



COLORADO

Department of Local Affairs

Line Item Descriptions

FY 2021-22 Budget Request

NOVEMBER 1, 2020

TABLE OF CONTENTS

(1) Executive Director's Office

(A) Administration

Personal Services	4
Health Life and Dental	4
Short-term Disability	4
Amortization Equalization Distribution (AED)	4
Supplemental Amortization Equalization Distribution (SAED)	4
PERA Direct Distribution	4
Salary Survey	4
Workers' Compensation	5
Operating Expenses	5
Legal Services	5
Payment of Risk Management and Property Funds	5
Vehicle Lease Payments	5
Information Technology Asset Maintenance	5
Leased Space	5
Capitol Complex Leased Space	5
Payments to OIT	5
CORE Operations	6
Moffat Tunnel Improvement District	6

(B) State Demography Office	6
-----------------------------------	---

(2) Property Taxation

Division of Property Taxation	6
State Board of Equalization	6
Board of Assessment Appeals	6
Indirect Cost Assessment	7

(3) Division of Housing

(A) (1) Administration

Personal Services	7
Operating Expenses	7

(A) (2) Community Services

Low Income Rental Subsidies	7
Homeless Prevention Programs	7
Fort Lyon Supportive Housing Program	8

Line Item Descriptions FY 2021-22 BUDGET REQUEST

(B) Field Services

Affordable Housing Program Costs	8
Affordable Housing Construction Grants and Loans Pursuant to Section 24-32-721, C.R.S.	8
Housing Assistance for Persons Transitioning from the Criminal or Juvenile Justice System	9
Manufactured Buildings Program.....	9

(C) Indirect Cost Assessment.....

(4) Division of Local Government

(A) Local Government and Community Services

(1) Administration

Personal Services	10
Operating Expenses	10
Strategic Planning Group on Coloradans Age 50 and Over.....	10

(A) (2) Local Government Services

Conservation Trust Fund Disbursements	10
Volunteer Firefighter Retirement Plans	11
Volunteer Firefighter Death and Disability Insurance	11
Firefighter Heart and Circulatory Malfunction Benefits.....	11
Local Utility Management Assistance	11
Environmental Protection Agency – Water/Sewer File Project.....	11

(A) (3) Community Services

Community Services Block Grant	11
--------------------------------------	----

(B) Field Services

Program Costs	12
Community Development Block Grant	12
Local Government Mineral and Energy Impact Grants and Distributions	12
Local Government Limited Gaming Impact Grants	12
Local Government Geothermal Energy Impact Grants	12
Rural Economic Development Initiative (REDI) Grants	13
Search and Rescue Program.....	13
Gray and Black Market Marijuana Enforcement Grant Program	13
H.B. 17-1326 Crime Prevention Initiative Grants	13
H.B. 17-1326 Crime Prevention Initiative Small Business Lending	13
Appropriation to the Peace Officers Mental Health Support Fund.....	13
Peace Officers Mental Health Support Grant Program.....	14
Defense Counsel on First Appearance Grant Program	14

Line Item Descriptions FY 2021-22 BUDGET REQUEST

Census Outreach Grant Program.....	14
Law Enforcement Community Services Grant Program.....	14
<u>(C) Indirect Cost Assessment.....</u>	14

(1) Executive Director's Office

(A) ADMINISTRATION

PERSONAL SERVICES

This line item is for the base salaries, PERA, and Medicare expenses for the Executive Director's Office.

HEALTH, LIFE, AND DENTAL

This line item is appropriated at the department level for each division's Health, Life and Dental expenses. For FY 2019-20, additional dollars are provided to this line item for H.B. 19-1292 ("Reauthorization of Colorado Resiliency Office Funding").

SHORT-TERM DISABILITY

This line item is appropriated at the department level for each division's short term disability expenses. For FY 2019-20, additional dollars are provided to this line item for H.B. 19-1292 ("Reauthorization of Colorado Resiliency Office Funding").

S.B. 04-257 AMORTIZATION EQUALIZATION DISTRIBUTION

This line item is appropriated at the department level for each division's amortization equalization distribution (AED) expenses. These costs are defined in Section 24-51-411, C.R.S. They will remain at 5 percent beginning in FY 2017-18. For FY 2019-20, additional dollars are provided to this line item for H.B. 19-1292 ("Reauthorization of Colorado Resiliency Office Funding").

S.B. 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISTRIBUTION

This line item is appropriated at the department level for each division's SAED expenses. These costs are defined in Section 24-51-411, C.R.S. They will remain at 5 percent beginning in FY 2017-18. For FY 2019-20, additional dollars are provided to this line item for H.B. 19-1292 ("Reauthorization of Colorado Resiliency Office Funding").

PERA DIRECT DISTRIBUTION

With the adoption of S.B. 18-200, the State will make an annual direct distribution payment of \$225 million to PERA to help eliminate the unfunded liability for the State, Judicial, School, and Denver Public School divisions. Beginning with the FY 2019-20 budget cycle, a new common policy line item was created to allocate the State division's portion of the \$225 million to all state agencies based on their proportional share of total payroll. This payment was suspended for one year pursuant to the adoption of H.B. 20-1379 ("Suspend Direct Distribution to PERA for FY 2020-21").

SALARY SURVEY

This line item is appropriated at the department level for each division's salary increases. No funding was appropriated to this line item in FY 2020-21 and no funds are requested by the Governor in FY 2021-22.

Line Item Descriptions FY 2021-22 BUDGET REQUEST

WORKERS' COMPENSATION

This line item provides funding to the Department of Personnel and Administration to support the State's self-insured workers' compensation program.

OPERATING EXPENSES

This line item pays for expenses in the Executive Director's Office such as office supplies and in-state travel.

LEGAL SERVICES

This line item funds the cost of purchasing legal services from the Department of Law. Beginning in FY 2017-18, these expenses are charged by an "allocated" methodology versus a "budgeted hours" methodology. This means that annual appropriations will be adjusted through a two-year "true-up".

PAYMENT OF RISK MANAGEMENT AND PROPERTY FUNDS

The State's Risk Management program consists of two parts: the Liability Program and the Property Program. This line item pays for premiums related to these insurance coverages, broker services, third party administration fees, legal services related to these programs, and deductibles.

VEHICLE LEASE PAYMENTS

This line item pays the costs that agencies incur from the State's vehicle lease-purchase loan payments plus a management fee collected by the Department of Personnel and Administration.

INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item funds the Department's annual computer replacements and software maintenance.

LEASED SPACE

This line item funds office space located around the State for the department's various field staff.

CAPITOL COMPLEX LEASED SPACE

This line item provides funding for payments to the Department of Personnel and Administration for its management of the Department's office space within the Capitol Complex and the Grand Junction State Building.

PAYMENTS TO OIT

This line item provides funding for payments to the Governor's Office of Information Technology (OIT) for its support of the State's Data Center, Colorado State Network, and other services to the Department, as well as support of OIT initiatives and staff.

CORE OPERATIONS

This line item provides funding to support the State's accounting system called the Colorado Operations Resource Engine (CORE).

MOFFAT TUNNEL IMPROVEMENT DISTRICT

The Moffat Tunnel Improvement District was formed by state statute in 1922 to finance the construction of a railroad tunnel under the Continental Divide. The legislature adopted S.B. 96-233, which set in motion an effort to sell the assets of the District, dissolve the elected commission that had managed the District since 1922, and, if any District assets could not be sold by 1998, transfer control of the District to the Department. As such, not all District assets were sold and control of the District was transferred to the Department in February 1998. The District is a legally distinct special district under Article 8 of Title 32 of the Colorado Revised Statutes and earns revenue from two leases: one with the Union Pacific Railroad and another with CenturyLink telecommunications. This line item funds costs to manage the Moffat Tunnel Improvement District.

(B) STATE DEMOGRAPHY OFFICE

Beginning in FY 2020-21, the State Demography Office was officially transferred from the Division of Local Government (DLG) to the Executive Director's Office. This was a budget neutral request that transferred 6.0 FTE and \$567,591 from several funding sources previously appropriated to DLG. The State Demography Office is Colorado's primary state agency for population and demographic information.

(2) Property Taxation

DIVISION OF PROPERTY TAXATION

This line item funds program costs for the division. Under the general laws of Colorado, county assessors are required to value all taxable property within their territorial jurisdictions. The Division of Property Taxation provides training, regulation, coordination, and administration of property tax law throughout the sixty-four counties within the state.

STATE BOARD OF EQUALIZATION

The State Board of Equalization has supervision over the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes. This line item pays the Board's operating expenses.

BOARD OF ASSESSMENT APPEALS

This line item funds staff and operating expenses for the Board of Assessment Appeals (BAA). The BAA is currently composed of eight board members who meet to hear appeals by property taxpayers regarding decisions of county boards of equalization, county boards of commissioners, and the state property tax administrator on valuation of real and personal property, abatement of taxes, and exemptions for state-assessed properties. In order to improve accessibility to non-metro Denver counties, the BAA offers hearings by video conference and occasionally schedules hearings in Grand Junction and Alamosa as funding permits.

INDIRECT COST ASSESSMENT

The rate is applied to cash, re-appropriated, and federal fund sources according to the indirect rate cost recovery plan approved by the department's "cognizant" agency.

(3) Division of Housing

(A) COMMUNITY AND NON-PROFIT SERVICES

(1) Administration

PERSONAL SERVICES

This line item funds base salaries, PERA, and Medicare expenses for the Community and Non-Profit Services section of the division. Beginning in FY 2019-20, additional dollars and an FTE are provided to this line item for H.B. 19-1009 ("Substance Use Disorders Recovery").

OPERATING EXPENSES

This line item funds operating expenses for the Community and Non-Profit Services section of the division, such as in-state travel, office supplies, fleet fuel costs, and postage. Beginning in FY 2019-20, additional dollars are provided to this line item for H.B. 19-1009 ("Substance Use Disorders Recovery").

(2) COMMUNITY SERVICES

LOW INCOME RENTAL SUBSIDIES

This line item provides a General Fund appropriation of \$6,221,788 to support behavioral health vouchers for participants in the Assertive Community Treatment (ACT) program, Adult Resources for Care and Help (ARCH) vouchers, and Colorado Choice Transitions (CCT) program vouchers. The CCT program continues to receive increased funding from savings generated by H.B. 18-1326 ("Support for Transition from Institutional Settings"). This line item also funds federal Section 8 vouchers that assist in obtaining affordable rental housing units for local workforce needs and for lower income families. Beginning in FY 2019-20, additional General Fund and dollars from the Marijuana Tax Cash Fund are provided to this line item for H.B. 19-1009 ("Substance Use Disorders Recovery").

HOMELESS PREVENTION PROGRAMS

This line item includes the Homeless Prevention Activities Program created in Section 39-22-1302 (1), C.R.S., and the federal Department of Housing and Urban Development (HUD) program that also supports homeless prevention activities, including the operation of shelters and assistance to families who have received eviction notices or utility service termination notices. This line item does not include entitlement moneys granted on a formula basis directly to the cities of Denver and Colorado Springs.

(3) FORT LYON SUPPORTIVE HOUSING PROGRAM

The General Fund appropriation of \$4,996,662 and 1.0 FTE assists in the treatment and housing of homeless veterans and other individuals by the Colorado Coalition for the Homeless (CCH). The program support up to 247 residents every month. A portion of this appropriation is also provided to Bent County for utilities, repair, and maintenance of the residential campus.

(B) FIELD SERVICES

AFFORDABLE HOUSING PROGRAM COSTS

In addition to paying for program field staff and operating expenses associated with the Affordable Housing Construction Grants and Loans Pursuant to Section 24-32-721, C.R.S. line item, this line item provides statutory funding to reimburse expenses associated with the Bond Allocations Committee, which consists of the Executive Director, four municipal and county officials, three citizens at large, and one representative of state-issuing authorities. The Private Activity Bond Program allocates its capped bond amounts among the issuing authorities of the state. This line item also funds the Home Modification Program, which administers the home modification benefit by overseeing construction duties, bid review, and the management of assets for Medicaid eligible clients. Beginning in FY 2019-20, this line item will receive additional dollars and FTE to support new funding received from H.B. 19-1245 (“Provide Affordable Housing Funding from Changes to Vendor Fee”). However, due to the economic impact of COVID-19, recent projections show that no General Fund revenue transfers to the Division of Housing (DOH) are expected to occur until FY 2021-22.

AFFORDABLE HOUSING CONSTRUCTION GRANTS AND LOANS PURSUANT TO SECTION 24-32-721, C.R.S.

This line item provides Housing Development Grants and Loans supported by the General Fund, Marijuana Tax Cash Fund, and federal grants and loans that are provided to local governments and affordable housing developers to improve, preserve, or expand the supply of affordable housing, as well as to fund the acquisition of housing and economic data necessary to advise the board on local housing conditions. The housing must be owned or occupied by persons with moderate to low incomes. Local housing authorities, private developers, nonprofit corporations, cities, and counties may apply for financing. Most grants require a contribution from the community served.

The Department is granted statutory authority to operate the Affordable Housing Construction Grants and Loans Program pursuant to Section 24-32-721, C.R.S., and is empowered to “encourage private enterprise and all public and private agencies engaged in planning, construction, and acquisition of adequate housing or the rehabilitation of existing housing in Colorado.” The State Housing Board advises the Department on housing needs, reviews financing requests, and adopts manufactured housing regulations.

The figures below illustrate General Fund increases to the Affordable Housing Grants and Loans Program funding since FY 2006-07. This line item was increased to \$9.2 million General Fund beginning in FY 2018-19.

Line Item Descriptions FY 2021-22 BUDGET REQUEST

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
2006-2007	\$1,100,000	2012-2013	\$2,309,000
2007-2008	\$1,239,000	2013-2014	\$4,200,000
2008-2009	\$2,225,000	2014-2015	\$8,200,000
2011-2012	\$2,225,000	2018-2019	\$9,200,000

In addition, this line item has received \$15.3 million from the Marijuana Tax Cash Fund since FY 2017-18 to provide construction funding, rental assistance, administration, and case management for people with substance use and mental health issues who require supportive services to obtain and retain housing. This includes individuals exiting or at risk of entering the criminal justice system. For FY 2019-20, funds may be transferred to the Low Income Rental Subsidies line item for the purpose of issuing housing vouchers for this same population. Although not appropriated in the Long Bill, this program begins receiving General Fund pursuant to H.B. 19-1245 (“Provide Affordable Housing Funding from Changes to Vendor Fee”). These amounts are estimated at \$7.8 million in FY 2019-20, \$7.3 million in FY 2020-21, and \$48.4 million in FY 2021-22. As mentioned previously, the first two transfers established by this legislation are not projected to occur.

HOUSING ASSISTANCE FOR PERSONS TRANSITIONING FROM THE CRIMINAL OR JUVENILE JUSTICE SYSTEM

S.B. 17-021 established a housing program for persons with mental illness transitioning from the criminal or juvenile justice systems and directed the Department to manage this program. It is intended to provide grants or loans for the acquisition, construction, or rehabilitation of rental housing for persons with a mental health disorder or co-occurring behavioral health disorder, who are newly released from the Department of Corrections (DOC), the Division of Youth Corrections (DYC) in the Department of Human Services (DHS), or county jails throughout Colorado. The Department was appropriated \$408,052 General Fund in FY 2019-20 as a result of the reversion at the end of FY 2017-18. However, no reversion occurred at the end of FY 2018-19 so no funds were requested in the Department’s FY 2020-21 budget request. A separate initiative to address DOC inmates being paroled into homelessness was approved by the JBC starting in FY 2019-20 and appropriated to this line in the amount of \$500,000 reappropriated funds. This program was modified again with adoption of H.B. 20-1262, which eliminated the transfer mechanism established by S.B. 17-021 and provided for direct funding of this program by the Joint Budget Committee and the General Assembly. This line was appropriated \$500,000 General Fund in FY 2020-21 and this amount is requested again in FY 2021-22.

MANUFACTURED BUILDINGS PROGRAM

This program provides education and training to the mobile, manufactured, and factory-built structures industry regarding the building codes and state program requirements applicable to these types of structures within the state. Training is also provided across the State to help consumers make informed decisions when purchasing or considering the purchase of a mobile, manufactured, or factory built home. Lastly, grants and related education are available to help manufacturers, installers, owners, and other members of the mobile, manufactured, or factory-built structures industry address safety issues affecting these types of existing residential structures.

Line Item Descriptions FY 2021-22 BUDGET REQUEST

The adoption of H.B. 08-1319 stipulates that every factory-built structure occupied on or after March 1, 2009, must be certified by this program. This legislation also established specific educational, testing, and liability insurance coverage requirements for manufactured home, mobile home, and factory-built residential structure installers and installation inspectors. Implementation of H.B. 19-1309 (“Mobile Home Park Act Oversight”) creates a regulatory framework for mobile home parks and will generate additional revenue for the Manufactured Buildings Program. Two new positions and associated funding were authorized by this legislation in FY 2019-20 and an additional 2.3 FTE and associated funding were authorized in FY 2020-21. The cash fund that supports this program is continuously appropriated so none of the associated funds are reflected in the Department’s Long Bill.

(C) INDIRECT COST ASSESSMENTS

The rate is applied to cash, re-appropriated, and federal fund sources according to the indirect rate cost recovery plan approved by the Department’s “cognizant” agency.

(4) Division of Local Government

(A) Local Government and Community Services

(1) Administration

PERSONAL SERVICES

This line item funds salaries, PERA, and Medicare expenses for staff in the Local Government and Community Services section who provide technical and financial assistance to local governments, administer elections for special districts, and manage “5.5% Limit” property tax compliance programs as defined in Sections 29-1-301 to 305, C.R.S. Beginning in FY 2019-20, additional dollars and FTE were provided to this line item for H.B. 19-1292 (“Reauthorization of Colorado Resiliency Office Funding”).

OPERATING EXPENSES

This line item funds operating expenses for the division, such as in-state travel, office supplies, and postage. Beginning in FY 2019-20, additional dollars were provided to this line item for H.B. 19-1292 (“Reauthorization of Colorado Resiliency Office Funding”).

STRATEGIC PLANNING GROUP ON COLORADANS AGE 50 AND OVER

These funds are provided to continue the work of the Strategic Action Planning Group on Aging (SAPGA) created by H.B. 15-1033 and established in Section 24-32-3404, C.R.S. The Department is no longer directly involved with SAPGA and only serves as the nexus between the members of SAPGA and the State’s fiscal and procurement rules. These funds support additional studies and other services as SAPGA prepares the final update to its Strategic Action Plan due November 1, 2020.

(A) (2) Local Government Services

CONSERVATION TRUST FUND DISBURSEMENTS

After payment of administrative expenses, the remaining funds are distributed from the Conservation Trust Fund to over 400 eligible local entities pursuant to a statutory formula. The funds received fluctuate with lottery sales revenue.

VOLUNTEER FIREFIGHTER RETIREMENT PLANS

This line item funds the state contribution to eligible local governments for volunteer firefighter pension funds. These amounts are not subject to the six percent limit on General Fund appropriations and are distributed according to a statutory formula.

VOLUNTEER FIREFIGHTER DEATH AND DISABILITY INSURANCE

This line item funds the statewide volunteer firefighter accidental death and disability insurance policy. The division works with DPA's Division of Risk Management to contract for Accidental Death, Dismemberment, and Disability Insurance that covers all volunteer firefighters in Colorado for any on-duty activities, including travel to and from any event.

FIREFIGHTER HEART AND CIRCULATORY MALFUNCTION BENEFITS

This line item includes amounts originally provided in S.B. 14-172 for the administration of a self-insured pool for Firefighter Heart and Circulatory Malfunction Benefits. In FY 2018-19, the amount transferred for this purpose was \$839,053 for Accident Insurance Reimbursement moneys. These funds are deposited in the Firefighter Benefits Cash Fund established in Section 29-5-302 (11), C.R.S. Reimbursements to municipalities, special districts, fire authorities, or county improvement districts are estimated at approximately \$150 per firefighter per year.

LOCAL UTILITY MANAGEMENT ASSISTANCE

This program works with local governments, the Colorado Water Resources and Power Development Authority (CWRPDA), and the Colorado Department of Public Health and Environment to review water and wastewater system needs in local areas, to provide analysis of the financial capacity of local governments applying for EPA-supported state revolving loan funds for water or wastewater treatment projects, and to assist in the development of financing options. This line item funds personal services and operating expenses for this program.

ENVIRONMENTAL PROTECTION AGENCY – WATER/SEWER FILE PROJECT

These federal dollars support staff who determines the eligibility and credit worthiness of local governments for EPA water and sewer loans through the Colorado Water Resources and Power Development Authority (CWRPDA).

(3) Community Services

COMMUNITY SERVICES BLOCK GRANT

This federal program provides formula-based grants to alleviate the causes and conditions of poverty in communities. Colorado has 31 eligible local entities working under nine CSBG federal objectives including employment, education, income management, housing, emergency services, nutrition, linkages with other federal and state programs, self-sufficiency, and health. Community Services Block Grants are not open for applications; grants are provided to previously eligible entities across Colorado.

(B) Field Services

PROGRAM COSTS

This line item supports the salaries and operating expenses of field staff in local regions who provide technical assistance on all statewide local government issues, community development, rural community development, Main Street, land use and strategic planning, Rural Economic Development Initiative (REDI) grants, administration of grant programs including the Energy and Mineral Impact Program, Limited Gaming, Search and Rescue, Geothermal, and Community Development Block Grants.

COMMUNITY DEVELOPMENT BLOCK GRANT

This line represents funds provided by the federal government to support “non-entitlement” municipalities and counties in carrying out community development activities. The funds must be used for activities that benefit either low- and moderate-income persons, prevent or eliminate slums or blight, or address urgent community development needs. While the Department of Local Affairs administers the funds for smaller rural communities, metro areas receive their funding directly from the federal government on an entitlement basis.

LOCAL GOVERNMENT MINERAL AND ENERGY IMPACT GRANTS AND DISBURSEMENTS

The Energy and Mineral Impact Assistance Program provides assistance to political subdivisions that are socially or economically impacted by the development, processing, or conversion of minerals and mineral fuels. Funds come from the state severance tax on energy and mineral production and from a portion of the State's share of royalties paid to the federal government for mining and drilling of minerals and mineral fuels on federally-owned land. Funds are distributed through this program through both statutory formula distributions (30% of annual receipts) and competitive grant programs (70% of annual receipts).

LOCAL GOVERNMENT LIMITED GAMING IMPACT GRANTS

This line provides financial assistance to local governments to address documented gaming impacts stemming from limited stakes gaming in Gilpin and Teller counties, as well as on Native American lands. Limited stakes gaming has been in existence in these communities since voter approval in 1990. The program is financed with a portion of state taxes on limited gaming activities in these municipalities. Pursuant to S.B. 13-133, the program’s distribution was changed from a percentage basis of total revenue to \$5 million each fiscal year beginning July 1, 2013. This amount was further modified by S.B. 18-191. The gaming tax revenue transfer that supports this program is suspended for FY 2020-21 and FY 2021-22 pursuant to H.B. 20-1399 (“Suspend Limited Gaming Tax Transfer to Cash Funds”). For those two years, the Local Government Limited Gaming Impact Fund will receive a total of \$1,875,000 General Fund to fund program administration, salary and non-salary centrally-appropriated line items, indirect costs, program grants, and the gambling addiction program in the Department of Human Services.

LOCAL GOVERNMENT GEOTHERMAL ENERGY IMPACT GRANTS

This line provides up to \$50,000 in cash fund spending authority to provide Geothermal Energy Impact Grants to local governments impacted by ongoing geothermal resource industry activity in their respective communities, pursuant to Section 34-63-105, C.R.S. This grant program is funded from the State’s share (50%) of proceeds from federal leases under the Geothermal Steam Act.

RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANTS

The Department receives \$780,000 General Fund for the purposes of diversifying Colorado's rural economies and enabling these districts to be less dependent on one large employer or industry.

SEARCH AND RESCUE PROGRAM

The Search and Rescue (SAR) Fund was created to reimburse political subdivisions and search and rescue organizations for the costs incurred in conducting search and rescue operations and to provide funding for the purchase of search and rescue equipment and training. The fund is financed with a \$0.25 surcharge on hunting licenses, fishing licenses, boat registrations, snowmobile registrations, off-highway vehicle registrations, and by the sale of the Colorado Outdoor Recreation Search and Rescue (CORSAR) cards.

GRAY AND BLACK MARKET MARIJUANA ENFORCEMENT GRANT PROGRAM

Created by H.B. 17-1221, this program authorizes the Department to award grants from the Marijuana Tax Cash Fund to local law enforcement agencies and district attorneys to cover investigation and prosecution costs associated with unlicensed and illegal marijuana cultivation or distribution operations. The legislation outlines priorities for the grant program and requires DOLA to establish related policies and procedures. The Department is required to provide an annual update about this program in its annual SMART Act Hearing beginning November 1, 2019. In FY 2020-21, the appropriation for this program was reduced by \$5 million for one fiscal year.

H.B. 17-1326 CRIME PREVENTION INITIATIVE GRANTS

Created by H.B. 17-1326, this program authorizes the Department to provide \$3 million General Fund in grants designed to reduce crime and promote community development in north Aurora and southeast Colorado Springs. Beginning with the FY 2018-19 Long Bill, this program is now comprised of two line items. The sunset for this program is extended from September 1, 2020, to September 1, 2023 by S.B. 19-064 ("Retain Criminal Justice Programs Funding"). In FY 2020-21, the appropriation for this program was reduced by \$1 million for one fiscal year.

H.B. 17-1326 CRIME PREVENTION INITIATIVE SMALL BUSINESS LENDING

Created by H.B. 17-1326, this program authorizes the Department to provide \$1 million in small business loans with aim of promoting community development in north Aurora and southeast Colorado Springs. Beginning with FY 2018-19 Long Bill, this program is now comprised of two line items. The sunset for this program is extended from September 1, 2020, to September 1, 2023 by S.B. 19-064 ("Retain Criminal Justice Programs Funding"). Funding for this line item was permanently eliminated beginning July 1, 2020.

APPROPRIATION TO THE PEACE OFFICERS MENTAL HEALTH SUPPORT FUND

This line item is appropriated \$2 million General Fund to support the Peace Officers Mental Health Support Granted Program as described below. These dollars are re-appropriated.

PEACE OFFICERS MENTAL HEALTH SUPPORT GRANT PROGRAM

This program was created by H.B. 17-1215 to encourage county sheriffs and municipal police departments to adopt policies that enable mental health professionals to provide on-scene response services to support law enforcement's interaction with persons with mental health disorders and to provide counseling services to officers. This program is funded through a \$2 million General Fund transfer from the 'Appropriation to the Peace Officers Mental Health Support Fund' line item to the Peace Officers Mental Health Support Fund created in Section 24-32-3501 (10)(a), C.R.S. Pursuant to the associated legislation, up to five percent of program dollars may be utilized to cover administrative costs. The list of eligible law enforcement agencies is expanded by H.B. 19-1244 to include State and higher education law enforcement personnel.

DEFENSE COUNSEL ON FIRST APPEARANCE GRANT PROGRAM

This program was created by H.B. 18-1353 to reimburse local governments, in full or in part, for their costs associated with providing counsel to defendants at their first appearance in municipal court. In FY 2020-21, the appropriation for this program was reduced to \$1 million for one fiscal year.

CENSUS OUTREACH GRANT PROGRAM

This program was created by H.B. 19-1239 to provide grants to eligible recipients for the purpose of supporting an accurate federal census count in 2020. Recipients may use the awarded grant money to conduct education, outreach, and promotion activities to target hard-to-reach communities and increase the census response rate. The Department receives funding and FTE in both FY 2019-20 and FY 2020-21; however, the bulk of the \$6 million General Fund provided by this legislation was only for the first fiscal year and was eliminated in FY 2020-21.

LAW ENFORCEMENT COMMUNITY SERVICES GRANT PROGRAM

This program was created by H.B. 18-1020 to provide funding to law enforcement entities, local governments, and community organizations to improve services to the community through policing, outreach, drug intervention, prevention, treatment, recovery, technology, training, and other community services. The Department is not required to start the grant program until sufficient funds have been deposited in the associated cash fund. Five percent of these funds can be used for administration of the grants. The Department is requesting to launch the inaugural award of this grant program in FY 2021-22.

(C) INDIRECT COST ASSESSMENTS

The rate is applied to cash, re-appropriated, and federal fund sources according to the indirect rate cost recovery plan approved by the department's "cognizant" agency.