\$0						\$7,679,700	\$3,225,474	\$4,454,226			\$24,231,576	\$10,177,262	\$14,054,314				\$23,794,955	\$9,993,881	\$13,801,074		
32	HighEd, Colorado Mesa	PA/PT/OT Center - Phase 1/1	CC	\$0						\$10,768,131	\$8,937,548	\$1,830,583			\$0						\$0				
33	HighEd, Mines	Subsurface Frontiers Building - Phase 1/1	CC	\$0						\$11,225,759	\$1,856,741	\$9,369,018			\$109,880,159	\$18,143,259	\$91,736,900				\$0				
34	HighEd, Denver CC	Boulder Creek	CC	\$0						\$24,524,696	\$20,600,745	\$3,923,951			\$0						\$0				
35	HighEd, Colorado Mesa	Kinesiology Renovation and Expansion	CC	\$0						\$22,853,608	\$20,796,784	\$2,056,824			\$0						\$0				
36	HighEd, Mines	Arthur Lakes Library Renovation	CC	\$0						\$13,000,000	\$10,000,000	\$3,000,000			\$0						\$0				
37	HighEd, CU Boulder	Guggenheim Capital Renovation	CC	\$0						\$2,599,052	\$1,039,621	\$1,559,431			\$23,593,515	\$9,437,406	\$14,156,109				\$0				
38	HighEd, Ft. Lewis	Whalen Gymnasium Expansion and Renovation for Athletics, North	CC	\$0						\$2,024,775	\$1,619,820	\$404,955			\$32,555,211	\$26,044,169	\$6,511,042				\$0				
39	HighEd, CU Springs	Renovation of Existing Engineering Building	CC	\$0						\$14,056,086	\$8,056,086	\$6,000,000			\$20,566,770	\$20,566,770					\$0				
40	HighEd, CU Anschutz	College of Nursing and Student Support Services Renovation	CC	\$0						\$17,626,412	\$8,813,206	\$8,813,206			\$0						\$0				
41	HighEd, Colorado Mesa	Electrical and Computer Engineering Building	CC	\$0						\$19,731,698	\$16,377,308	\$3,354,390			\$0						\$0				
42	HighEd, CSU Ft. Collins	Anatomy Zoology East Wing Revitalization - Phase 1/1	CC	\$0						\$16,717,169	\$16,717,169				\$0						\$0				
43	HighEd, UNC	Gray Hall mechanical systems replacement	CR	\$0						\$3,679,012	\$3,679,012				\$0						\$0				
44	HighEd, CSU Pueblo	Technology Building Renovation and Addition	CC	\$0						\$16,583,000	\$16,417,170	\$165,830			\$0						\$0				
45	HighEd, Colorado Mesa	Student Parking Garage	CC	\$0						\$25,453,594	\$23,162,770	\$2,290,824			\$0						\$0				
46	HighEd, Colorado Mesa	Performing Arts Expansion and Renovation	CC	\$0						\$9,477,180	\$8,624,233	\$852,947			\$0						\$0				
47	HighEd, Lamar CC	Library/Learning Resource Center Renovation - BW Building	CR	\$0						\$1,922,205	\$1,872,205	\$50,000			\$0						\$0				

FY 2019-20 Capital Construction Requests - Not Recommended, 4-year outlook																							
OSPB Priority	Department	Request Title	CC/CM/CR	Prior Appropriations					FY 2019-20 Request					FY 2020-21 Expected Impact					FY 2021-22 Expected Impact				
				TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF
48	HighEd, CSU Ft. Collins	Chemistry B&C wing revitalization	CR	\$0					\$26,399,351	\$26,399,351				\$0					\$0				
49	HighEd, Otero	Computer Laboratory & Emergency Notification Upgrades	CC	\$0					\$550,000	\$475,000	\$75,000			\$0					\$0				
50	HighEd, UNC	Next Generation Cyber Secure Network	CC	\$0					\$1,488,706	\$1,488,706				\$0					\$0				
51	HighEd, Otero	Humanities Center Asbestos Abatement & Seating Replacement - Phase 1/2	CR	\$0					\$782,300	\$782,300				\$0					\$0				
52	HighEd, Aurora CC	Improving Student Access to Technology	CC	\$0					\$527,845	\$475,061	\$52,784			\$0					\$0				
53	HighEd, Lamar CC	Modernize Campus Technology	CC	\$0					\$585,422	\$570,422	\$15,000			\$0					\$0				
54	HighEd, Trinidad	Berg Fourth Floor Remodel	CR	\$0					\$1,691,355	\$1,691,355				\$0					\$0				
55	HighEd, Lowry	CCA North Quad (901) Building	CC	\$0					\$1,911,970	\$1,911,970				\$0					\$0				
56	HighEd, Trinidad	Technology Infrastructure (TSJC)	CC	\$0					\$636,846	\$636,846				\$0					\$0				
57	HighEd, Pikes Peak CC	Campus Emergency Notification and Power	CC	\$0					\$524,865	\$524,865				\$0					\$0				
58	HighEd, CSU Pueblo	Communications System Upgrade	CC	\$0					\$4,290,130	\$4,290,130				\$0					\$0				
59	HighEd, CSU Ft. Collins	Network Refresh and Upgrade for CSU - Phase 1/3	CC	\$0					\$498,000	\$498,000				\$1,759,000	\$1,759,000				\$1,316,000	\$1,316,000			
60	HighEd, Northeastern	Consolidation of Physical Plant Spaces	CC	\$0					\$450,000	\$450,000				\$3,110,424	\$3,110,424				\$0				
61	DPA, 1881 Pierce	Renovate Parking Lots	CC	\$0					\$5,195,202	\$5,195,202				\$0					\$0				
62	CDOT	Electrical System	CC	\$0					\$1,000,000	\$1,000,000				\$0					\$0				
Total				\$8,976,096	\$8,935,147	\$40,949	\$0	\$0	\$430,201,795	\$357,243,554	\$72,958,241	\$0	\$0	\$262,210,262	\$116,038,747	\$146,171,515	\$0	\$0	\$40,177,195	\$22,609,561	\$17,567,634	\$0	\$0

FY 2019-20 Capital Construction Cash Fund Requests, 1-year outlook								
Row	Department	Division or Institution	Request Title	FY 2019-20				
				TF	CCF	CF	RF	FF
1	Human Services	Veterans Community Living Center - Homelake	Rotunda/Workshop Renovations	\$197,573		\$197,573		
2	Human Services	Veterans Community Living Center - Fitzsimons	Dayroom, Courtyard, Laundry Room upgrade	\$199,635		\$199,635		
3	Natural Resources		Infrastructure and Facilities Maintenance	\$1,858,090		\$1,858,090		
4	Natural Resources		Property Acquisitions	\$11,000,000		\$11,000,000		
5	Human Services		Department-wide Facility Master Plan	\$1,101,159		\$1,101,159		
6	Human Services	Division for Regional Center Operations	Depreciation Fund Capital Improvements Continuation	\$757,405		\$757,405		
Total				\$15,113,862	\$0	\$15,113,862	\$0	\$0

FY 2019-20 Capital Construction Cash Fund Requests, 4-year Outlook

Row	Request Title	Prior Year Appropriation					FY 2019-20					FY 2020-21					FY 2021-22				
		TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF
1	DHS, Homelake: Rotunda/Workshop Renovations	\$0					\$197,573		\$197,573			\$0				\$0					
2	DHS, Fitzsimmons: Dayroom, Courtyard, Laundry Room upgrade	\$0					\$199,635		\$199,635			\$0				\$0					
3	DNR: Infrastructure and Facilities Maintenance	\$0					\$1,858,090		\$1,858,090			\$0				\$0					
4	DNR: Property Acquisitions	\$0					\$11,000,000		\$11,000,000			\$0				\$0					
5	DHS: Department-wide Facility Master Plan	\$0					\$1,101,159		\$1,101,159			\$1,233,777		\$1,233,777		\$519,909		\$519,909			
6	DHS, Regional Operations: Depreciation Fund Capital Improvements Continuation	\$0					\$757,405		\$757,405			\$0				\$0					
Total		\$0	\$0	\$0	\$0	\$0	\$15,113,862	\$0	\$15,113,862	\$0	\$0	\$1,233,777	\$0	\$1,233,777	\$0	\$0	\$519,909	\$0	\$519,909	\$0	\$0

CCHE FY2019-20 Prioritized State Funded Capital Projects

Ranking	Institution Name	Project Name	Score	CCF	CF
N/A	Colorado State University - Fort Collins	NWC COP lease payments through construction	N/A - Legislative Mandate	\$ 17,113,721	\$ -
N/A	Colorado State University - Fort Collins	National Western Center CSU Building	N/A - Legislative Mandate	\$ 58,400,000	\$ -
N/A	Colorado State University - Fort Collins	National Western Center Animal Health Building	N/A - Legislative Mandate	\$ 60,018,401	\$ -
** National Western Center COP requests pending approval of project implementation conditioned upon the payments beginning July 1, 2019.					
1	University of Colorado Anschutz	Colorado Center for Personalized Medicine & Behavioral Health	Continuation Project	\$ 19,846,986	\$ 11,405,000
2	Front Range Community College	Larimer Campus Health Care Career Center, Phase 1 of 2	Continuation Project	\$ 11,927,424	\$ 3,696,060
3	Colorado State University - Fort Collins	Shepardson Renovation and Addition	Continuation Project	\$ 29,648,979	\$ 9,000,000
4	Fort Lewis College	Whalen Gymnasium Expansion and Renovation for Exercise Science, South (2 phases)	Continuation Project	\$ 25,252,103	\$ 2,805,789
5	Western State Colorado University	Mountain Bowl Events Complex	96.55%	\$ 4,037,784	\$ 2,040,000
6	University of Colorado Denver	Engineering and Physical Sciences Building Renovation	94.12%	\$ 4,802,793	\$ 13,867,598
7	Community College of Aurora	New Diesel Education and Support Services Building - 1 Phase	93.10%	\$ 5,911,262	\$ 2,500,000
8	Arapahoe Community College	Health Programs Integration Renovation	91.18%	\$ 8,364,000	\$ 2,788,093
9	University of Colorado Boulder	Hellems Building Renovation	89.71%	\$ 3,225,474	\$ 4,454,226
10	Colorado Mesa University	PA/PT/OT Center (Phase 1 of 1)	89.66%	\$ 8,937,548	\$ 1,830,583
	Colorado School of Mines	Subsurface Frontiers Building, Phase 1 of 1	89.66%	\$ 1,856,741	\$ 9,369,018
12	Auraria Higher Education Center	Campus-wide Capital Renewal Project A: Critical Infrastructure Heating and Hot Water System Replacement: Phase 1 of 1	84.48%	\$ 18,488,778	\$ 200,000
	University of Northern Colorado	Heat plant boiler #3 replacement, 1 phase	84.48%	\$ 3,634,012	\$ 45,000
14	Community College of Denver	Boulder Creek - 1 Phase	82.35%	\$ 20,600,745	\$ 3,923,951
15	Colorado Mesa University	Kinesiology Renovation and Expansion	79.31%	\$ 20,796,784	\$ 2,056,824
16	Colorado School of Mines	Arthur Lakes Library Renovation	76.47%	\$ 10,000,000	\$ 3,000,000
17	University of Colorado Boulder	Guggenheim Capital Renovation	72.06%	\$ 1,039,621	\$ 1,559,431
	Fort Lewis College	Whalen Gymnasium Expansion and Renovation for Athletics, North (2 Phases)	72.06%	\$ 1,619,820	\$ 404,955
19	University of Colorado Colorado Springs	Renovation of Existing Engineering Building	68.97%	\$ 8,056,086	\$ 6,000,000
20	University of Colorado Anschutz	College of Nursing and Student Support Services Renovation	67.65%	\$ 8,813,206	\$ 8,813,306
Sub-total, Top 20 (excluding COPs)				\$ 216,860,146	\$ 89,759,834
21	Colorado Mesa University	Electrical and Computer Engineering Building	67.24%	\$ 16,377,308	\$ 3,354,390
22	CSU - Fort Collins	Anatomy Zoology East Wing Revitalization, Phase 1 of 1	62.07%	\$ 16,717,169	\$ -
	University of Northern Colorado	Gray Hall mechanical systems replacement, 1 phase	62.07%	\$ 3,419,167	\$ -
24	CSU - Pueblo	Technology Building Renovation and Addition	58.82%	\$ 16,417,170	\$ 165,830

Ranking	Institution Name	Project Name	Score	CCF	CF
25	Colorado Mesa University	Student Parking Garage	58.62%	\$ 23,162,770	\$ 2,290,824
	Colorado Mesa University	Performing Arts Expansion and Renovation (Phase 1 of 1)	58.62%	\$ 8,624,233	\$ 852,947
27	Lamar Community College	Library/Learning Resource Center Renovation - BW Building	57.35%	\$ 1,872,205	\$ 50,000
28	CSU - Fort Collins	Chemistry B & C wing revitalization, Phase 1 of 1	56.90%	\$ 26,399,351	\$ -
29	Otero Junior College	Computer Laboratory & Emergency Notification Upgrades - Phase 1 of 1	52.08%	\$ 475,000	\$ 75,000
30	University of Northern Colorado	Next Generation Cyber Secure Network (1 Phase)	47.92%	\$ 1,488,706	\$ -
31	Otero Junior College	Humanities Center Asbestos Abatement & Seating Replacement - Phase 1 of 2	46.55%	\$ 782,300	\$ -
32	Community College of Aurora	Improving Student Access to Technology in 1 phase	39.58%	\$ 475,061	\$ 52,784
33	Lamar Community College	Modernize Campus Technology	38.54%	\$ 570,422	\$ 15,000
34	Trinidad State Junior College	Berg Fourth Floor Remodel	38.24%	\$ 1,691,355	\$ -
35	Lowry Campus	CCA North Quad (901) Building	35.29%	\$ 1,911,970	\$ -
36	Trinidad State Junior College	Technology Infrastructure (TSJC)	31.25%	\$ 636,846	\$ -
37	Pikes Peak Community College	Campus Emergency Notification and Power - Phase 1 of 1	29.17%	\$ 524,865	\$ -
38	CSU - Pueblo	Communications System Upgrade, phase 1 of 1	27.08%	\$ 4,290,130	\$ -
39	CSU - Fort Collins	Network Refresh and Upgrade for CSU, 3 phases	25.00%	\$ 498,000	\$ -
40	Northeastern Junior College	Consolidation of Physical Plant Spaces	20.69%	\$ 450,000	\$ -
Sub-total, Priorities 20-40				\$ 126,784,028	\$ 6,856,775
GRAND TOTAL				\$ 343,644,174	\$ 96,616,609



COLORADO

Office of State Planning
& Budgeting

111 State Capitol
Denver, Colorado 80203

November 1, 2018

The Honorable Jonathan Singer
Chair, Joint Technology Committee
State Capitol Building
Denver, Colorado 80203

RE: OSPB Submission of FY 2019-20 Prioritized Information Technology Requests

Dear Representative Singer:

As required by Section 24-37-304 (1) (c.5) (I) (B), C.R.S., please find attached the Governor's Office of State Planning and Budgeting (OSPB) prioritization of Executive Branch information technology budget requests for FY 2019-20.

This November 1 package includes the following:

- A list of information technology projects recommended for funding;
- An updated assessment of the need for a General Fund transfer into the Capital Construction Fund.

OSPB has recommended all nine information technology projects submitted for funding for FY 2019-20. This recommendation will continue four projects begun in previous years.

Please feel free to contact my office at (303) 866-3317 with any questions or concerns. At the Committee's request, I am available to present any necessary information at a future meeting.

Thank you for your consideration of these important requests.

Sincerely,

Lauren Larson
Director

Cc: Members of the Joint Technology Committee
Ms. Jessika Shipley, JTC Staff
Mr. John Ziegler, JBC Staff Director
Mr. Kevin Neimond, JBC Staff
Ms. Kori Donaldson, CDC Staff
Mr. Jason Schrock, Deputy Director, OSPB
Ms. Andrea Day, OSPB Staff



FY 2019-20 Capital Construction IT Requests									
OSP Priority	Recommend Funding	Department	Division or Institution	Request Title	CC-IT	FY 2019-20 Request			
						TF	CCF	CF	FF
1	Yes	Governor's Office	Office of Information Technology	PCSN Microwave Replacement (Phase 5/5)	Yes	\$10,316,372	\$10,316,372	\$0	\$0
2	Yes	Human Services	Executive Director's Office	Joint Agency Interoperability (Phase 5/5)	Yes	-\$16,057,097	\$2,320,949	\$0	-\$18,378,046
3	Yes	Human Services	Office of Behavioral Health	Crisis System Data and Health IT Infrastructure	Yes	\$1,514,500	\$1,514,500	\$0	\$0
4	Yes	Governor's Office	Office of Information Technology	Data Center (Phase 2/2)	Yes	\$5,264,000	\$5,264,000	\$0	\$0
5	Yes	Governor's Office	Lt. Governor's Office	OeHI Health IT Roadmap (Phase 2/3)	Yes	\$11,508,333	\$1,150,833	\$0	\$10,357,500
6	Yes	Labor and Employment	Division of Oil and Public Safety	COSTIS / Division of Oil and Public Safety	Yes	\$2,172,516	\$0	\$2,172,516	\$0
7	Yes	Public Safety	Division of Criminal Justice	CCIB Community Corrections	Yes	\$2,205,000	\$2,205,000	\$0	\$0
8	Yes	Personnel and Administration	Division of Capital Assets	CARS Replacement	Yes	\$1,625,610	\$0	\$1,625,610	\$0
9	Yes	Higher Education	History Colorado	E106 Project	Yes	\$518,026	\$393,026	\$125,000	\$0
Total Information Technology Requests Recommended for Funding by the Governor						\$19,067,260	\$23,164,680	\$3,923,126	-\$8,020,546

FY 2019-20 Information Technology Requests																					
OSP Priority	Request Title	Prior Appropriations					FY 2019-20					FY 2020-21 Expected Impact					FY 2021-22 Expected Impact				
		TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF	TF	CCF	CF	RF	FF
1	PCSN Microwave Replacement (Phase 5/5)	\$41,265,488	\$41,265,488	\$0	\$0	\$0	\$10,316,372	\$10,316,372	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Joint Agency Interoperability (Phase 5/5)	\$35,863,060	\$3,586,306	\$0	\$0	\$32,276,754	-\$16,057,097	\$2,320,949	\$0	\$0	-\$18,378,046	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Crisis System Data and Health IT Infrastructure	\$0	\$0	\$0	\$0	\$0	\$1,514,500	\$1,514,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	Data Center (Phase 2/2)	\$5,122,000	\$5,122,000	\$0	\$0	\$0	\$5,264,000	\$5,264,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	OeHI Health IT Roadmap (Phase 2/3)	\$6,605,000	\$1,875,500	\$0	\$0	\$4,729,500	\$11,508,333	\$1,150,833	\$0	\$0	\$10,357,500	\$4,450,000	\$445,000	\$0	\$0	\$4,005,000	\$0	\$0	\$0	\$0	\$0
6	COSTIS / Division of Oil and Public Safety	\$0	\$0	\$0	\$0	\$0	\$2,172,516	\$0	\$2,172,516	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	CCIB Community Corrections	\$0	\$0	\$0	\$0	\$0	\$2,205,000	\$2,205,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	CARS Replacement	\$0	\$0	\$0	\$0	\$0	\$1,625,610	\$0	\$1,625,610	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	E106 Project	\$0	\$0	\$0	\$0	\$0	\$518,026	\$393,026	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Information Technology Requests Recommended for Funding by the Governor		\$88,855,548	\$51,849,294	\$0	\$0	\$37,006,254	\$19,067,260	\$23,164,680	\$3,923,126	\$0	-\$8,020,546	\$4,450,000	\$445,000	\$0	\$0	\$4,005,000	\$0	\$0	\$0	\$0	\$0