



Department of Regulatory Agencies
Line Item Descriptions

FY 2011-12 Budget Request

NOVEMBER 1, 2010

(1) EXECUTIVE DIRECTOR'S OFFICE

This Office oversees and coordinates the operations of the Department's various divisions. This Office provides leadership, coordination, control and various management and technical services (accounting, payroll, purchasing, human resources, information technology, planning and budgeting, facilities planning and management) to DORA divisions. The Office of Policy, Research and Regulatory Reform provides sunset and sunrise regulatory evaluations and policy recommendations to the General Assembly and analyzes the submission of proposed rules and regulations from state agencies in accordance with Senate Bill 03-121.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The base personal services calculation includes the FY 10-11 long bill amount of \$2,239,716 and 27.5 FTE without annualizations of salary survey and performance pay because they were not appropriated in FY 10-11; a positive adjustment of \$49,069 to reflect the annualization of the refinance of PERA at 2.5% FY 10-11; and, a reduction in General Fund Personal Services for \$160, as well as the non priority decision item for the Statewide PERA adjustment for \$47,038.

HEALTH, LIFE, AND DENTAL

This line item recurs annually for the State contribution toward health, life and dental insurance coverage for DORA's FTE. The request includes the FY 10-11 Long Bill appropriation of \$89,650 General Fund, \$2,362,287 Cash Funds, and \$181,508 Reappropriated Funds. The requested amount will be supplemented by \$42,307 in Federal Funds for a combined total of \$2,675,752, with an additional common policy adjustment and non priority decision item bringing the request to \$2,869,627.

SHORT TERM DISABILITY

This line item recurs annually for the State contribution toward short-term disability coverage for DORA's FTE. The request includes the FY 10-11 Long Bill appropriation of \$1,730 General Fund, \$44,960 Cash Funds, and \$3,137 Reappropriated Funds. The requested amount will be supplemented by \$620 in Federal Funds for a combined total of \$50,447. The common policy adjustment brings the request to \$59,523.

SB 04-257 AMORTIZATION EQUALIZATION DISBURSEMENT

This line item recurs annually for required increases in employer payments to PERA pursuant to S.B. 04-257. The request includes the FY 10-11 Long Bill appropriation of \$26,415 General Fund, \$696,157 Cash Funds, and \$48,562 Reappropriated Funds. The

requested amount will be supplemented by \$9,596 in Federal Funds for a combined total of \$780,730. The common policy adjustment brings the request to \$941,610.

SB 06-235 SUPPLEMENTAL AMORTIZATION EQUALIZATION DISBURSEMENT

This line item recurs annually for required increases in employer payments to PERA pursuant to S.B. 06-235. The request includes the FY 10-11 Long Bill appropriation of \$19,067 General Fund, \$507,615 Cash Funds, and \$35,410 Reappropriated Funds. The requested amount will be supplemented by \$6,997 in Federal Funds for a combined total of \$569,089. A common policy adjustment will be requested by the Department of Personnel and Administration. The common policy adjustment brings the request to \$756,651.

SALARY SURVEY AND SENIOR EXECUTIVE SERVICE

This line item recurs annually for DORA FTE who are eligible for salary survey increases; however it is not funded in FY 10-11 and not requested in FY 11-12.

PERFORMANCE PAY

This line item recurs annually for DORA FTE who are eligible for performance pay increases; however it is not funded in FY 10-11 and not requested in FY 11-12.

WORKERS' COMPENSATION

This line item recurs annually to pay for the State's self-insurance of worker and board member injury claims. The request begins with the FY 10-11 Long Bill appropriation of \$2,850 General Fund, \$72,476 Cash Funds, and \$4,942 Reappropriated Funds. The requested amount will be supplemented by \$832 in Federal Funds for a combined total of \$81,100. These amounts are increased by a subsequent common policy adjustment of \$3,962 to arrive at the FY 11-12 request of \$85,062.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Office operations and capital outlay. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes continuation funding of \$210,344 including \$3,689 General Fund, \$95,427 Cash Funds, and \$111,228 Reappropriated Funds. These amounts are increased by a subsequent non priority decision item of \$76 to arrive at the FY 11-12 request of \$210,420.

LEGAL SERVICES

This line item recurs annually to pay the Attorney General's Office for legal representation in both prosecution and defense cases, and for legal advice and rule-making assistance. The base legal services calculation includes the FY 10-11 long bill amount of \$7,460,628 to reflect 101,950 hours plus special bill funding of \$556,757 (12 bills total) with the following adjustments: a reduction of \$426,651 to reflect the full out-year impact cited in the Legislative Council Staff fiscal notes for each bill. The total corresponding hours calculate to 103,723 at the blended rate of \$73.37 using the dollar amount of long bill, special bill, and decision item totals; however, continuation hours will be used to calculate dollars using the new blended rate for FY 11-12.

ADMINISTRATIVE LAW JUDGES

Payment for services received from the Division of Administrative Hearings in the Department of Personnel. The request includes a net adjustment to reflect the common policy request and fund splits for the FY 11-12: \$465,921 including \$21,465 General Fund, \$444,456 Cash Funds, and \$0 Reappropriated Funds.

GENERAL GOVERNMENT COMPUTING CENTER

Payment for services provided by the General Government Computer Center. With the consolidation of the Office of Information and Technology, the request includes a net adjustment to reflect the common policy request and fund splits for FY 11-12 of \$1,696,639 including \$62,280 General Fund, \$1,634,359 Cash Funds, and \$0 Reappropriated Funds.

MULTI USE NETWORK PAYMENTS

With the consolidation of the Office of Information and Technology, the request includes a net adjustment to reflect the common policy request and fund splits for FY 11-12 of \$148,429 including \$5,535 General Fund, \$142,894 Cash Funds, and \$0 Reappropriated Funds.

MANAGEMENT AND ADMINISTRATION OF OIT

In FY 09-10 this line item was created for the maintenance of the office of information and technology. With the consolidation of the Office of Information and Technology, the request includes a net adjustment to reflect the common policy request and fund splits for FY 11-12 of \$277,971 including \$10,069 General Fund, \$267,902 Cash Funds, and \$0 Reappropriated Funds.

PAYMENTS TO RISK MANAGEMENT

This line item recurs annually to pay for the State's self-insurance of property and vehicles. The request includes a net adjustment to reflect the August 24th reductions and common policy request for FY 11-12 of \$133,493, including \$4,692 General Fund, \$122,001 Cash Funds, and \$5,431 Reappropriated Funds. The amount will be supplemented by \$1,369 in Federal Funds.

VEHICLE LEASE PAYMENTS

This line item recurs annually for vehicles leased from GSS Fleet Management for staff who must travel to complete their job duties. This includes vehicles assigned to electrical and plumbing and pharmacy inspectors, the Public Utilities Commission, and the Division of Securities. The request of \$187,939 includes a decrease associated with a base reduction of (\$53,858) associated with a non priority decision item request.

INFORMATION TECHNOLOGY ASSET MAINTENANCE

This line item recurs annually for the purchase of equipment related to the implementation of an asset management plan to achieve and maintain a standard information technology environment department-wide. Funding supports replacement of the Department's IT assets on a replacement schedule. The request includes continuation funding of \$671,403, including \$0 General Fund, \$480,646 Cash Funds, and \$190,757 Reappropriated Funds.

LEASED SPACE

This line item recurs annually primarily for office space rent in buildings outside the capitol complex, including parking and records storage space. Department leased space includes 149,127 original square feet at 1560 Broadway in Denver, and an additional 4,205 square feet at various satellite locations throughout the state. Escalations include a rate increase for FY 10-11 from \$16.85 per square foot to \$17.10 per square foot for 1560 Broadway as well as an estimated operating increase using the most recent available projections from the lessor at this location. The Department is presently in the fifth year of a 10-year agreement for this lease. Additionally, during FY 07-08 the JBC increased the line item to reflect the acquisition of additional space at 1560 Broadway, and in FY 08-09 approved a \$0 request to proceed with procuring this space and associated build out. The Department is presently in the second year of this lease at \$19.51 per SF for 5,710 SF. The request includes continuation funding of \$2,927,222 plus increases for rate escalations and operating expenses to \$3,038,518, including \$106,866 General Fund, \$2,405,339 Cash Funds, \$486,873 Reappropriated Funds, and \$39,440 Federal Funds.

CAPITOL COMPLEX LEASED SPACE

This line item recurs annually for office space rent in a State-owned building(s). The Department currently leases 169 square feet within the Capitol Complex Facilities in Grand Junction for use by the Electrical Board within the Division of Registrations. The request includes a net adjustment to reflect the common policy request and fund splits for the FY 11-12 common policy request of \$6,342, including \$6,342 Cash Funds.

HARDWARE/SOFTWARE MAINTENANCE

This line item recurs annually for system maintenance and software purchases to achieve and maintain a standard information technology environment department-wide. Funding pays for licensing and maintenance agreements for the computer hardware and software used by the Department. The request includes continuation funding of \$717,330 including \$800 General Fund, \$457,928 Cash Funds, and \$258,602 Reappropriated Funds, and a net adjustment of \$27,031 cash funds associated with SB 10-124 from FY 10-11.

CONSUMER OUTREACH/EDUCATION PROGRAM

This line item was created by HB 08-1216. The line item pays for a consumer education and outreach program funded by a surcharge on fines collected by the Department. The request includes continuation funding of \$200,000 including \$200,000 Cash Funds.

(2) DIVISION OF BANKING

The Division of Banking regulates state-chartered banks and debt management companies. Division staff conducts examinations and enforce compliance in the following areas: the Public Deposit Protection Act, trust departments, electronic funds transfers, electronic data processing, and the Uniform Consumer Credit Code. The eight-member Colorado State Banking Board is the policy and rulemaking authority for the Division. The funding source for all Division of Banking expenditures is the Division of Banking Cash Fund created in Section 11-102-403, C.R.S.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services associated with the regulation of state-chartered commercial banks, industrial banks, trust companies, money order companies and money transmitters. The base personal services calculation includes the FY 10-11 long bill amount of \$3,296,342 and 44.0 FTE; a positive adjustment of \$17,229 and 0.5 FTE associated with HB 10-1114 and \$295,742 and 3.0 FTE associated with Decision Item I for FY 11-12. There is a positive

adjustment of \$60,303 associated with annualization of 2.5% PERA refinancing, and a negative adjustment for non-priority decision item for Statewide PERA adjustment of \$59,961. The total request is \$3,609,655 Cash Funds and 47.5 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes continuation funding of \$384,418 Cash Funds; a positive adjustment of \$5,895 associated with HB 10-1114; and a negative adjustment of \$4,790 to reflect annualization of HB 10-1114. In addition there is a positive adjustment for a non-priority decision item of \$285 and an increase due to FY 11-12 decision item 1 for \$68,534.

BOARD MEETING COSTS

This line item recurs annually to pay per diem, travel and miscellaneous costs for board members attending meetings to conduct business related to rule-making, policy formulation, taking disciplinary action, and making licensing and chartering decisions. Funding pays operating expenses of the Colorado State Banking Board and a \$50 per diem for board members. For FY 10-11, the Department received continuation funding of \$23,500 Cash Funds.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$321,086 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(3) DIVISION OF CIVIL RIGHTS

The Division of Civil Rights is the administrative arm of the Colorado Civil Rights Commission. It carries out state laws that prohibit discrimination in employment, housing, and public accommodations on the basis of race, sex, national origin, ancestry, physical or mental disability, religion, color, or marital status (housing and public accommodations only). The primary duties of the Commission and of Division personnel are the investigation and adjudication of charges of unfair or discriminatory practices, and the supervision of hearings upon complaints issued against a respondent pursuant to statute. The Division's Compliance Unit also provides training and education, technical assistance with fair housing laws, public information, and community intervention. Enforcement activities account for a major portion of the Division's resources.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The Civil Rights Division is the administrative arm of the Colorado Civil Rights Commission, both carrying out the Colorado state laws that prohibit discrimination in housing, employment and public accommodations. As advocates of the law, the CCRD and CCRC are concerned with the civil rights of all persons, including the “charging party” (private citizen) and the “respondent” (business) on an equal basis. The base personal services calculation includes the FY 10-11 long bill amount of \$1,590,869 which includes \$945,538 General Fund, \$297,629 in Reappropriated Funds to reflect the statewide indirect cost offset, and \$347,702 in continuation Federal Funds (which is an informational amount). These amounts are adjusted by \$76,496 due to annualization of PERA refinancing, and a reduction of \$25,628 to reflect the continuing impact of Personal Service Reductions. There is also a reduction due to the non-priority decision item for the Statewide PERA adjustment of \$28,949. The indirect cost offset will not be final until figures are set for FY 11-12, but this adjustment has no bearing on the total amount of GF-RF available in the base amount. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes continuation funding of \$100,438 including \$59,318 General Fund and \$41,120 Federal Funds (which is an informational amount). In addition, there is an increase due to non-priority decision item for printing statewide warrants of \$49.

HEARINGS PURSUANT TO COMPLAINT

This line item recurs annually for investigation of complaints, primarily to contract for expert witness testimony, depositions, and shorthand/court reports and transcripts. Funding supports expenses associated with hearings, proceedings and mediations as well as a portion of the cost of cases referred to the Attorney General. Expenses of the Attorney General include costs for expert witnesses, court reporters, transcripts and depositions. The request includes continuation funding of \$18,000, including \$17,000 General Fund and an informational amount of \$1,000 Federal Funds.

COMMISSION MEETINGS

This line item recurs annually to pay per diem, travel and miscellaneous costs for commissioners attending meetings to conduct business related to rule-making and policy formulation; and to investigate and pass upon charges alleging unfair or discriminatory practices and to hold hearings upon any complaint issued against a respondent pursuant to statute. This line pays for meetings that the Colorado Civil Rights Commission holds at various locations around the state. The appropriation pays for per diem and travel for commissioners and pays for miscellaneous meeting costs. The request includes continuation funding of \$12,374, including \$5,174 General Fund and an informational amount of \$7,200 Federal Funds.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$32,133 Federal Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(4) OFFICE OF CONSUMER COUNSEL

The Office of Consumer Counsel represents the public interest on behalf of residential, small business, and agricultural consumers, in cases before the Public Utilities Commission. These cases involve proposed changes to electric, gas, and telecommunications utility rates, service, and policies. The fund source for all Division appropriations is the Public Utility Commission's Fixed Utility Fund established in Section 40-2-114, C.R.S.

PERSONAL SERVICES

This line item recurs annually to provide funding for the payment of office staffing and contractual services. The Office of Consumer Counsel represents the public interest and the specific interests of residential, small business and agricultural consumers in electric, gas and telecommunications service in rate and rule-making proceedings before the Colorado Public Utilities Commission. The OCC also represents these interests in the courts on appeal arising from PUC decisions and in federal court and federal regulatory proceedings affecting Colorado consumers' rates and service. The base personal services calculation includes the FY 10-11 long bill amount of \$790,393 Cash Funds and 7.0 FTE. There is a positive adjustment of \$14,635 due to annualization of FY 10-11 PERA refinancing. There is also a reduction for the Statewide PERA adjustment of \$14,782. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11, and no one-time personal services reductions were made in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Office operations and capital needs. The request includes continuation funding of \$55,787 Cash Funds. There is an additional increase of \$29 for non-priority decision item for printing of Statewide warrants.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$51,082 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(5) DIVISION OF FINANCIAL SERVICES

The Division of Financial Services regulates state-chartered credit unions, savings and loan associations, and life-care institutions, which provide care for the duration of a person's life in return for the payment of an initial fee. The Financial Services Division also administers the Public Deposit Protection Act which safeguards the uninsured deposits of public moneys in a number of state and federal savings and loan associations. The Division conducts onsite examinations that are designed to ensure financial stability and compliance with applicable state and federal laws, and initiates enforcement actions when appropriate. The five-member Financial Services Board provides policy guidance to the Division. The funding source for all Division appropriations is the Division of Financial Services Cash Fund created in Section 11-40-106 (2), C.R.S.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for board per diem and contractual services. The Division of Financial Services is responsible for the regulation of state-chartered credit unions, a single wholesale corporate credit union, state-chartered savings and loan associations, and life-care institutions. It also administers the Public Deposit Protection Act to safeguard uninsured deposits of public monies in state and federal savings and loan associations. The base personal services calculation includes the FY 10-11 long bill amount of \$1,128,221 Cash Funds and 15.0 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11, and no one-time personal services reductions were made in FY 10-11.

These amounts are adjusted by \$23,299 due to annualization of PERA refinancing, and a reduction of \$24,833 to reflect the impact of the Statewide PERA adjustment.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, and postage, printing, furniture and travel expenses. The request includes continuation funding of \$161,788 Cash Funds, with a positive adjustment to reflect non-priority decision item for printing warrants in the amount of \$90.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$109,461 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(6) DIVISION OF INSURANCE

The Division of Insurance regulates authorized insurance entities and licensed insurance producers throughout Colorado to promote and preserve a safe and sound competitive market environment for both the industry and the consumer. The Division's duties include the following: Conduct actuarial examinations, authorize surplus lines, and regulate provider networks and non-traditional insurance entities; Conduct examinations related to the financial solvency of Colorado insurance companies; Monitor and rehabilitate troubled insurance companies, collect premium taxes, and perform financial analysis of applicable companies; Review policy forms submitted by insurance carriers and ensure that insurer rates are reasonable and equitable; Perform field and desk examinations to monitor compliance related to the advertising, underwriting, and other practices of regulated insurance entities; Respond to consumer inquiries and complaints; and, Regulate bail bond agents, investigate producer violations and act to prohibit unauthorized insurance activities. The funding source is primarily the Division of Insurance Cash Fund, created in Section 10-1-103 (3), C.R.S. In addition to cash fee sources, this fund is backfilled by insurance premium tax revenues that would otherwise be credited to the General Fund.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The Division of Insurance is separated into two functional areas. Financial Regulation is composed of corporate affairs, financial examinations and financial affairs. The second functional area is Consumer Affairs, composed of rates and forms, consumer complaints, market conduct and investigations. The base personal services calculation includes the FY 10-11 long bill amount of \$6,058,774 and 84.7 FTE and a positive adjustment of \$131,149 to reflect annualization of PERA refinancing for FY 10-11. There is also a reduction for the Statewide PERA adjustment of

\$130,374. The total request is \$6,059,549 Cash Funds and 84.7 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The Division's Operating Expense appropriation consists of two components: (1) moneys continuously appropriated by Section 10-1-108 (9), C.R.S., which derive from out-of-state travel expense reimbursements paid by insurance companies; and (2) amounts appropriated annually by the General Assembly. The out-of-state travel component varies substantially. The request includes continuation funding of \$397,049 Cash Funds. In addition, there is an increase of resources of \$209 associated with the non-priority decision item for printing of Statewide warrants.

SENIOR HEALTH COUNSELING PROGRAM

This line item reflects a federally funded program that provides information to senior citizens regarding Medicare. This federally funded program supports senior citizen awareness of Medicare information. The level of program expenditures is contingent on the availability of federal money from the Centers for Medicare and Medicaid Services (CMS) and the U.S. Administration on Aging, two Federal agencies located within the U.S. Department of Health and Human Services. The request includes an informational amount for continuation funding of \$507,838 Federal Funds and 2.0 FTE.

INSURANCE FRAUD PROSECUTION

This line item recurs annually to support payment to the Attorney General's Office to support fraud prosecution. The line is not part of "Legal Services to State Agencies", but rather supports expenditures in the department of Law for related to the criminal prosecution of insurance fraud. Funds to pay for prosecution are appropriated in the Division of Insurance and then transferred to the Department of Law, where they reappear as a Reappropriated Funds appropriation. The request includes continuation funding of \$860,186 Cash Funds. With the passage of HB 10-1385 this statutory obligation is now handled by the Department of Law.

TRANSFER TO CAPCO ADMINISTRATION

This line item recurs annually to support payment to the Governor's Office to support work related to certified capital companies. The amount appropriated in the FY 10-11 Long bill is \$79,593.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$636,256, including \$618,090 Cash Funds and \$18,166 Federal Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(7) PUBLIC UTILITIES COMMISSION

The three-member Public Utilities Commission (PUC) regulates the rates and services of fixed utilities and transportation utilities located in the state. The PUC also administers the Colorado Telecommunications High Cost Program, the Low Income Telephone Assistance Program, the Disabled Telephone Users Program, and the Highway Crossing Protection Program. Most of the PUC's activities are supported by the PUC Fixed Utility Fund created in Section 40-2- 114, C.R.S. or the PUC Motor Carrier Fund created in Section 40-2-110.5 (6), C.R.S.; however, certain special purpose line items utilize specific corresponding cash funds.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The PUC has regulatory responsibility for fixed utilities, those utilities that do not move (such as natural gas, electric, telecommunications and water) and for transportation utilities, those that move persons or property. The base personal services calculation includes the FY 10-11 long bill amount of \$8,644,394 and 100.5 FTE; a positive adjustment of \$48,630 and .5 FTE associated with HB 10-1001 and \$57,702 and .6 FTE associated with HB 10-1365; a positive adjustment of \$184,833 to reflect annualization of FY 10-11 PERA refinancing. There is a decrease of \$48,630 for annualization of HB 10-1001 in FY 11-12. As well, there is a reduction of \$183,002 associated with the non-priority decision item for the Statewide PERA adjustment. The total request is \$8,703,927 Cash Funds and 101.1 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes continuation funding of \$445,119 Cash Funds. There is an increase of 2,810 due to HB 10-1001 and \$3,372 due to HB 10-1365, respectively; reduction for \$2810 associated with HB 10-1001 and \$2,802 for HB 10-1365, due to annualization of those bills. There is also an increase due to the non-priority decision item for the printing of warrants of \$316. The total request is for \$446,005.

EXPERT TESTIMONY

This line item recurs annually to support contractual services requiring expertise not available from PUC staff and to assist with PUC representation before the Commissioners. This line pays for expert testimony during hearings before the PUC. The request includes continuation funding of \$25,000 Cash Funds.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$733,389 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

DISABLED TELEPHONE USERS' FUND

This line is for the annual contract for the provision of telephone services for the deaf and hard of hearing. The revenue comes from a specific charge on consumers' telephone bills. This fund is continuously appropriated. Pursuant to Section 40-17-104 (1), C.R.S., phone companies impose a fee, set by the PUC, on each phone line in the state with the resulting revenues deposited in the Disabled Telephone Users Fund. Moneys in the fund are continuously appropriated to pay the cost of a contract that provides telecommunications relay services for disabled individuals. The request of \$2,439,591 reflects estimated usage of the relay contract for FY 11-12.

TRANSFER TO READING SERVICES FOR THE BLIND CASH FUND

This line item recurs annually as a mechanism for the transfer of funds from the Disabled Telephone Users Fund Payment line in the Long Bill to the Reading Services for the Blind cash fund. Pursuant to Section 40-17-104 (1), C.R.S., this line item appropriates money from the Disabled Telephone Users Fund to the Reading Services for the Blind Cash Fund. There is a corresponding Reappropriated Funds appropriation from the Reading Services for the Blind Cash Fund in the Department of Education, where the appropriation supports broadcasts by the Radio Reading Service of the Rockies, a volunteer reading service for the visually impaired. The request includes continuation funding of \$250,000 Cash Funds. This amount is not final until FY 11-12 appropriations to the Department of Education are final.

TRANSFER TO COMMISSION FOR THE DEAF AND HARD OF HEARING CASH FUND

This line item recurs annually as a mechanism for the transfer of funds from the Disabled Telephone Users Fund Payment line in the Long Bill to the Colorado Commission for the Deaf and Hard of Hearing cash fund. This line item reflects the annual transfer from the Disabled Telephone Users Fund to the Colorado Commission for the Deaf and Hard of Hearing Cash Fund that is required by Section 40-17-104 (4), C.R.S. Pursuant to S.B. 06-218, the funds are directly transferred from the Colorado Disabled Telephone Users Fund to the Colorado Commission for the Deaf and Hard of Hearing Cash Fund. The request includes continuation funding of \$910,190 Cash Funds. This amount is not final until FY 10-11 appropriations to the Department of Human Services are final.

COMMISSION FOR THE BLIND OR VISUALLY IMPAIRED CASH FUND

This line item began for FY 2008-09 and was inserted as a mechanism for the transfer of funds from the Disabled Telephone Users Fund Payment line in the Long Bill to the Commission for the Blind or Visually Impaired Cash Fund. The request includes continuation funding of \$112,067 Cash Funds.

LOW INCOME TELEPHONE ASSISTANCE FUND

Since 1990, the Public Utilities Commission has run a program that subsidizes service for eligible low income telephone customers and is supported by a fee on all telephone lines, most recently 7 cents per month. On February 22, 2006, the PUC adopted Decision # C06-0164 which ordered Qwest Communications, Inc. to establish a trust fund in the amount of \$5,500,000 to be used for purposes of funding the Low Income Telephone Assistance Program. This order temporarily negates the need for funding of the program through the surcharge on telephone subscribers. The PUC has eliminated this surcharge. The PUC's portion of this program operates under the provisions of statute and is not subject to annual appropriation by the General Assembly. The request of \$2,143,752 reflects estimated distributions from the fund for FY 10-11 and is pending estimates for FY 11-12.

COLORADO BUREAU OF INVESTIGATION BACKGROUND CHECKS PASS-THROUGH

This line item was added during FY 2008-09 and recurs annually to pass-through CBI/FBI background check fees to the Department of Public Safety pursuant to HB07-1065 and HB 07-1249, which require fingerprint-based criminal history record checks for drivers of certain motor vehicle carriers, and the principals of household goods moving companies, respectively. A continuation amount of \$67,128 is requested.

(8) DIVISION OF REAL ESTATE

The Division of Real Estate licenses real estate brokers, real estate appraisers, and mortgage brokers; analyzes subdivision offerings on undeveloped land; and administers an enforcement program that responds to the needs of the industry and the consumer. The five-member Real Estate Commission and the seven-member Appraisal Board serve as the policy-making bodies of the Division. Appropriations for the Division are from the Division of Real Estate Cash Fund created in Section 12-61-111.5 (2) (b), C.R.S., and the Mortgage Broker Registration Cash Fund created in Section 12-61-908 (2), C.R.S.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The fundamental purpose of the Division is to establish and maintain a safe, stable environment in which the general public may buy, sell and lease real property in Colorado. The Division accomplishes this through qualifying and licensing real estate brokers, appraiser professionals, and mortgage brokers; by careful scrutiny of time share and undeveloped, raw land subdivision offerings; and through an enforcement program that is responsive to the needs of the citizenry. The base personal services calculation includes the FY 10-11 long bill amount of \$3,198,723 and 50.1 FTE; a positive adjustment of \$9,375 and 0 FTE associated with HB 10-1141, \$9,028 and .2 FTE associated with HB 10-1197 and \$178,359 and 2.0 FTE associated with HB 10-1278; and a positive adjustment of \$63,288 to reflect PERA refinancing for FY 10-11. There are also reductions for the annualizations of HB 10-1141, and HB 10-1278 for \$375 and \$75,000, as well as a reduction for decision item associated with Statewide PERA adjustment for \$56,642. The total request is \$3,326,756 Cash Funds and 52.3 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes: continuation funding of \$208,646 Cash Funds. There is also a net amount of special funding via HB 10-1278, in the amount of \$1,900 ongoing. There is also an increase associated with a decision item for printing of Statewide warrants for \$133.

COMMISSION MEETINGS

This line item recurs annually to pay per diem, travel and miscellaneous costs for Real Estate Commission members attending meetings to conduct business related to rule-making, policy formulation, taking disciplinary action, and making licensing decisions. The request includes continuation funding of \$38,836 Cash Funds.

HEARINGS PURSUANT TO COMPLAINT

This line item recurs annually for investigation of complaints, primarily to contract for expert witness testimony, depositions, and shorthand/court reports and transcripts. Expenses associated with hearings, proceedings and mediations as well as a portion of the cost of cases referred to the Attorney General are funded via this line item. Expenses of the Attorney General include costs for expert witnesses, court reporters, transcripts and depositions. The request includes continuation funding of \$4,000 Cash Funds.

MORTGAGE BROKER CONSUMER PROTECTION

This new line item was added for FY 09-10 and will recur annually to support the investigation and prosecution of Mortgage Broker complaints in the Attorney General's Office. The line is not part of "Legal Services to State Agencies", but rather supports expenditures in the Department of Law for related to mortgage fraud. Funds are appropriated in the Division of Real Estate and then transferred to the Department of Law, where they reappear as a Reappropriated Funds appropriation. The request includes funding of \$305,313 Cash Funds. The amount will not be final until the Department of Law's budget is final for FY 11-12.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$365,600 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(9) DIVISION OF REGISTRATIONS

The Division of Registrations regulates licensees in more than thirty professions and occupations throughout Colorado. Its boards and licensing programs have been created by the General Assembly to ensure a basic level of competence among licensees and to protect the public welfare. The Division's licensing examinations measure applicants' knowledge, skills, and abilities. The Division also licenses or approves qualified facilities, programs, and equipment. Public protection is further enhanced by conducting inspections, investigating complaints, and restricting or revoking licenses when generally accepted standards of practice or safety have not been met. The funding source for Division is the Division of Registrations Cash Fund created in Section 24-34-105 (2) (b) (I), C.R.S.

PERSONAL SERVICES

This line item recurs annually to provide division staffing, contractual services, and board per diem. The Division of Registrations is responsible for regulating over 324,000 licensees within more than 30 professions and occupations. The Division's boards and licensing programs have been created to ensure a minimal level of competence of licensees and to protect the public. The base personal services calculation includes the FY 10-11 long bill amount of \$11,704,121 and 181.8 FTE with the following adjustments: a net adjustment of \$149,667 and 2.6 FTE related to special bill funding (SB 10-109, SB 10-124, HB 10-1128, HB 10-1148, HB 10-1224, HB 10-1260, and HB 10-1415), and a positive adjustment of \$238,630 to reflect FY 10-11 annualization of PERA refinancing. There is an adjustment of \$134,787 and 3.0 FTE, due to annualization of aforementioned bills for FY 11-12. There are decreases of \$868 for the 2% General Fund Personal Services reduction and \$253,906 for a Statewide PERA adjustment. The total request is \$11,972,431 and 187.4 FTE, including \$9,821,744 Cash Funds and \$2,150,687 Reappropriated Funds to reflect the internal indirect costs of overhead offices in the Division. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, and travel expenses. The request includes: continuation funding of \$1,326,130 Cash Funds; and special bill funding of \$22,933 (SB 10-109, SB 10-124, HB 10-1128, HB 10-1148, HB 10-1224, HB 10-1260, and HB 10-1415), a net increase of \$17,206 related to special bill funding for the aforementioned bills. There is an increase of \$898 related to non-priority decision item for State-wide printing.

OFFICE OF EXPEDITED SETTLEMENT PROGRAM COSTS

This line item was created in FY 09-10 to separate the costs associated with the Division's Office of Expedited Settlement. This includes but is not limited to personal services as well as office supplies, telephone, postage, printing, and travel expenses. The request includes: continuation funding of \$355,008 Cash Funds and 5.0 FTE; with a positive adjustment of \$6,389 to reflect FY 10-11 annualization of PERA refinancing.

HEARINGS PURSUANT TO COMPLAINT

This line item recurs annually to support hearings related to the investigation of complaints, primarily to contract for expert witness testimony, depositions, and shorthand/court reports and transcripts. This line item pays for expenses associated with hearings, proceedings and mediations as well as a portion of the cost of cases referred to the Attorney General. Expenses of the Attorney General include costs for expert witnesses, court reporters, transcripts and depositions. The request includes continuation funding of \$307,075 Cash Funds.

PAYMENTS TO DEPT OF HEALTH CARE POLICY AND FINANCING

This line item recurs annually to support payment to HCPF as a partial federal funds match related to the Nurse Aides Certification Program. Federal regulations require the state to certify nurse aides who work in medical facilities with Medicaid or Medicare patients. The Nursing Board, which is within the Division of Registrations, runs Colorado's nurse aide certification program. Federal matching funds pay half the cost of the Medicaid portion of this program, but the Department cannot apply directly for the federal match; Medicaid's centralization rules require that the match be routed through the Department of Health Care Policy and Financing. Nurse Aide certification was modified to require criminal background checks, for which a match is required from the Division of Registrations Cash Fund. This line item supports that match. The request includes continuation funding of \$14,652 Cash Funds.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office, for DORA's share of statewide indirect costs and to cover the operations of the Division's Director's Office and Complaints and Investigations Section. The request includes \$3,460,823 Cash Funds and \$6,824 Federal Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.

(10) DIVISION OF SECURITIES

The Division of Securities monitors the conduct of broker-dealers and sales representatives throughout Colorado. It also investigates citizen complaints and other indications of investment fraud. In addition to license application screening, Division personnel perform on-site examinations of broker-dealer offices. The Division enforces the following programs: the Colorado Securities Act, the Colorado Commodity Code, the Colorado Municipal Bond Supervision Act, and the Local Government Investment Pool Trust Fund Administration and Enforcement Act. All appropriations for the Division are from the Division of Securities Cash Fund

PERSONAL SERVICES

This line item recurs annually to provide division staffing. The Division of Securities' purpose is to bring enforcement actions against fraudulent and other abusive conduct. The Division investigates complaints of Colorado citizens and other indications of investment fraud and monitors Colorado broker-dealer and sales representative conduct. . The base personal services calculation includes the FY 10-11 long bill amount of \$1,956,533 and 23.0 FTE; and a positive adjustment of \$22,064 to reflect a annualization of PERA refinancing for FY 10-11. There is an increase for the FY 11-12 Decision Item 2 for \$195,295 and 3.0 FTE, as well as a reduction for the State-wide PERA adjustment for \$41,337. The total request is \$2,132,555 Cash Funds and 26.0 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 10-11.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Division operations and capital needs. This includes but is not limited to office supplies, telephone, postage, printing, and travel expenses. The request includes continuation funding of \$56,149 Cash Funds, a reduction of \$5,228 to reflect FY 10-11 Decision Item #2 and an increase of \$16,860 for FY 11-12 Decision Item #2 and \$48 related to the non-priority decision item for State-wide printing.

HEARINGS PURSUANT TO COMPLAINT

This line item recurs annually for investigation of complaints, primarily to contract for expert witness testimony, depositions, and shorthand/court reports and transcripts. This line item pays for expenses associated with hearings, proceedings and mediations as well as a portion of the cost of cases referred to the Attorney General. Expenses of the Attorney General include costs for expert witnesses, Court reporters, transcripts and depositions. The request includes continuation funding of \$19,594 Cash Funds.

BOARD MEETING COSTS

This line item recurs annually to pay per diem, travel and miscellaneous costs for board members attending meetings to conduct business related to rule-making, policy formulation, taking disciplinary action, and making licensing and chartering decisions. This line item funds per diem, travel, and miscellaneous costs for the five members of the Colorado Securities Board. The request includes continuation funding of \$4,500 Cash Funds.

SECURITIES FRAUD PROSECUTION

This line item supports expenditures in the department of Law for related to the criminal prosecution of securities fraud. The line is not part of "Legal Services to State Agencies", but rather supports expenditures in the Department of Law for related to the prosecution of securities fraud. Funds are appropriated in the Division of Securities and then transferred to the Department of Law, where it appears again as a Reappropriated Funds appropriation. The request includes continuation funding of \$493,081 Cash Funds. The amount will not be final until the Department of Law's budget is final for FY 11-12.

INDIRECT COST ASSESSMENT

This line item recurs annually for the payment of indirect costs to cover the operations of the Executive Director's Office and for DORA's share of statewide indirect costs. The request includes \$167,840 Cash Funds. This amount reflects continuation funding for the Division's proportionate share necessary to recover the full amount of costs for the Executive Director's Office, with an adjustment to reflect a decrease necessary for the FY 11-12 Statewide Indirect Cost assessment. However, the precise amount for FY 11-12 must be calculated after all other figures are determined for FY 11-12.