

Department of Regulatory Agencies
Line Item Descriptions

FY 2020-21 Budget Request

(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.

PERSONAL SERVICES

This line item recurs annually to provide division staffing and pay for contractual services. The base personal services calculation includes the FY 2019-20 long bill amount of \$2,566,779 and 29.5 FTE, plus \$91,962 to reflect the annualizing of prior year salary survey and an adjustment of \$13,894 to reflect statutorily required changes to employer PERA contributions. A fund split adjustment to reflect the statutory schedule of sunset reviews that will be worked on during FY 2020-21 can be made at the JBC's discretion during the Department's figure-setting.

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 2019-20 Long Bill appropriation plus a total compensation request adjustment to arrive at an FY 2020-21 calculation of \$181,273 General Fund, \$5,396,076 Cash Funds, and \$331,139 Reappropriated Funds, with \$78,437 reflected in informational federal fund authority. Also included is \$38,388 Cash Funds in associated costs for R-02 Intrastate Pipeline Safety Enhancements.

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 2019-20 Long Bill appropriation plus a total compensation request adjustment to arrive at an FY 2020-21 calculation of \$2,479 General Fund, \$61,979 Cash Funds, and \$4,757 Reappropriated Funds, with \$684 reflected in informational federal fund authority. Also included is \$607 Cash Funds in associated costs for R-02 Intrastate Pipeline Safety Enhancements.

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 2019-20 Long Bill appropriation plus a total compensation request adjustment to arrive at an FY 2020-21 calculation of \$67,661

General Fund, \$1,908,072 Cash Funds, and \$130,727 Reappropriated Funds, with \$22,015 reflected in informational federal fund authority. Also included is \$17,861 Cash Funds in associated costs for R-02 Intrastate Pipeline Safety Enhancements.

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 2019-20 Long Bill appropriation plus a total compensation request adjustment to arrive at an FY 2020-21 calculation of \$67,661 General Fund, \$1,908,072 Cash Funds, and \$130,727 Reappropriated Funds, with \$22,015 reflected in informational federal fund authority. Also included is \$17,861 Cash Funds in associated costs for R-02 Intrastate Pipeline Safety Enhancements.

PAID FAMILY LEAVE

This line item is requested via decision item, specifically NP 02-Paid Family Leave. Although the request will be considered in tandem with the Department of Personnel and Administration's budget request, the incremental impact on DORA of \$81,688 is reflected here.

SALARY SURVEY AND SENIOR EXECUTIVE SERVICE

This line item recurs annually to fund salary survey increases. The request zeroes out the FY 2019-20 Long Bill appropriation and replaces it with a total compensation request amount for FY 2020-21 of \$29,807 General Fund, \$872,602 Cash Funds, \$57,598 Reappropriated Funds, with \$9,699 reflected in informational federal fund authority.

WORKERS' COMPENSATION

This line item recurs annually to pay for the State's self-insurance of worker and board member injury claims. The request includes the FY 2019-20 Long Bill appropriation plus a common policy requested adjustment to arrive at an FY 2020-21 calculation of \$6,664 General Fund, \$186,518 Cash Funds, and \$6,733 Reappropriated Funds, with \$2,990 reflected in informational federal fund authority.

OPERATING EXPENSES

This line item recurs annually for costs associated with supporting Office operations, and also includes the Department's capital outlay pot for allocation to Divisions (General Fund and Cash Fund splits). This includes but is not limited to office supplies, telephone, postage, printing, furniture and travel expenses. The request includes continuation funding of \$210,379 including \$3,689 General Fund, \$95,427 Cash Funds, and \$111,263 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 2019-20 long bill and special bill amounts of \$10,662,747, plus net adjustments of \$351,410 to reflect annualizations of HB 19-1242, SB 19-218, and SB 19-236. The request also includes a net common policy adjustment of \$130,736.

ADMINISTRATIVE LAW JUDGES

This line item supports 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. The total request for FY 2020-21 is \$488,137 including \$22,055 General Fund and \$466,082 Cash Funds.

PAYMENTS TO RISK MANAGEMENT

This line item recurs annually to pay for the State's self-insurance of property and vehicles. The total request for FY 2020-21 is \$153,100, including \$5,028 General Fund, \$140,735 Cash Funds, and \$5,081 Reappropriated Funds. The amount will be supplemented by \$2,256 in Federal Funds. These amounts include a reduction of \$19,269 due to a common policy adjustment.

VEHICLE LEASE PAYMENTS

This line item recurs annually for vehicles leased from the Department of Personnel's Fleet Management section for staff that must travel to complete their job duties. This includes vehicles assigned to the Division of Professions and Occupations, the Public Utilities Commission, and the Division of Securities. The request for FY 2020-21 is \$233,807, which is the continuation amount of \$261,291 plus a decrease of \$27,484 to reflect the common policy request for this line.

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.

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 \$590,939.

LEASED SPACE

This line item recurs annually for office space rent in buildings outside the capitol complex. The Department occupies consolidated space at 1560 Broadway in Denver with a present total of 165,674 leased square feet. The Department does not have significant satellite locations throughout the state. The Department is presently in the third year of a 10-year agreement for this lease. The lease agreement results in a base request of \$3,297,209 plus an incremental adjustment of \$139,310 to reflect annual increases per the lease agreement.

PAYMENTS TO OIT

This consolidated line item exists to support payment for services provided by the Governor's Office of Information and Technology. The appropriated amount includes \$3,528,601 to reflect the statewide common policy request, including \$188,079 General Fund and \$3,340,522 in Cash Funds.

CORE OPERATIONS

Payment for the State of Colorado's Financial Reporting System database. The continuation request for FY 2020-21 is \$361,907, including \$14,024 General Fund, \$324,826 Cash Funds, \$18,635 Reappropriated Funds, and an informational appropriation of \$1,016 Federal Funds.

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, as well as \$5,000 associated with SB 13-189.

BROADBAND DEPLOYMENT BOARD

This line item exists to fund the administrative costs of the Department's Broadband Deployment Board. The request includes a continuation amount of \$202,504 cash funds as well as 2.0 FTE appropriated in SB 19-207.

BROADBAND DEPLOYMENT BOARD GRANTS

This line item was first inserted by JBC to informational reflect High Cost Support Mechanism proceeds expected to be available for grant-making by the Broadband Deployment Board. The amount is informational and the Department does not propose any changes to this informational amount.

(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 2019-20 long bill amount of \$3,940,271 and 40.0 FTE, plus \$102,112 to reflect the annualizing of prior year salary survey and an adjustment of \$19,029 to reflect statutorily required changes to employer PERA contributions.

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 \$490,733 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. Funding pays

operating expenses of the Colorado State Banking Board and a \$50 per diem for board members. For FY 2020-21, the Department requests 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. 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 and the Statewide Indirect Cost Recovery plan for FY 2020-21. The total request amount for FY 2020-21 is \$379,296. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(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 2019-20 long bill amount of \$2,042,948 (including \$526,830 Reappropriated Funds to reflect an offset of General Fund associated with the annual Statewide Indirect Cost Recovery Plan), plus \$54,616 to reflect the annualizing of prior year salary survey and an adjustment of \$7,191 to reflect statutorily required changes to employer PERA contributions.

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 \$105,556 including \$62,380 General Fund and \$43,176 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 \$36,526 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 and the Statewide Indirect Cost Recovery plan for FY 19-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2019-20.

(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 2019-20 long bill amount of \$893,465 Cash Funds and 7.0 FTE, plus \$22,954 to reflect the annualizing of prior year salary survey and an adjustment of \$193 to reflect statutorily required changes to employer PERA contributions.

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 \$66,377 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 and the Statewide Indirect Cost Recovery plan for FY 19-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(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 2019-20 long bill amount of \$1,461,661 Cash Funds and 15.6 FTE, plus \$29,772 to reflect the annualizing of prior year salary survey and an adjustment of \$5,415 to reflect statutorily required changes to employer PERA contributions.

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 \$145,961 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 \$147,925 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(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 2019-20 appropriation of \$6,859,851 and 83.2 FTE. The request also includes annualizations associated with salary survey totaling \$175,823, a statutorily-required PERA adjustment of \$30,851, as well as a net reduction of \$323,990 associated with HB 19-1174, HB 19-1216, HB 19-1233, HB 19-1269, HB 19-1283, and HB 19-1004.

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 \$309,146 Cash Funds, plus a net reduction of \$9,691 associated with HB 19-1174, HB 19-1233, HB 19-1269, and HB 19-1283.

OUT-OF-STATE TRAVEL

This line item funds out-of state travel expenses incurred when Division staff are required to perform market conduct examinations. Funds in this line item are reimbursements paid by insurance companies and are continuously appropriated pursuant to Section 10-1-108 (9), C.R.S. The request includes continuation funding of \$50,000 Cash Funds.

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 \$533,253 Federal Funds and 2.0 FTE.

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 2019-20 long bill is \$85,291.

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 \$817,945, including \$789,399 Cash Funds and \$28,546 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(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 2019-20 appropriation amount of \$10,635,099 and 98.8 FTE, plus \$259,639 to reflect the annualizing of prior year salary survey and an adjustment of \$41,611 to reflect statutorily required changes to employer PERA contributions, as well as \$92,382 and 1.5 FTE adjustment for SB 19-236. Also included is \$401,333 Cash Funds and 4.0 FTE in associated costs for R-02 Intrastate Pipeline Safety Enhancements.

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 \$640,512 Cash Funds, less a reduction of \$33,847 to reflect SB 19-236. Also included is \$30,200 Cash Funds in associated costs for R-02 Intrastate Pipeline Safety Enhancements

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 \$900,203, including \$866,748 Cash Funds and \$33,455 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds

to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

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 \$738,682 reflects continuation figures intended to cover estimated usage of the relay contract for FY 2019-20 less a proposed adjustment (R-01 Adjust Unused Telecommunications Spending Authority) of \$561,860.

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 \$510,000 Cash Funds. This amount is not final until FY 2020-21 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 \$1,992,589 Cash Funds (including a reduction to reflect the annualization of HB 19-1069. This amount is not final until FY 2020-21 appropriations to the Department of Human Services are final.

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 \$104,377 is requested for FY 2020-21.

HIGHWAY-RAIL CROSSING SIGNALIZATION FUND

This line item was added during FY 2016-17 pursuant to SB 16-087 and recurs annually to reflect statutory transfers into the Highway-Rail Crossing Signalization Fund from the 3 percent excise tax on fixed utility revenue. A continuation amount of \$244,800 is requested for FY 2019-20. Actual expenditures from this fund to support rail crossing safety improvements are continuously appropriated.

(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 2019-20 long bill amount of \$3,880,507 and 48.9 FTE, plus \$114,180 to reflect the annualizing of prior year salary survey and an adjustment of \$20,042 to reflect statutorily required changes to employer PERA contributions.

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 \$198,627 Cash Funds.

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 \$36,332 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 \$204,284 Cash Funds. The amount will not be final until the Department of Law's budget is final for FY 2020-21.

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 \$463,691 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(9) DIVISION OF PROFESSIONS AND OCCUPATIONS

The Division of Professions and Occupations 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 Professions and Occupations 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'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 2019-20 appropriation of \$15,520,277 and 198.8 FTE and appropriations/annualizations associated with HB 19-1242 and HB 19-218. The request also includes annualization of salary survey in the amount of \$367,613, plus an adjustment related to changed statutory PERA contributions of \$71,796.

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 \$1,612,710 Cash Funds and changes associated with HB 19-1095.

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 \$400,223 Cash Funds and 5.0 FTE. The request also includes annualization of salary survey in the amount of \$57,236, plus an adjustment related to changed statutory PERA contributions of \$2,141.

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 Professions and Occupations, 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 Professions and Occupations 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 \$1,917,345 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds to the request year incremental change for the proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(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

2019-20 long bill amount of \$2,337,299 and 24.0 FTE, plus \$68,761 to reflect the annualizing of prior year salary survey and an adjustment of \$11,569 to reflect statutorily required changes to employer PERA contributions.

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 \$99,064 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. 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 \$1,175,429 Cash Funds. The amount will not be final until the Department of Law’s budget is final for FY 2020-21.

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 \$227,578 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 and the Statewide Indirect Cost Recovery plan for FY 2019-20 plus a proposed adjustment that corresponds to the request year incremental change for the

proposed Statewide Indirect Cost Recovery plan for FY 2020-21. However, the precise amount for FY 2020-21 must be calculated after all other figures are determined for FY 2020-21.

(11) DIVISION OF CONSERVATION

The Division of Conservation ensures the soundness of the state income tax credits issued to landowners who donate conservation easements. The Division carries out this work by determining the credibility of appraisals, by assuring that the deeds of conservation easement protect conservation purposes in perpetuity, and by certifying non-profit and government organizations to hold conservation easements where their donors will seek a tax credit. The Division was created in statute by HB 18-1291, established in the Long Bill via the supplemental process during the 2019 legislative session, and was ultimately reenacted by HB 19-1264 and will newly recur in the Long Bill effective in FY 2020-21.

CONSERVATION EASEMENT PROGRAM COSTS

This line item recurs annually to provide for all costs of the Division. The calculation includes the FY 2019-20 appropriation of \$464,926, which is continuation funding net of an estimated \$35,074 in indirect costs assessments for the program. The line item informationally includes an increase associated with the proposed statewide indirect costs assessment for FY 2020-21, pending the appearance of a separate indirect cost line item in the FY 2020-21 Long Bill.

INDIRECT COST ASSESSMENT

This line item is informationally reflected in the budget submission to account for the indirect cost assessment funding included in the FY 2019-20 appropriation. The calculation is continuation funding net of an estimated \$35,074 in indirect costs assessments for the program.