



Department of Regulatory Agencies
Line Item Descriptions

FY 2012-13 Budget Request

NOVEMBER 1, 2011

(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 11-12 long bill amount of \$2,254,768 and 27.5 FTE without annualizations of salary survey and performance pay because they were not appropriated in FY 11-12. Additionally, there is an annualization for the Statewide PERA adjustment for \$47,038. The PERA adjustment will be restored in FY 12-13.

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 11-12 Long Bill appropriation of \$92,463 General Fund, \$2,596,890 Cash Funds, and \$157,668 Reappropriated Funds. The common policy adjustment brings the request to \$2,957,012.

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 11-12 Long Bill appropriation of \$1,956 General Fund, \$49,889 Cash Funds, and \$4,325 Reappropriated Funds. The requested amount will be supplemented by \$404 in Federal Funds for a combined total of \$56,574. The common policy adjustment brings the request to \$60,597.

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 11-12 Long Bill appropriation of \$30,573 General Fund, \$789,205 Cash Funds, and \$54,187 Reappropriated Funds. The requested amount will be supplemented by \$6,396 in Federal Funds for a combined total of \$880,361. The common policy adjustment brings the request to \$1,095,520.

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 11-12 Long Bill appropriation of \$24,403 General Fund, \$634,182 Cash Funds, and \$43,543 Reappropriated Funds. The requested amount will be supplemented by \$5,139 in Federal Funds for a combined total of \$707,267. A common policy adjustment will be requested by the Department of Personnel and Administration. The common policy adjustment brings the request to \$941,462.

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 11-12 and not requested in FY 12-13.

PERFORMANCE PAY

This line item recurs annually for DORA FTE who are eligible for performance pay increases; however it is not funded in FY 11-12 and not requested in FY 12-13.

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 11-12 Long Bill appropriation of \$2,328 General Fund, \$64,296 Cash Funds, and \$2,337 Reappropriated Funds. The requested amount will be supplemented by \$1,105 in Federal Funds for a combined total of \$70,066. These amounts are increased by a subsequent common policy adjustment of \$6,370 to arrive at the FY 12-13 request of \$76,436.

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.

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 11-12 long bill amount of \$7,813,499 to reflect 103,203 hours plus special bill funding of \$274,995 (9 bills total) with the following adjustments: a reduction of \$191,592 to reflect the full out-year impact cited in the Legislative Council Staff fiscal notes for each bill. The total corresponding hours calculate to 104,305 at the blended rate of \$75.71 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 12-13.

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: \$405,007 including \$18,658 General Fund, \$386,349 Cash Funds, and \$0 Reappropriated Funds. These amounts are decreased by a subsequent common policy adjustment of \$117,158 to arrive at the FY 12-13 request of \$287,849.

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 \$1,695,122 including \$60,624 General Fund, \$1,634,498 Cash Funds, and \$0 Reappropriated Funds. These amounts are increased by a subsequent common policy adjustment of \$123,758 to arrive at the FY 12-13 request of \$1,818,880.

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 \$149,825 including \$5,385 General Fund, \$144,440 Cash Funds, and \$0 Reappropriated Funds. These amounts are increased by a subsequent common policy adjustment of \$178,969 to arrive at the FY 12-13 request of \$328,794.

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 \$278,679 including \$9,957 General Fund, \$268,722 Cash Funds, and \$0 Reappropriated Funds. These amounts are decreased by a subsequent common policy adjustment of \$146,691 to arrive at the FY 12-13 request of \$131,988.

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 \$106,459, including \$3,537 General Fund, \$97,694 Cash Funds, and \$3,550 Reappropriated Funds. The amount will be supplemented by \$1,678 in Federal Funds. These amounts are increased by a subsequent common policy adjustment of \$22,544 to arrive at the FY 12-13 request of \$129,003.

VEHICLE LEASE PAYMENTS

This line item recurs annually for vehicles leased from GSS Fleet Management for staff that 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 base request for FY 12-13 is in the amount of \$151,802. These amounts are increased by a subsequent common policy adjustment from DPA, in the amount of \$69,452 to arrive at the FY 12-13 request of \$221,254.

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 154,837 square feet at 1560 Broadway in Denver, and an additional 3,299 square feet at various satellite locations throughout the state. Existing appropriations are expected to fund a rate increases for FY 12-13 from \$17.10/\$20.01 per square foot to \$17.35/\$20.51 per square foot for 1560 Broadway, and estimated operating increase using the most recent available projections from the lessor at this location. The Department is presently in the sixth year of a 10-year agreement for this lease. The request includes continuation funding of \$3,038,518 plus increases for rate escalations and operating expenses to \$3,038,518, including \$106,866 General Fund, \$2,536,022 Cash Funds, \$356,190 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 \$6,098, including \$6,098 Cash Funds. These amounts are decreased by a subsequent common policy adjustment of \$513 to arrive at the FY 12-13 request of \$5,585.

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 \$686,330 including \$800 General Fund, \$426,928 Cash Funds, and \$258,602 Reappropriated Funds, and a net adjustment of \$118,680 cash funds associated with SB 11-169 and SB 11-187 from FY 11-12. Annualization of said bills will decrease the amount by \$118,680 to arrive at the FY 12-13 request of \$686,330.

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 11-12 long bill amount of \$3,552,422 and 47.5 FTE. There is a negative adjustment of \$59,961 associated with 2.5% PERA refinancing. The total request is \$3,612,383 Cash Funds and 47.5 FTE. The PERA refinancing adjustment will be restored in FY 12-13.

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 \$506,387 Cash Funds; a negative adjustment of \$15,684 to reflect annualization of DI #1. For the base request of FY 12-13 the total will reflect \$490,703.

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 12-13, 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 \$315,930 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. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$1,609,144 which includes \$1,023,546 General Fund, \$232,343 in Reappropriated Funds to reflect the statewide indirect cost offset, and \$353,255 in continuation Federal Funds (which is an informational amount). These amounts are adjusted by \$28,849 due to a reduction from the common policy adjustment for PERA refinancing. This adjustment will be annualized in the FY 12-13 base request amount. The indirect cost offset will not be final until figures are set for FY 12-13, 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 11-12.

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).

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 \$51,798 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. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$792,953 Cash Funds and 7.0 FTE. There is a negative adjustment of \$14,782 due to FY 11-12 PERA refinancing. This amount will be annualized in FY 12-13. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 11-12, and no one-time personal services reductions were made in FY 11-12.

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.

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 \$46,558 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. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$1,134,247 Cash Funds and 15.0 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 11-12, and no one-time personal services reductions were made in FY 11-12.

These amounts are adjusted by \$24,833 due to a reduction from PERA refinancing, and an adjustment of the same amount to reflect annualization of said change in FY 12-13.

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.

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 \$99,767 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 12-13 Statewide Indirect Cost assessment. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$5,787,409 and 84.7 FTE and a positive adjustment of \$2,520 to reflect changes from SB 11-128. There is also a reduction for the Statewide PERA refinancing of \$130,374. Both of these amounts are annualized in FY 12-13, bringing the total request to \$5,787,409 Cash Funds and 84.7 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 11-12.

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 \$297,049 Cash Funds. In addition, there is a decrease of resources of \$5,333 associated with HB 11-1033. This brings the total request for FY 12-13 to \$291,716.

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 \$509,000 Federal Funds and 2.0 FTE. The request also includes a decrease in funding associated with the Statewide adjustment for PERA Refinancing in the amount of \$1,162. This amount will be annualized in FY 12-13.

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 11-12 Long bill is \$80,281.

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 \$571,561, including \$563,353 Cash Funds and \$8,208 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 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$8,753,625 and 101.1 FTE; a positive adjustment of \$6,174 and 0 FTE associated with HB 11-1198. There is a decrease of \$183,002 for the Statewide PERA Refinancing. This particular amount will be annualized in FY 12-13. The total request is \$8,759,799 Cash Funds and 101.1 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 11-12.

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 \$445,689 Cash Funds.

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 \$672,432 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 12-13.

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 appropriation includes continuation funding of \$878,964 Cash Funds. This amount is not final until FY 11-12 appropriations to the Department of Human Services are final. There is a decrease to funding due to the Statewide PERA Refinancing adjustment of \$5,186. This amount will be annualized in the FY 12-13 request.

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 appropriation includes continuation funding of \$112,067 Cash Funds. There is a decrease to funding due to the Statewide PERA Refinancing adjustment of \$1,065. This amount will be annualized in the FY 12-13 request.

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 11-12 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. Additional funding will occur in the amount of \$37,249 due to HB 11-1198. Including these amounts the total request will be \$104,377 in FY 12-13.

(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 11-12 long bill amount of \$3,323,782 and 52.3 FTE; a positive adjustment of \$8,000 and 0 FTE associated with HB 11-1300, and a negative adjustment of \$56,642 to reflect PERA refinancing for FY 11-12. These amounts will be annualized in FY 12-13. The total request is \$3,323,782 Cash Funds and 52.3 FTE. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 11-12.

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 \$219,546 Cash Funds. There is also an increase of special funding via HB 11-1300, in the amount of \$1,760. This amount will be annualized in FY 12-13.

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 \$308,544 Cash Funds. The amount will not be final until the Department of Law's budget is final for FY 11-12. There is also a decrease in funding associated with the Statewide PERA Refinancing adjustment of \$4,774. This amount will be annualized in the FY 12-13 Budget request amount.

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 \$347,856 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 12-13 Statewide Indirect Cost assessment. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$11,965,015 and 187.1 FTE with the following adjustments: a net adjustment of \$494,027 and 6.8 FTE related to special bill funding (SB 11-88, SB 11-91, SB 11-94, SB 11-169, SB 11-187, SB 11-192, HB 11-1100 and HB 11-1195), and a negative adjustment of \$214,636 to reflect FY 11-12 PERA refinancing. There is an adjustment of \$74,580 and 1.3 FTE, due to annualization of aforementioned bills for FY 12-13. There are decreases due to annualization of the PERA Refinancing adjustment. The total request is \$12,384,462 and 192.6 FTE, including \$11,765,048 Cash Funds and \$619,414 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 FY12-13.

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 \$1,354,753 Cash Funds; and special bill funding of \$65,226 (SB 11-88, SB 11-91, SB 11-94, SB 11-169, SB 11-187, SB 11-192, HB 11-1100 and HB 11-1195), There is an adjustment due to annualization of the aforementioned bills in the amount of \$40,331. The total request amount is \$1,379,648 for FY 12-13.

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 \$361,397 Cash Funds and 5.0 FTE; with a negative adjustment of \$6,389 to reflect FY 11-12 Statewide adjustment due to PERA refinancing. This amount will be annualized in FY 12-13.

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 \$1,277,687 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. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.

(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 11-12 long bill amount of \$2,157,670 and 26.0 FTE; and a negative adjustment of \$41,337 to reflect Statewide PERA refinancing for FY 11-12. This amount will be annualized in FY 12-13. No annualizations of salary survey and performance pay are included because they were not appropriated in FY 12-13.

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 \$73,009 Cash Funds, a reduction of \$14,010 to reflect FY 11-12 Decision Item #2.

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 PROSECTON

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 \$727,381 Cash Funds. The amount will not be final until the Department of Law's budget is final for FY 12-13. There will be a decrease to this amount due to the Statewide PERA refinancing adjustment of \$6,743. This amount will be annualized in FY 12-13.

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 \$172,930 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. However, the precise amount for FY 12-13 must be calculated after all other figures are determined for FY 12-13.