



# **COLORADO**

## **Department of Revenue**

*Priority: R-1  
DRIVES System Maintenance and Support  
FY 2018-19 Funding Request*

### ***Cost and FTE***

- The Department requests \$2,600,000 in FY 2018-19, annualizing to \$6,240,000 in FY 2019-20 and thereafter, in the License Service Cash Fund (LSCF)/CSTARS Account/ Colorado DRIVES Vehicle Services Fund for the hosting, maintenance, and support services for the Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES). This request will include annual contractual increases for inflation based on Denver/Boulder Consumer Price Index (CPI).

### ***Current Program***

- In FY 2014-15 and FY 2015-16, the Department received funding for the DRIVES capital construction project, which pays for the replacement of the Driver's License System (DLS), Colorado State Titling and Registration System (CSTARS), and supporting systems.
- The DRIVES project will be completed and implemented in August 2018 with an additional warranty period extending through February 2019. There will be annual hosting, maintenance, and support services provided by the vendor, FAST Enterprises, LLC, beginning at the end of the warranty period.

### ***Problem or Opportunity***

- The DRIVES capital construction appropriation does not include ongoing funding for post-implementation hosting, maintenance, and support services after project completion.
- FAST Enterprises, LLC has a contract with the State for annual ongoing operations and maintenance of the system, which is dependent upon the annual appropriation and subject to an annual inflationary increase.

### ***Consequences of Problem***

- The Department will experience an estimated \$6,240,000 shortfall in spending authority that will result in the Department's inability to adhere to the contract between the State and FAST Enterprises, LLC.

### ***Proposed Solution***

- An increase in spending authority of \$2,600,000 in FY 2018-19, annualizing to \$6,240,000 in FY 2019-20 and thereafter from the LSCF/CSTARS/ Colorado DRIVES Vehicle Services fund to pay for vendor hosting and maintenance support for the DRIVES system.
- Additionally, there is a contract provision by which the vendor may request an annual increase related to Denver-Boulder CPI inflationary index starting in FY 2019-20. This potentially would be a budgetary base adjustment each year for the duration of the contract.



# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael Hartman  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

### Department of Revenue Priority: R-1

### Request Detail: Division of Motor Vehicle - DRIVES System Maintenance and Support

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Fund	Cash Fund
Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES) System Maintenance and Support	\$2,600,000	\$0	\$2,600,000

#### Problem or Opportunity:

The Department requests spending authority in the amount of \$2,600,000 in FY 2018-19, annualizing to \$6,240,000 in FY 2019-20 and thereafter. The appropriation would be split across several cash funds including the Licensing Services Cash Fund (LSCF), Colorado State Titling and Registration (CSTARS) account, and/or Colorado DRIVES Vehicle Services account to fund the maintenance and support of the Driver License, Record, Identification, and Vehicle Enterprise Solution (DRIVES).

The DMV is implementing a new technology system to replace the Driver License System (DLS), CSTARS, and other supporting systems. The legacy DLS and CSTARS systems were supported by the Office of Information Technology (OIT) and funded through common policy. The DRIVES system will be maintained and supported by a third-party vendor, FAST Enterprises, LLC (FAST). OIT remains responsible for some hardware, as well as network support. The DRIVES system has contractually defined standards for system availability and performance which ensure consistent system maintenance and reliability.

In FY 2014-15 and FY 2015-16, the Department received capital construction funding for the DRIVES implementation project. DRIVES is a three-year project and is on track to be fully implemented, on schedule, in August 2018, with a six-month warranty period ending in February 2019. The DRIVES project will have annual hosting, maintenance, and support services which will be provided by the vendor, FAST, starting at the end of the warranty period. The first year of this request for FY 2018-19 is prorated for the partial year of maintenance and support from February 2019 through June 2019. The annualized amount for FY 2019-20 will equal the full, ongoing annual appropriation needed to support the system. The capital construction appropriation does not provide funding for post-implementation maintenance and support of the DRIVES system.

### ***Proposed Solution:***

The Department requests a net spending authority increase of \$2,600,000 in FY 2018-19, annualizing to \$6,240,000 in FY 2019-20 and thereafter from the LSCF, CSTARS account and Colorado DRIVES Vehicle Services account for the hosting, maintenance, and support services for the DRIVES system.

Per H.B. 17-1107, the DMV will be undertaking a multi-year transition between cash funds. The existing CSTARS account will be transitioned to the newly created DRIVES Vehicle Services account. Funding for this request will be provided by the Licensing Services Cash Fund (LSCF) and both the CSTARS and Colorado DRIVES Vehicle Services accounts, in alignment with the transition schedule, as per H.B. 17-1107, 42-1-211 (2) (a) (I), C.R.S., which was amended to include "... the State Treasurer shall transfer thirty-three percent of the unexpended and unencumbered money in the Colorado State Titling and Registration account to the Colorado DRIVES Vehicle Services account on September 1, 2018, and all unexpended and unencumbered money remaining in the Colorado State Titling and Registration account to the Colorado DRIVES Vehicle Services account at the end of Fiscal Year 2018-19." Also, Section 42-1-211 (2) (b) (I), C.R.S. is where the Colorado DRIVES Vehicle Services account in the Highway Users Tax Fund is created and takes effect September 1, 2018. Therefore, both accounts—CSTARS and Colorado DRIVES Vehicle Services—are included in this narrative, because the decision item request encompasses the time period of transition for these funds.

The request is comprised of \$2,314,000 from LSCF and \$286,000 from CSTARS and/or DRIVES in FY 2018-19, and \$5,553,600 from LSCF and \$686,400 from CSTARS and/or DRIVES in FY 2019-20 and thereafter. The funding split for this request is proportionate to the current FTE counts associated with Driver Services (LSCF-89%) and Vehicle Services (CSTARS and/or Colorado DRIVES Vehicle Services-11%).

This DRIVES support solution can be financially sustained by the LSCF, CSTARS, and/or the Colorado DRIVES Vehicle Services account based on the current fee structure and projected activity. Fees are evaluated annually and adjusted as necessary to support operational costs.

### ***Anticipated Outcomes:***

Requested funding will guarantee ongoing support to the new DRIVES system. If this request is not approved, there is significant risk of catastrophic failure of DRIVES and loss of data. Additionally, potential failures in security breaches, application code, hosting environment, encryption services, disaster recovery, and viruses or malicious software may occur outside of OIT security policies.

Most importantly, the business goal is improving customer service by increasing system dependability and functionality and includes the following: (1) enhanced data exchanges between systems; (2) flexible and configurable solutions; (3) reduced data entry; (4) enhanced identification security; (5) integrated training functionality; (6) robust data extraction, analysis, and reporting tools; and (7) effective user monitoring and auditing tools.

The technical goals include the following: (1) maintain high application availability; (2) meet future technology functionality; (3) maintain universally recognized data structure; (4) interfaces with industry standards; (5) improved support and maintenance; and (6) comprehensive system architecture documentation.

The operational goals include: (1) minimize impact of services to customers; (2) improve responsiveness to external requirements; (3) mitigate hardware and software end-of-life issues; and (4) robust disaster recovery procedures.

FAST Enterprises, LLC, will provide timely responses and compliance with applicable State policies for issues related to the application code and hosting environment, encryption services, disaster recovery, and viruses or malicious software.

**Assumptions and Calculations:**

**Vendor-hosted, contracted system maintenance** – Maintenance and support is required annually, beginning in FY 2018-19. A prorated payment of \$2,600,000 will be made in February 2019 to cover the last five months of the fiscal year through June 2019. Beginning in July 2019 for FY 2019-20, a full-year, base payment of \$6,240,000 will occur with an additional amount equal to the Denver-Boulder CPI inflation index increase per the State’s contract with FAST. The following table provides a breakdown of the annual maintenance and support costs with an estimated CPI applied. Any CPI increase that is approved will require a base adjustment to the budget.

<b>DRIVES-FAST Enterprises LLC Maintenance Contract</b>				
<b>Fiscal Year</b>	<b>Period Covered</b>	<b>Base Annual Request</b>	<b>CPI (est. 2.6%)</b>	<b>Total Estimated Annual Cost</b>
FY 2018-19	2/1/19 – 6/30/19	\$2,600,000	\$0	\$2,600,000
FY 2019-20	7/1/19 – 6/30/20	\$6,240,000	\$162,240	\$6,402,240
FY 2020-21	7/1/20 – 6/30/21	\$6,240,000	\$328,698	\$6,568,698
FY 2021-22	7/1/21 – 6/30/22	\$6,240,000	\$499,484	\$6,739,484
FY 2022-23	7/1/22 – 6/30/23	\$6,240,000	\$674,711	\$6,914,711
FY 2023-24	7/1/23 – 6/30/24	\$6,240,000	\$854,493	\$7,094,493
FY 2024-25	7/1/24 – 6/30/25	\$6,240,000	\$1,038,950	\$7,278,950
FY 2025-26	7/1/25 – 6/30/26	\$6,240,000	\$1,228,203	\$7,468,203
FY 2026-27	7/1/26 – 6/30/27	\$6,240,000	\$1,422,376	\$7,662,376
FY 2027-28	7/1/27 – 6/30/28	\$6,240,000	\$1,621,598	\$7,861,598
FY 2028-29	7/1/28 – 1/31/29	\$3,640,000	1,065,166	\$4,705,166
<b>Total</b>		<b>\$62,400,000</b>	<b>\$8,895,919</b>	<b>\$71,295,921</b>

\*Includes the base contract amount only; excludes Denver-Boulder CPI inflation factor



### ***Cost and FTE***

- The Department requests an increase to its total appropriation of \$63,551, beginning in FY 2018-19 and thereafter, to accommodate the new rates for armored car service. The change includes a \$1,177 increase in General Fund appropriations in FY 2018-19 and thereafter and a \$62,374 increase in Cash Fund appropriations in FY 2018-19 and thereafter.

### ***Current Program***

- The Department processes large amounts of cash, which must be transported to the bank for deposit.
- The Department has arranged for frequent armored car pick-ups from all satellite offices according to the volume of business conducted at each site. This prevents the offices from keeping cash on hand and supports the best practice of the timely deposit of State funds.
- Using third-party armored car services allows the Department to transport money safely, economically, and efficiently, while eliminating risk to individual State employees who would otherwise have to transport deposits to the bank.

### ***Problem or Opportunity***

- The costs associated with these armored car services have increased as the result of a recent solicitation process. The previous vendor did not provide a response during the solicitation therefore new vendors had to be selected.
- The new vendors provide services that meet the schedule requirements and volume requirements of the Department as the cash collections continue to increase in several divisions requiring more frequent pick-ups per week and higher liability coverage for larger deposit amounts.
- This request uses the contractually defined rates that are based on frequency, average amount of deposits, time spent on premise, and insurance coverage.

### ***Consequences of Problem***

- If this budget request is not approved, the Department could potentially decrease the frequency of the pick-ups. However, if the frequency is reduced, then the amount of money transported per pick-up will increase, which would drive up the rate for that location to provide the appropriate liability coverage for larger deposits. This would counteract the cost savings of reducing the frequency.
- If the coverage is not increased, and the lower liability limit remains in effect, then a portion of the deposit may not be covered for loss.
- Having more cash on hand at office locations resulting from fewer pick-ups per week may increase the likelihood of loss or theft.
- Delaying the depositing of cash will decrease the amount of interest that the State earns on each deposit.

### ***Proposed Solution***

- The Department requests an ongoing increase of \$63,551 in the FY 2018-19 operating spending authority, to be distributed across the Executive Director's Office, the Division of Motor Vehicles, the Division of Gaming, and the Marijuana Enforcement Division.



# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael Hartman  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

### **Department of Revenue Priority: R-2**

#### **Request Detail: Armored Car Appropriation Increase**

Summary of Incremental Funding Change for FY 2018-19	Total Funds	General Funds	Cash Funds
Armored Car Appropriation Increase	\$63,551	\$1,177	\$62,374

#### **Problem or Opportunity:**

The Department requests an increase to its appropriations by a total of \$63,551 beginning in FY 2018-19 and thereafter to accommodate the Department's contracted armored car service. The changes include a \$1,177 increase in General Fund and a \$62,374 increase in Cash Fund appropriations in FY 2018-19 and thereafter.

The Department processes large amounts of cash, which must be transported to the bank for deposit. The Department uses third-party armored car services to transport the currency safely, economically, and efficiently. The use of third parties eliminates risk to individual State employees. The Department has arranged for armored car pick-ups from all satellite offices according to the volume of business conducted at each site. This prevents the offices from keeping cash on hand and supports the best practice of the timely deposit of State funds. Deposits are insured, up to a maximum amount per shipment based on the historic average of each location. The per shipment liability maximum also helps dictate the frequency of pick-up to ensure that no portion of a deposit is uninsured.

The costs associated with these armored car services have increased as the result of a recent solicitation process. The previous vendor did not provide a response during the solicitation; therefore, new vendors had to be selected. The new vendors provide services that meet the schedule requirements and volume requirements of the Department as the cash collections continue to increase in several divisions, requiring more frequent pick-ups per week and higher liability coverage for larger deposit amounts.

This increase in cost will require an increase in appropriation to meet the obligation of safely transporting currency to the bank. Due to the number of locations and the increasing size of cash deposits, the rates did increase with this new vendor. Rates are defined per location and are based on the number of deposit bags per pick-up, the number of days per week that pick-ups are scheduled, and the historic average amount of deposits, which dictates the amount of liability coverage that is needed. The number of pick-ups per week could be reduced in an effort to lower costs. However, if the frequency is reduced, then the amount of money transported per pick-up will increase, which would drive up the rate for that location to provide the appropriate liability coverage for larger deposits.

#### **Proposed Solution:**

The Department requests an ongoing increase of \$63,551 in the FY 2018-19 operating spending authority to be distributed across the Executive Director's Office, the Division of Motor Vehicles, the Division of

Gaming, and the Marijuana Enforcement Division. Armored car costs are distributed across all Divisions that utilize the services, all of which handle cash collections. These increases will be used to purchase armored car services from third-party vendors per the contractual agreement.

The Department anticipates the need for the following changes to existing appropriations:

<i>Division, Long Bill Line Item</i>	<i>Fund</i>	<i>Previous Amount</i>	<i>New Amount</i>	<i>Change</i>
(1) Executive Director's Office, (A) Administration and Support, <i>Operating Expenses</i>	General Fund	\$7,716	\$8,893	\$1,177
(4) Division of Motor Vehicles, (B) Driver Services, <i>Operating Expenses</i>	Licensing Services Cash Fund	\$63,420	\$109,822	\$46,402
(5) Enforcement Business Group, (B) Limited Gaming Division, <i>Operating Expenses</i>	Limited Gaming (Cash) Fund	\$3,096	\$5,559	\$2,463
(5) Enforcement Business Group, (F) Marijuana Enforcement	Marijuana Cash Fund	\$4,356	\$17,865	\$13,509
<b>Total</b>		<b>\$78,588</b>	<b>\$142,139</b>	<b>\$63,551</b>

#### ***Anticipated Outcomes:***

The Department is requesting the appropriation of additional funding to allow for the safe, timely, and uninterrupted transfer of money to the bank for deposit.

#### ***Assumptions and Calculations:***

The Department currently uses two vendors to provide armored car services, (Contractor A and Contractor B). Each vendor services different locations and payment terms for each are detailed below.

Payments to Contractor A are set forth in Exhibit A, Prices and Rates. Separate monthly payments are tied to each location. Payments to Contractor A are comprised of a service fee(s), a fuel fee, and an additional insurance fee. The base Service Fee for each location is listed in the "Per Month" column in Exhibit A below. Contractor A will annually increase the service fee(s) based upon the year to year changes in the Consumer Price Index (CPI) or other applicable economic factors(s). The monthly fuel fee is based on the U.S. average diesel prices as measured and published by the Department of Energy. Also, a monthly insurance fee of 7% will be assessed to all services provided.

<b>EXHIBIT A - Prices and Rates</b>						
<b>Location</b>	<b>Address</b>	<b>Price</b>		<b>Schedule</b>	<b>Premis Time (minutes)</b>	<b>Item Limit</b>
		<b>Per Month*</b>	<b>Additional Fees</b>			<b>Total Liability</b>
DLO #1 - Pueblo	827 W 4 <sup>th</sup> St.	\$ 579.67	fuel	M-F 5 x week	7	10
DLO #2 - Canon City	127 Justice Center Rd, Ste K	\$ 185.32	fuel	F 1 x week	7	10
DLO #3 - Durango	329-A S. Camino Del Rio	\$ 185.32	fuel	F 1 x week	7	10
DLO #4 - Frisco	37 County Rd 1005	\$ 185.32	fuel	F 1 x week	7	10
DLO #5 - Glenwood Springs	51027 Hwy 6	\$ 579.67	fuel	M-F 5 x week	7	10
DLO #6 - Grand Junction	222 S 6 <sup>th</sup> # 111	\$ 486.92	fuel	M-F 5 x week	7	10
DLO #7 - Montrose	86 Rose Ln	\$ 185.32	fuel	F 1 x week	7	10
* Includes 7% Insurance Increase						

Payments to Contractor B are set forth in Exhibit B, Prices and Rates. The contract pricing within Exhibit B is a maximum amount payable per location per month. The monthly rate per location is inclusive of all potential excess liabilities and fees.

The inclusive per-month pick-up rates are based on prior data reflecting the actual pick-ups and excess liabilities at each State location. Should a three-month average indicate that a specific location has pick-up items beyond the limitations included in Exhibit B, the contractor and the State will mutually agree upon a price increase for that location based on actual data and projected future pick-ups.

<b>EXHIBIT B - Prices and Rates</b>							
<b>Location</b>	<b>Address</b>	<b>Price</b>		<b>Schedule</b>	<b>Premis Time (minutes)</b>	<b>Item Limit</b>	<b>Total Liability</b>
		<b>Per Pick-up</b>	<b>Per Month</b>				
DLO #1 - Aurora	14391 E. 4th Ave.	\$ 21.02	\$ 462.54	M-F 1400-1600	15	8	\$100 k
DLO #2 - Boulder	2850 Iris Ave., Suite F	\$ 20.95	\$ 460.94	M-F 1100-1300	15	8	\$100 k
DLO #3 - Colorado Springs	2447 N. Union Blvd.	\$ 21.17	\$ 465.73	M-F 1300-1500	15	8	\$100 k
DLO #4 - Denver Central (ATHMAR)	1865 W. Mississippi Ave., Unit C	\$ 21.10	\$ 464.13	M-F 1000-1400	15	8	\$100 k
DLO #5 - Denver NE	4685 Peoria St., Suite 101	\$ 21.24	\$ 467.32	M-F 1000-1400 or 1400-1600	15	8	\$100 k
DLO #6 - Ft. Collins RSC	3030 S. College Ave., Suite 100	\$ 21.75	\$ 478.47	M-F 1200-1400	15	8	\$100 k
DLO #7 - Golden	16950 W. Colfax Ave, Unit 104	\$ 21.17	\$ 465.73	M-F 1300-1500	15	8	\$100 k
DLO #8 - Greeley	2320 W. Reservoir Rd, Suite A	\$ 21.10	\$ 464.13	M-F 1200-1400	15	8	\$100 k
DLO #9 - Littleton	311 E. County Line Rd, Oakbrook Shopping Center	\$ 20.95	\$ 460.94	M-F 1400-1600	15	8	\$100 k
DLO #10 - Longmont	917 S. Main St., Suite 600	\$ 21.02	\$ 462.54	M-F 1000-1200	15	8	\$100 k
DLO #11 - Loveland	118 E. 29th St., Suite F	\$ 20.95	\$ 460.94	M-F 0900-1100	15	8	\$100 k
DLO #12 - Northglenn	11900 N. Washington St.	\$ 21.17	\$ 465.72	M-F 1400-1600	15	8	\$100 k
DLO #13 - Parker	17924 Cottonwood Dr.	\$ 20.95	\$ 460.94	M-F 1400-1600	15	8	\$100 k
DOR #1 - Denver	1375 Sherman St., Room 108	\$ 28.20	\$ 620.35	M-F 1000-1200	15	8	\$500 k
DOR #2 - Lakewood	1881 Pierce St., Cashiers	\$ 56.33	\$ 1,239.15	M-F 0700-0900	15	20	\$1.1 M
DOR #2 - Lakewood (Two (2) special runs)	1881 Pierce St., Cashiers	\$ 65.00	\$ 140.73	M-F 1500-1700	15	20	\$1.1 M
DOR #3 - Golden	17301 W. Colfax Ave., Suite 135	\$ 21.06	\$ 463.21	M-F 1300-1500	15	8	\$500 k
DOR #4 - Denver	1697 Cole Blvd.	\$ 24.51	\$ 539.17	M-F 0800-1000	15	8	\$500 k
DOR #5 - Colorado Springs	1030 South Academy Blvd., Suite 200	\$ 24.29	\$ 208.90	T & F 1000-1200	15	8	\$500 k
DOR #6 - Longmont	275 W. Main St., Suite 101	\$ 23.92	\$ 205.72	T & F 0830-1030	15	8	\$500 k

Exhibit C below provides a previous vendor over current vendor rate change.



<b>EXHIBIT C - Price Increases</b>				
<b>Location</b>	<b>Address</b>	<b>Monthly Price</b>		<b>Variance</b>
		<b>Previous</b>	<b>New *</b>	
DLO #1 - Aurora	14391 E. 4th Ave.	\$ 258.00	\$ 462.54	\$ 204.54
DLO #2 - Boulder	2850 Iris Ave., Suite F	\$ 258.00	\$ 460.94	\$ 202.94
DLO #3 - Colorado Springs	2447 N. Union Blvd.	\$ 258.00	\$ 465.73	\$ 207.73
DLO #4 - Denver Central (ATHMAR)	1865 W. Mississippi Ave., Unit C	\$ 258.00	\$ 464.13	\$ 206.13
DLO #5 - Denver NE	4685 Peoria St., Suite 101	\$ 258.00	\$ 467.32	\$ 209.32
DLO #6 - Ft. Collins RSC	3030 S. College Ave., Suite 100	\$ 258.00	\$ 478.47	\$ 220.47
DLO #7 - Golden	16950 W. Colfax Ave, Unit 104	\$ 258.00	\$ 465.73	\$ 207.73
DLO #8 - Greeley	2320 W. Reservoir Rd, Suite A	\$ 258.00	\$ 464.13	\$ 206.13
DLO #9 - Littleton	311 E. County Line Rd, Oakbrook Shopping Center	\$ 258.00	\$ 460.94	\$ 202.94
DLO #10 - Longmont	917 S. Main St., Suite 600	\$ 258.00	\$ 462.54	\$ 204.54
DLO #11 - Loveland	118 E. 29th St., Suite F	\$ 258.00	\$ 460.94	\$ 202.94
DLO #12 - Northglenn	11900 N. Washington St.	\$ 258.00	\$ 465.72	\$ 207.72
DLO #13 - Parker	17924 Cottonwood Dr.	\$ 258.00	\$ 460.94	\$ 202.94
DOR #1 - Denver	1375 Sherman St., Room 108	\$ 342.58	\$ 620.35	\$ 277.77
DOR #2 - Lakewood	1881 Pierce St., Cashiers	\$ 434.71	\$ 1,239.15	\$ 804.44
DOR #2 - Lakewood (Two (2) special runs)	1881 Pierce St., Cashiers	\$ 140.73	\$ 140.73	-
DOR #3 - Golden	17301 W. Colfax Ave., Suite 135	\$ 258.00	\$ 463.21	\$ 205.21
DOR #4 - Denver	1697 Cole Blvd.	\$ -	\$ 539.17	\$ 539.17
DOR #5 - Colorado Springs	1030 South Academy Blvd., Suite 200	\$ 44.00	\$ 208.90	\$ 164.90
DOR #6 - Longmont	275 W. Main St., Suite 101	\$ 44.00	\$ 205.72	\$ 161.72
DLO #1 - Pueblo	827 W 4 <sup>th</sup> St.	\$ 258.00	\$ 579.67	\$ 321.67
DLO #2 - Canon City	127 Justice Center Rd, Ste K	\$ 258.00	\$ 185.32	\$ (72.68)
DLO #3 - Durango	329-A S. Camino Del Rio	\$ 383.00	\$ 185.32	\$ (197.68)
DLO #4 - Frisco	37 County Rd 1005	\$ 258.00	\$ 185.32	\$ (72.68)
DLO #5 - Glenwood Springs	51027 Hwy 6	\$ 258.00	\$ 579.67	\$ 321.67
DLO #6 - Grand Junction	222 S 6 <sup>th</sup> # 111	\$ 258.00	\$ 486.92	\$ 228.92
DLO #7 - Montrose	86 Rose Ln	\$ 258.00	\$ 185.32	\$ (72.68)
		\$ 6,549.02	\$ 11,844.87	\$ 5,295.84
* Includes 7% Insurance increase per Loomis Contract			Annual Total	\$ 63,551



### ***Cost and FTE***

- The Department requests an increase in cash fund spending authority of \$4,028,785 in FY 2018-19 and thereafter. Of this total, an increase of \$1,697,975 is needed in Vendor Fees and an increase of \$2,330,810 is needed in Retailer Compensation. The Lottery is a cash-funded enterprise fund.

### ***Current Program***

- The Lottery's current vendor contract (paid out of Vendor Fees appropriation) has been in place since January 2014. The vendor contract provides for statewide support, a communications network, a central system, and other services for the Lottery's 3,100 retailers.
- Lottery retailers are paid a 7% commission on all scratch sales, a 6% commission on all Jackpot sales, and a 1% cashing bonus on the amount of all prizes claimed at their store. They also receive bonuses, which when combined, can equal up to 0.5% of total sales.

### ***Problem or Opportunity***

- Powerball and MegaMillions are nationwide games with jackpots that can reach very large dollar values. For example, in FY 2015-16 the Powerball game reached a jackpot of \$1.5 billion. Sales levels for jackpot games are unpredictable.
- The Vendor Fee and Retailer Compensation line items vary directly with ticket sales; so the Lottery needs to ensure adequate spending authority exists to support unpredictable Jackpot ticket sales and the associated impact on these dependent budgetary line items. This request reflects an increase in spending authority to an amount that is 120% of projected sales.

### ***Consequences of Problem***

- The Lottery could be at risk of not being able to pay its vendors and/or retailers if there were to be a year of record jackpots for MegaMillions or Powerball, or a dramatic increase in Jackpot ticket sales (possibly from the addition of new retailers, such as Walmart).
- Vendors then might decide to turn off the Lottery machines, which would result in the Lottery not being able to sell its games. Retailers could choose to stop selling Lottery games as a result of not being paid commissions.
- The Lottery could face disciplinary actions from the Multi-State Lottery Association.
- There could be a loss of confidence and goodwill of players and beneficiaries.

### ***Proposed Solution***

- The Department requests a total increase of \$4,028,785, beginning in FY 2018-19 and thereafter, to ensure adequate spending authority exists to support unpredictable Jackpot ticket sales.



# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael Hartman  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

### **Department Priority: R-3**

### **Request Detail: Lottery Vendor Fees and Retailer Compensation**

Summary of Incremental Funding Change for FY 2018-19	Total Funds	Cash Fund
Lottery Vendor Fees and Retailer Compensation	\$4,028,785	\$4,028,785

### **Problem or Opportunity:**

The Department of Revenue seeks to increase the revenue of the State's lottery, while maintaining or lowering the ratio of administrative expenses to total sales. As lottery revenues increase, distributions to recipients such as Great Outdoors Colorado (GOCO), the Conservation Trust Fund, Colorado Parks and Wildlife and Building Excellent Schools Today (BEST) also increase. The mission of the Lottery is to maximize proceeds for recipients in a way that demonstrates the integrity appropriate for a state agency.

Powerball and MegaMillions are nationwide games whose jackpots have the potential to reach unprecedented levels. For example, in FY 2015-16, the Powerball jackpot grew to \$1.5 billion. For this reason, sales levels for these games are unpredictable. The Vendor Fee and Retailer Compensation line items vary directly with ticket sales, so the Lottery needs to ensure adequate spending authority exists to support unpredictable Jackpot ticket sales increases to these line items.

The Lottery has been under the current vendor contract (paid out of Vendor Fees line item) since January 17, 2014. This contract provides for statewide support, a communications network, a central system, and other services for the Lottery's 3,100 retailers. Lottery retailers are paid a 7% commission on all scratch sales, a 6% commission on all Jackpot sales, and a 1% cashing bonus on the amount of all prizes claimed at their store. They also receive a selling bonus of \$1,000 to \$50,000 for selling top-prize-winning tickets and a quarterly compliance bonus, which, combined, can equal up to 0.5% of total sales. (These are paid out of the Retailer Compensation line item.)

Prior to FY 2008-09, Lottery variable cost line items were adjusted every year to reflect the latest sales estimates using the supplemental budget request process. This was stopped when the spending authority limit reached an adequate amount based on sales estimates. These line items have not been adjusted since FY 2008-09. However, since then, total sales have increased by \$101 million (up from \$493.4 million in FY 2008-09 to \$594.4 million for FY 2015-16.) The Lottery is now requesting this increase to cover up to 120% of projected sales to cover any unprecedented jackpots.

***Proposed Solution:***

The Department requests an increase in cash fund spending authority of \$4,028,785 in FY 2018-19 and thereafter in the following Lottery line items:

Table 1. Requested Long Bill line item Adjustments

<b>Line Item</b>	<b>FY 2017-18 Forecasted Payments to Vendor and Retailer</b>	<b>FY 2017-18 Appropriation</b>	<b>Adjustment Needed</b>
Vendor Fees	\$14,269,479	\$12,571,504	<b>\$1,697,975</b>
Retailer Compensation	\$54,572,160	\$52,241,350	<b>\$2,330,810</b>
<b>Total All Lines</b>	<b>\$68,841,639</b>	<b>\$64,812,854</b>	<b>\$4,028,785</b>

These adjustments are based on the upper limit (120%) of projected sales (see tables in Assumptions and Calculations Section below).

***Anticipated Outcomes:***

If this request is not granted and Powerball and/or MegaMillions were to have a year of record jackpots, or a dramatic increase in sales (which could result from the addition of new retailers, such as Walmart) the Lottery would be in jeopardy of not being able to pay its vendors and/or retailers. Unpaid vendors could choose to turn off machines selling Lottery games. Retailers could also refuse to sell Lottery games as a result of not being compensated. Should either one of these scenarios happen, the Lottery could face disciplinary actions from the Multi-State Lottery Association, which administers the multi-state games. There could also be a loss of confidence from players and beneficiaries.

With an increase to these appropriations, the Lottery will be able to continue to provide its games to players and to maximize proceeds to constitutionally defined beneficiaries without the danger of running out of spending authority.

***Assumptions and Calculations:***

These requested adjustments are based on 120% of projected sales, and assume that sales will not vary more than 20% above the projected sales total. See the following tables for additional detail.

Table 2. Composition of Projected Jackpot Sales

Type of Jackpot	Projected Jackpot Sales	Percent of Total
Powerball Sales	\$115,122,117	57.8%
Lotto Sales	\$27,422,320	13.8%
MegaMillions Sales	\$28,763,801	14.4%
Pick 3 Sales	\$8,949,584	4.5%
Cash5 Sales	\$18,991,636	9.5%
<b>Total Projected Jackpot Sales</b>	<b>\$199,249,458</b>	<b>100%</b>

Table 3. Range of Projected Total Sales

Type of Sale	Range of Projected Total Sales		
	80%	100%	120%
Projected Scratch Sales	\$316,100,000	\$395,162,447	\$474,200,000
Projected Jackpot Sales	\$159,400,000	\$199,249,458	\$239,100,000
<b>Total</b>	<b>\$475,500,000</b>	<b>\$594,411,905</b>	<b>\$713,300,000</b>

### **Vendor Fees**

The Lottery has been under the current vendor contract (paid out of the Vendor Fees appropriation) since January 17, 2014. The majority of Vendor Fees are paid to the vendor as a percentage of total sales.

Table 4. Base Vendor Fee

Sale Type	Rate on Sales (Rounded)	Projected Weekly Sales	Weekly Base Vendor Fee	Weeks Per Year	Total Base Fee
Base	1.52%	\$13,717,308	\$209,175	52	\$10,877,112
Gemini	1.22%	\$2,522,113	\$30,961	52	\$1,609,996
<b>Total</b>			<b>\$240,137</b>		<b>\$ 12,487,108</b>

Vendor fees also include a fee for Gemini Ultra, online terminals, prize payment fees, backup units purchased, and jackpot signage, totaling \$1.7 million.

Table 5. Other Vendor Fees

Type of Fee	Total
Purchase of Geminis	\$860,000
Purchase of Online Terminals	\$328,500
Prize Payment/Checkwriter System cost per month	\$108,000
Backup Units	\$49,950
Jackpot signs	\$231,921
Jackpot sign maintenance	\$144,000
Dual communication charge	\$60,000
<b>Total Other Vendor Fees</b>	<b>\$1,782,371</b>

Table 6. Total Vendor Fees

Type of Vendor Fee	Total
Base Vendor Fee	\$12,487,108
Other Vendor Fees	\$1,782,371
<b>Total</b>	<b>\$14,269,479</b>

### **Retail Compensation**

Lottery retailers are paid a 7% commission on all scratch sales and 6% on all Jackpot sales. They are paid a 1% cashing bonus on the amount of all prizes claimed at their store. They are paid a selling bonus of \$1,000 to \$50,000 for selling top-prize-winning tickets and they are paid a quarterly compliance bonus, which combined can equal up to 0.5% of all sales.

Table 7. Scratch Retailer Compensation

Scratch Retailer Compensation	120% Projected Sales	Rate	Total
Commission	\$474,200,000	7.0%	\$33,194,000
Cashing Bonus*	\$474,200,000	0.63%	\$2,987,460
Selling/Compliance Bonus	\$474,200,000	0.5%	\$2,371,000
<b>Total</b>			<b>\$38,552,460</b>

\*A weighted average cashing bonus percentage is used based on previous Powerball, Lotto, Lucky for Life, Pick 3, and Cash 5 percentages.

Table 8. Jackpot Retailer Compensation

<b>Jackpot Retailer Compensation</b>	<b>120% Projected Sales</b>	<b>Rate</b>	<b>Total</b>
Commission	\$239,100,000	6.0%	\$14,346,000
Cashing Bonus*	\$239,100,000	0.2%	\$478,200
Selling/Compliance Bonus	\$239,100,000	0.5%	\$1,195,500
<b>Total</b>			<b>\$16,019,700</b>

\*A weighted average cashing bonus percentage is used based on previous Powerball, Lotto, Lucky for Life, Pick 3, and Cash 5 percentages.

Table 9. Total Retailer Compensation

<b>Type of Retailer Compensation</b>	<b>Total</b>
Scratch	\$38,552,460
Jackpot	\$16,019,700
<b>Total</b>	<b>\$54,572,160</b>

There are no additional FTE or equipment costs associated with this request. Projected sales will not require the Lottery to increase FTE or purchase additional equipment, current personnel and infrastructure are sufficient. However, the contract with the vendor and agreements with retailers require a percentage of sales be paid to them. So as sales increase so does the Lottery's obligation to its vendor and retailers.



### ***Cost and FTE***

- The Department requests an increase in cash fund spending authority of \$43,734 in FY 2018-19 and thereafter in the Liquor Enforcement Division (LED) from the State Licensing Authority Cash Fund for operating expenses in the LED. This represents a 41 percent increase in the LED operating expenses line item appropriation.

### ***Current Program***

- The LED is empowered with statewide law enforcement jurisdiction.
- The LED monitors compliance with Colorado liquor and tobacco laws and regulations through education, outreach, licensing, inspections, and enforcement activities in conjunction and cooperation with local and state enforcement officials, local licensing authorities, and the industry.
- LED investigators conduct compliance checks and inspections, and investigate complaints.
- Additionally, the LED engages in enforcement activities at numerous special events across the state, often at the request of local law enforcement agencies.

### ***Problem or Opportunity***

- The LED has 4.0 FTE stationed in Grand Junction covering the Western Slope. However, due to the size of this region, compliance checks and enforcement operations often result in additional travel expenses for the regional investigator or for the additional, necessary, Denver-based staff who travel to conduct enforcement operations at concerts, sporting events and other venues.
- Current funding for operating expenses is insufficient to support travel to remote locations and to adequately staff minor-in-possession operations at concerts, sporting events, and other venues.
- Costs for required equipment associated with enforcement operations have been increasing, and these costs have been funded in lieu of travel or other operational needs.

### ***Consequences of Problem***

- Compliance checks serve as a deterrent to retailers from serving alcohol to minors, and to minors from possessing alcohol at large public venues. Without additional spending authority, the LED will conduct compliance checks and enforce underage drinking laws in a limited capacity in remote locations, and at events such as Country Jam, XGames, and Bands in the Backyard, compliance checks will be reduced or eliminated.
- Violations for underage liquor sales and minor-in-possession could increase if the industry and the public become aware that enforcement efforts have been reduced or eliminated.

### ***Proposed Solution***

- The Department requests \$43,734 in LED operating expenses to improve compliance and enforcement operations statewide, especially in remote areas. Of this amount, \$29,640 is for equipment replacement and \$14,094 is for increased travel costs. The cash fund has sufficient revenue to fund this increase.
- Citizens, local law enforcement, and the liquor industry will benefit from the additional efforts.





# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael Hartman  
Executive Director

FY 2018-19 Funding Request | November 1, 2017

**Department Priority: R-4**

**Request Detail: Liquor Enforcement Division Operating Increase**

Summary of Incremental Funding Change for FY 2018-19	Total Funds	Cash Funds
Liquor Enforcement Division Operating Increase	\$43,734	\$43,734

### **Problem or Opportunity:**

The Liquor Enforcement Division (LED) is responsible for licensing and regulating businesses selling alcohol in the State of Colorado by providing education, training, and outreach; carrying out inspections, background investigations, and enforcement actions; implementing legislation; promulgating rules and issuing licenses; and conducting the public hearings for licensees on state-owned property.

Businesses under the LED's purview include liquor retailers, manufacturers, wholesalers, and importers. There are currently over 13,000 liquor licenses in Colorado, of which 1,763 are licenses for new liquor establishments. The LED is also responsible for processing renewal applications, premises modifications, location changes, trade name changes, storage permits, delivery permits, wine tasting permits, and new product registrations. Colorado has become a popular location for new breweries, wineries, and distilleries. The number of new breweries has tripled and the number of new distilleries has doubled in just the last three years. In addition to growth within the current market, legislative changes have added new license types and modified existing ones. These legislative changes have increased the number and types of businesses interacting with the LED.

Two activities that support the LED's mission of gaining and monitoring compliance with Colorado's liquor laws are underage compliance checks and minor-in-possession checks. Both of these activities are aimed at reducing underage consumption of alcohol.

- Underage compliance checks are carried out through an undercover operation in which a minor attempts to purchase alcohol from a licensed business. Criminal investigators from the LED coordinate the operation and use a "joey" (commonly known as a wire) to transmit and record the transaction for evidence.
- Minor-in-possession checks are most often carried out by criminal investigators who attend and monitor events for underage drinking.

In FY 2015-16, the LED completed underage compliance checks on 38 percent of all licensees as compared to 30 percent during the prior year. The increase is partly attributable to a one-year grant received from the Colorado Department of Transportation, which accounted for 661 of the 4,366 compliance checks or

approximately 15 percent of the total. The grant provided an extra \$13,200 in operating expenses, including \$8,400 for travel expenses. The requirement for the grant was to complete five operations in three counties with highest number of youth fatalities. These counties were El Paso, Jefferson, and Adams. The restriction of only allowing three counties hampered additional efforts across the state, specifically on the Western Slope and other more remote areas of the state. Remote areas of the state require overnight stays with lodging, per diem, and other travel expenses.

Aside from personnel costs, enforcement activity costs include equipment purchase and maintenance, lodging and per diem. For the past four years, the LED has struggled to maintain a statewide enforcement presence due to pressure on the operating budget from increased costs. Under these budget pressures, the LED has taken several steps, including balancing the priority of travel and lodging expenditures with standard operating and equipment maintenance costs, reducing travel to destinations requiring an overnight stay, reducing the LED's presence at multi-day festivals and other events, and reducing training opportunities for new investigators. These budget pressures were partially, but temporarily, offset by the previously mentioned one-year grant.

The Department requests an increase to the LED's operating spending authority to support the efforts of reducing underage alcohol consumption. Current fees and fund balance are estimated to be adequate to support the requested increase. However, fees are analyzed, reviewed, and adjusted each year as necessary to cover the direct and indirect expenses of the LED.

#### ***Proposed Solution:***

The Department requests increased spending authority of \$43,734 in FY 2018-19 and thereafter in the Liquor and Tobacco Enforcement Division, Operating Expenses line item appropriation from the State Licensing Authority Cash Fund. The increase will support the LED's enforcement efforts by funding travel for compliance checks and equipment costs such as surveillance equipment maintenance and replacement.

Without the increased operating spending authority, the LED will not have adequate resources to conduct statewide compliance checks, and enforcement operations at large public events may be reduced or eliminated. This will adversely affect compliance rates and underage alcohol consumption may increase.

#### ***Anticipated Outcomes:***

The proposed solution will allow the LED to provide more consistent enforcement activities throughout the state and to provide greater support to remote communities. Expanding the LED's abilities to conduct these checks is anticipated to reduce non-compliance rates for underage liquor sales and minor-in-possession citations.

During enforcement operations, the LED uses several pieces of equipment including joeys, scanners, and radios. Much of the equipment that the LED currently uses is past end-of-life. To ensure equipment is current and operating within its lifespan, the LED recommends replacement of two of the above items per year. Towards that goal and if this funding request is approved, equipment maintenance can be reestablished in the operating budget ensuring that LED's equipment is functional and can be replaced on a set cycle.

The increased travel budget will reduce the amount of overtime required to reach remote destinations, and also allow for safer conduct at events as the investigators can partner with one or two other investigators while at the event.

The OSPB Research and Evidence Based-Policy Team considers compliance checks for alcohol an evidence-based program and there are rigorous evaluation studies to support its efficacy. Research demonstrates that compliance checks for alcohol can impact reducing alcohol use in high school and reducing youth binge drinking. Although the program has rigorous research to support its efficacy, the *Results First* model is not currently able to perform benefit-cost analysis on compliance checks. Additional information on compliance checks can be accessed in the Colorado Results First Prevention Report on page 34, found online at <https://sites.google.com/state.co.us/rfpfs/colorado-results-first/reports>.

#### ***Assumptions and Calculations:***

The Department requests \$43,734 in FY 2018-19 and thereafter from the Liquor Enforcement Division from the State Licensing Authority Cash Fund for operating expenses. There are two components of the funding request detailed below.

***Travel and Lodging - \$14,094.*** LED investigators completed enforcement activities at approximately eight multi-day events and 208 single day events. The events include both compliance checks and minor-in-possession checks. Planned, upcoming LED events include, among others, Global Dub, Global Dance, X-Games, Snowball, Bands in the Backyard, and Country Jam. LED presence at these events is subject to funding as each will require lodging, per diem, and multiple investigators to ensure safety and effectiveness. Multi-day events typically have six staff on duty. Funding from this request will allow for an average of eight staff per event. Depending on the location, some or all of these investigators will require travel and lodging. Estimated costs are as follows:

- \$173 per investigator per day \* 2 investigators \* 8 events \* 3 days per event = \$8,304

Compliance checks are most frequently one-day events. However, for compliance checks in more remote areas, an overnight stay is necessary. The LED currently budgets for approximately 30 compliance checks that require overnight stays. This request is to increase the number of overnight stays from 30 to 45. Estimated costs are as follows:

- \$193 per investigator per day (including \$20 for minor per diem) \* 2 investigators \* 15 events \* 1 day per event = \$5,790

***Equipment Replacement - \$29,640.*** Given a replacement schedule of 2 pieces of equipment per year, annual equipment replacement costs are as follows:

- \$3,700 per joey \* 2 units = \$7,400
- \$11,000 per radio \* 2 units = \$22,000
- \$120 per scanner \* 2 units = \$240



### ***Cost and FTE***

- This proposal would reduce the Taxation Division's appropriation by \$600,000 in General Fund in the Tax Administration IT System (GenTax) Support Long Bill line item. There are no FTE affiliated with this reduction.

### ***Current Program***

- This budget was appropriated as a result of the Department's FY 2015-16 supplemental and FY 2016-17 Budget Amendment S-2/BA-1 to implement the GenTax Dex Fraud Manager, a new functional service within the GenTax system. The Department and vendor were unable to reach an agreement during the negotiations, so the service was not implemented. This \$600,000 appropriation is restricted in CORE since the implementation never occurred; therefore, the reduction would have no operational impact.

### ***Problem or Opportunity***

- This budget is currently restricted in CORE because the Dex Fraud Manager program was never implemented. Therefore, this reduction would have no operational impact.

### ***Consequences of Problem***

- This reduction would have no operational impact.

### ***Proposed Solution***

- DOR proposes reducing the Taxation Division's appropriation by \$600,000 in General Fund in the Tax Administration IT System (GenTax) Support Long Bill line item. This amount was appropriated as a portion of the Department's FY 2015-16 supplemental and FY 2016-17 Budget Amendment S-2/BA-1 request. Since the Dex Fraud Manager functionality was not implemented, the entire \$600,000 appropriation can be reduced with no operational impact.



# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael S. Hartman  
Executive Director

FY 2018-19 Budget Reduction Item | November 1, 2017

**Department Priority: R-6**

**Request Detail: GenTax Dex Fraud Manager**

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
GenTax Dex Fraud Manager	(\$600,000)	(\$600,000)

### **Problem or Opportunity:**

This proposal would reduce the Taxation Division's appropriation by \$600,000 in General Fund in the Tax Administration IT System (GenTax) Support Long Bill line item, with no operational impact. There are no FTE affiliated with this reduction.

### **Proposed Solution:**

DOR proposes reducing the Taxation Division's appropriation by \$600,000 in General Fund in the Tax Administration IT System (GenTax) Support Long Bill line item. This budget was appropriated as a result of the Department's FY 2015-16 supplemental and FY 2016-17 Budget Amendment S-2/BA-1 to implement the GenTax DEX Fraud Manager program, a new functional service within the GenTax system. The Department and the vendor were unable to successfully negotiate terms, so the service was not implemented. This appropriation is restricted in CORE since the implementation never occurred; therefore, the reduction would have no operational impact.

### **Anticipated Outcomes:**

Approval of this proposal would return \$600,000 to the General Fund, with no corresponding operational impact.

### **Assumptions and Calculations:**

This \$600,000 budget was appropriated as a portion of the Department's FY 2015-16 supplemental and FY 2016-17 Budget Amendment S-2/BA-1 request. Since the functionality was not implemented the entire \$600,000 appropriation can be reduced.



#### ***Cost and FTE***

- This proposal would reduce the Taxation Division, Tax Conferee section's appropriation by \$1,035,000 in General Fund personal services and the Hearings Division within EDO by \$178,955 in General Fund personal services and \$2,470 in General Fund operating. There are no FTE affiliated with this reduction.

#### ***Current Program***

- This appropriation was originally awarded through HB11-1300 for consultant work related to Gross Conservation Easement. Since then, the majority of the case load related to Gross Conservation Easement has been completed and this appropriation for consultant work is no longer used. This budget is restricted in CORE and this reduction would have no operational impact.

#### ***Problem or Opportunity***

- This budget is restricted in CORE and is no longer used to pay for contracted services work on Gross Conservation Easement cases; therefore, the reduction would have no operational impact.

#### ***Consequences of Problem***

- This reduction would have no operational impact.

#### ***Proposed Solution***

- DOR proposes reducing the Taxation Division, Tax Conferee section's appropriation by \$1,035,000 in General Fund personal services and the Hearings Division within EDO by \$178,955 in General Fund personal services and \$2,470 in General Fund operating. This reduction will have no operational impact.



# COLORADO

## Department of Revenue

John W. Hickenlooper  
Governor

Michael S. Hartman  
Executive Director

FY 2018-19 Budget Reduction Item | November 1, 2017

**Department Priority: R-7**  
**Request Detail: Gross Conservation Easement**

Summary of Incremental Funding Change for FY 2017-18	Total Funds	General Fund
Gross Conservation Easement	(\$1,216,425)	(\$1,216,425)

### **Problem or Opportunity:**

This proposal would reduce the Taxation Division, Tax Conferee section's appropriation by \$1,035,000 in General Fund personal services, and the Hearings Division within EDO by \$178,955 in General Fund personal services and \$2,470 in General Fund operating, with no operational impact. There are no FTE affiliated with this reduction.

### **Proposed Solution:**

DOR proposes reducing the Taxation Division, Tax Conferee section appropriation by \$1,035,000 in General Fund personal services, and the Hearings Division within EDO by \$178,955 in General Fund personal services and \$2,470 in General Fund operating. This appropriation was originally awarded through HB11-1300 for consultant work related to Gross Conservation Easement. Since then, the majority of the workload related to Gross Conservation Easement has been completed and this appropriation for consultant work is no longer used. This budget is restricted in CORE; there are no FTE affiliated with this reduction, and it would have no operational impact.

### **Anticipated Outcomes:**

Approval of this proposal would return \$1,216,425 to the General Fund, with no corresponding operational impact.

### **Assumptions and Calculations:**

HB11-1300 awarded the Taxation Division, Tax Conferee section \$1,035,000 in General Fund personal services, and the Hearings Division within EDO \$178,955 in General Fund personal services and \$2,470 in General Fund operating for consultant work related to Gross Conservation Easement. The bulk of the work has now been completed, and the appropriation is no longer being utilized.

## Schedule 13

### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-01 DRIVES System Maintenance and Support**

Dept. Approval By: 

Supplemental FY 2017-18

  X  

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$85,244	\$0	\$85,244	\$2,600,000	\$6,240,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$12,475	\$0	\$12,111	\$0	\$0
	CF	\$69,379	\$0	\$69,743	\$2,600,000	\$6,240,000
	RF	\$3,390	\$0	\$3,390	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Division of Motor Vehicles, (A) Administration -- Operating Expenses	Total	\$85,244	\$0	\$85,244	\$2,600,000	\$6,240,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$12,475	\$0	\$12,111	\$0	\$0
	CF	\$69,379	\$0	\$69,743	\$2,600,000	\$6,240,000
	RF	\$3,390	\$0	\$3,390	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No	
FF Letternote Text Revision Required?	Yes	No	



**Department of Revenue**

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Revenue Prioritized Request
Interagency Approval or Related Schedule 13s: Office of Information Technology	

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-02 Armored Car Appropriation Increase**

Dept. Approval By: 

Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$16,460,022	\$0	\$15,642,837	\$63,551	\$63,551
	FTE	104.0	0.0	104.1	0.0	0.0
<b>Total of All Line Items Impacted by Change Request</b>	GF	\$1,988,387	\$0	\$1,988,387	\$1,177	\$1,177
	CF	\$14,461,465	\$0	\$13,644,280	\$62,374	\$62,374
	RF	\$10,170	\$0	\$10,170	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	\$2,278,963	\$0	\$2,278,963	\$1,177	\$1,177
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) Administration and Support -- Operating Expenses	GF	\$1,570,283	\$0	\$1,570,283	\$1,177	\$1,177
	CF	\$708,680	\$0	\$708,680	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

	<b>Total</b>	\$3,213,873	\$0	\$2,320,473	\$46,402	\$46,402
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (B) Driver Services, (1) Administration -- Operating Expense	GF	\$418,104	\$0	\$418,104	\$0	\$0
	CF	\$2,785,599	\$0	\$1,892,199	\$46,402	\$46,402

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Operating Expense	RF	\$10,170	\$0	\$10,170	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,032,595</b>	<b>\$0</b>	<b>\$1,032,595</b>	<b>\$2,463</b>	<b>\$2,463</b>
	FTE	0.0	0.0	0.0	0.0	0.0
05. Enforcement	GF	\$0	\$0	\$0	\$0	\$0
Business Group,	CF	\$1,032,595	\$0	\$1,032,595	\$2,463	\$2,463
(B) Limited Gaming	RF	\$0	\$0	\$0	\$0	\$0
Division --	FF	\$0	\$0	\$0	\$0	\$0
Operating						
Expenses						
	<b>Total</b>	<b>\$9,934,591</b>	<b>\$0</b>	<b>\$10,010,806</b>	<b>\$13,509</b>	<b>\$13,509</b>
	FTE	104.0	0.0	104.1	0.0	0.0
05. Enforcement	GF	\$0	\$0	\$0	\$0	\$0
Business Group, (F)	CF	\$9,934,591	\$0	\$10,010,806	\$13,509	\$13,509
Marijuana	RF	\$0	\$0	\$0	\$0	\$0
Enforcement --	FF	\$0	\$0	\$0	\$0	\$0
Marijuana						
Enforcement						

CF Letternote Text Revision Required?	Yes	No	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No	
FF Letternote Text Revision Required?	Yes	No	
Requires Legislation?	Yes	No	X
Type of Request?	Department of Revenue Prioritized Request		
Interagency Approval or Related Schedule 13s: None			

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-03 Lottery Vendor Fees and Retail Compensation**

Dept. Approval By: 

Supplemental FY 2017-18

  X  

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$64,812,854	\$0	\$64,812,854	\$4,028,785	\$4,028,785
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$64,812,854	\$0	\$64,812,854	\$4,028,785	\$4,028,785
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
06. State Lottery Division -- Vendor Fees	Total	\$12,571,504	\$0	\$12,571,504	\$1,697,975	\$1,697,975
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$12,571,504	\$0	\$12,571,504	\$1,697,975	\$1,697,975
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

06. State Lottery Division -- Retailer Compensation	Total	\$52,241,350	\$0	\$52,241,350	\$2,330,810	\$2,330,810
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$52,241,350	\$0	\$52,241,350	\$2,330,810	\$2,330,810

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Requires Legislation?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Type of Request?	Department of Revenue Prioritized Request		
Interagency Approval or Related Schedule 13s: None			

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-04 Liquor Enforcement Division Operating Increase**

Dept. Approval By: 

Supplemental FY 2017-18

  X  

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	<b>\$111,637</b>	<b>\$0</b>	<b>\$113,062</b>	<b>\$43,734</b>	<b>\$43,734</b>
	FTE	0.0	0.0	0.0	0.0	0.0
<b>Total of All Line Items Impacted by Change Request</b>	GF	\$7,201	\$0	\$7,201	\$0	\$0
	CF	\$104,436	\$0	\$105,861	\$43,734	\$43,734
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	<b>\$111,637</b>	<b>\$0</b>	<b>\$113,062</b>	<b>\$43,734</b>	<b>\$43,734</b>
05. Enforcement Business Group,	FTE	0.0	0.0	0.0	0.0	0.0
(C) Liquor and Tobacco	GF	\$7,201	\$0	\$7,201	\$0	\$0
Enforcement	CF	\$104,436	\$0	\$105,861	\$43,734	\$43,734
Division --	RF	\$0	\$0	\$0	\$0	\$0
Operating Expenses	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

**Department of Revenue**

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Revenue Prioritized Request
Interagency Approval or Related Schedule 13s:	None

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-06 Gen Tax Fraud Manager Reduction**

Dept. Approval By: 

☐ Supplemental FY 2017-18

☒

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

☐ Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total of All Line Items Impacted by Change Request</b>	<b>Total</b>	<b>\$6,528,120</b>	<b>\$0</b>	<b>\$6,301,770</b>	<b>(\$600,000)</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$6,454,170	\$0	\$6,291,770	(\$600,000)	\$0
	CF	\$73,950	\$0	\$10,000	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
03. Taxation Business Group, (A) Administration -- CITA Annual Maintenance and Support	<b>Total</b>	<b>\$6,528,120</b>	<b>\$0</b>	<b>\$6,301,770</b>	<b>(\$600,000)</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$6,454,170	\$0	\$6,291,770	(\$600,000)	\$0
	CF	\$73,950	\$0	\$10,000	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	<b>If Yes, see schedule 4 fund source detail.</b>
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	



**Department of Revenue**

Requires Legislation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Type of Request?	Department of Revenue Prioritized Request
Interagency Approval or Related Schedule 13s:	None

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**R-07 Gross Conservation Easement Reduction**

Dept. Approval By: 

Supplemental FY 2017-18

  X  

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
<b>Total of All Line Items Impacted by Change Request</b>	<b>Total</b>	<b>\$5,195,862</b>	<b>\$0</b>	<b>\$5,257,480</b>	<b>(\$1,216,425)</b>	<b>\$0</b>
	FTE	43.2	0.0	43.2	0.0	0.0
	GF	\$2,812,114	\$0	\$2,833,281	(\$1,216,425)	\$0
	CF	\$2,286,465	\$0	\$2,326,916	\$0	\$0
	RF	\$97,283	\$0	\$97,283	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
01. Executive Director's Office, (B) Hearing Division -- Personal Services	<b>Total</b>	<b>\$2,366,482</b>	<b>\$0</b>	<b>\$2,406,933</b>	<b>(\$178,955)</b>	<b>\$0</b>
	FTE	29.6	0.0	29.6	0.0	0.0
	GF	\$178,955	\$0	\$178,955	(\$178,955)	\$0
	CF	\$2,187,527	\$0	\$2,227,978	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

01. Executive Director's Office, (B) Hearing Division -- Operating Expenses	<b>Total</b>	<b>\$101,408</b>	<b>\$0</b>	<b>\$101,408</b>	<b>(\$2,470)</b>	<b>\$0</b>
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$2,470	\$0	\$2,470	(\$2,470)	\$0
	CF	\$98,938	\$0	\$98,938	\$0	\$0

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Expenses	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<hr/>						
	<b>Total</b>	<b>\$2,727,972</b>	<b>\$0</b>	<b>\$2,749,139</b>	<b>(\$1,035,000)</b>	<b>\$0</b>
	FTE	13.6	0.0	13.6	0.0	0.0
03. Taxation	GF	\$2,630,689	\$0	\$2,651,856	(\$1,035,000)	\$0
Business Group,	CF	\$0	\$0	\$0	\$0	\$0
(D) Tax Conferee --	RF	\$97,283	\$0	\$97,283	\$0	\$0
Personal Services	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	
Requires Legislation?	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>	
Type of Request?	Department of Revenue Prioritized Request				
Interagency Approval or Related Schedule 13s: None					

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

**NP-01 Cybersecurity Liability Insurance Policy**

Dept. Approval By: 

☐ Supplemental FY 2017-18

☒ Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

☐ Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
Total of All Line Items Impacted by Change Request	Total	\$336,022	\$0	\$241,670	\$8,880
	FTE	0.0	0.0	0.0	0.0
	GF	\$135,510	\$0	\$95,743	\$3,516
	CF	\$200,512	\$0	\$145,927	\$5,364
	RF	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19	FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request Continuation
01. Executive Director's Office, (A) Administration and Support -- Payment to Risk Management and Property Funds	Total	\$336,022	\$0	\$241,670	\$8,880
	FTE	0.0	0.0	0.0	0.0
	GF	\$135,510	\$0	\$95,743	\$3,516
	CF	\$200,512	\$0	\$145,927	\$5,364
	RF	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	

**Department of Revenue**

Requires Legislation?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Type of Request?	Department of Revenue Non-Prioritized Request
Interagency Approval or Related Schedule 13s:	Department of Personnel and Administration

### Schedule 13

#### Funding Request for the FY 2018-19 Budget Cycle

Department of Revenue

Request Title

NP-02 Operating System Suite

Dept. Approval By: 

Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$42,941,471	\$0	\$39,365,054	\$18,321	\$32,807
	FTE	128.4	0.0	128.5	0.0	0.0
	GF	\$14,820,586	\$0	\$13,734,549	\$7,157	\$12,815
	CF	\$28,107,325	\$0	\$25,616,945	\$11,164	\$19,992
	RF	\$13,560	\$0	\$13,560	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
01. Executive Director's Office, (A) Administration and Support -- Operating Expenses	Total	\$2,278,963	\$0	\$2,278,963	(\$14,596)	(\$14,596)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$1,570,283	\$0	\$1,570,283	(\$14,035)	(\$14,035)
	CF	\$708,680	\$0	\$708,680	(\$561)	(\$561)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

01. Executive Director's Office, (A) Administration and Support -- Payments to OIT	Total	\$19,125,207	\$0	\$16,383,241	\$185,131	\$199,617
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$11,155,787	\$0	\$10,070,114	\$73,203	\$78,861
	CF	\$7,969,420	\$0	\$6,313,127	\$111,928	\$120,756

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Payments to OIT	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$101,408</b>	<b>\$0</b>	<b>\$101,408</b>	<b>(\$3,481)</b>	<b>(\$3,481)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (B) Hearing Division -- Operating Expenses	GF	\$2,470	\$0	\$2,470	\$0	\$0
	CF	\$98,938	\$0	\$98,938	(\$3,481)	(\$3,481)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$13,100</b>	<b>\$0</b>	<b>\$13,100</b>	<b>(\$557)</b>	<b>(\$557)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group, (A) Administration -- Operating Expenses	GF	\$13,100	\$0	\$13,100	(\$557)	(\$557)
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,057,353</b>	<b>\$0</b>	<b>\$1,057,353</b>	<b>(\$27,608)</b>	<b>(\$27,608)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group, (B) Taxation and Compliance Division -- Operating Expenses	GF	\$1,031,212	\$0	\$1,031,212	(\$25,663)	(\$25,663)
	CF	\$26,141	\$0	\$26,141	(\$1,945)	(\$1,945)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$524,961</b>	<b>\$0</b>	<b>\$524,961</b>	<b>(\$16,192)</b>	<b>(\$16,192)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group, (C) Taxpayer Service Division -- Operating Expenses	GF	\$520,281	\$0	\$520,281	(\$15,595)	(\$15,595)
	CF	\$4,680	\$0	\$4,680	(\$597)	(\$597)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	<b>Total</b>	<b>\$495,569</b>	<b>\$0</b>	<b>\$497,618</b>	<b>(\$176)</b>	<b>(\$176)</b>
	FTE	1.5	0.0	1.5	0.0	0.0
03. Taxation Business Group,	GF	\$0	\$0	\$0	\$0	\$0
(C) Taxpayer Service Division --	CF	\$495,569	\$0	\$497,618	(\$176)	(\$176)
Fuel Tracking System	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$62,504</b>	<b>\$0</b>	<b>\$62,504</b>	<b>(\$1,599)</b>	<b>(\$1,599)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
03. Taxation Business Group,	GF	\$62,504	\$0	\$62,504	(\$1,599)	(\$1,599)
(D) Tax Conferee --	CF	\$0	\$0	\$0	\$0	\$0
Operating Expenses	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$85,244</b>	<b>\$0</b>	<b>\$85,244</b>	<b>(\$2,222)</b>	<b>(\$2,222)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (A)	GF	\$12,475	\$0	\$12,111	(\$400)	(\$400)
Administration --	CF	\$69,379	\$0	\$69,743	(\$1,822)	(\$1,822)
Operating Expenses	RF	\$3,390	\$0	\$3,390	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$3,213,873</b>	<b>\$0</b>	<b>\$2,320,473</b>	<b>(\$46,683)</b>	<b>(\$46,683)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
04. Division of Motor Vehicles, (B)	GF	\$418,104	\$0	\$418,104	(\$6,949)	(\$6,949)
Driver Services, (1)	CF	\$2,785,599	\$0	\$1,892,199	(\$39,734)	(\$39,734)
Administration --	RF	\$10,170	\$0	\$10,170	\$0	\$0
Operating Expense	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,231,832</b>	<b>\$0</b>	<b>\$1,241,261</b>	<b>(\$811)</b>	<b>(\$811)</b>



Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
04. Division of Motor Vehicles, (B) Driver Services, (1) Administration -- Ignition Interlock Program	FTE	6.9	0.0	6.9	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,231,832	\$0	\$1,241,261	(\$811)	(\$811)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<b>Total</b>		<b>\$459,882</b>	<b>\$0</b>	<b>\$459,882</b>	<b>(\$5,880)</b>	<b>(\$5,880)</b>
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Administration -- Operating Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$27,169	\$0	\$27,169	(\$1,012)	(\$1,012)
	CF	\$432,713	\$0	\$432,713	(\$4,868)	(\$4,868)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<b>Total</b>		<b>\$337,006</b>	<b>\$0</b>	<b>\$338,373</b>	<b>(\$118)</b>	<b>(\$118)</b>
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Administration -- Motorist Insurance Identification Database Program	FTE	1.0	0.0	1.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$337,006	\$0	\$338,373	(\$118)	(\$118)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<b>Total</b>		<b>\$1,256,439</b>	<b>\$0</b>	<b>\$1,276,938</b>	<b>(\$1,764)</b>	<b>(\$1,764)</b>
04. Division of Motor Vehicles, (C) Vehicle Services, (1) Administration -- Emissions Program	FTE	15.0	0.0	15.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$1,256,439	\$0	\$1,276,938	(\$1,764)	(\$1,764)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
<b>Total</b>		<b>\$1,032,595</b>	<b>\$0</b>	<b>\$1,032,595</b>	<b>(\$10,701)</b>	<b>(\$10,701)</b>
Business Group, (B) Limited Gaming Division -- Operating	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Division -- Operating Expenses	CF	\$1,032,595	\$0	\$1,032,595	(\$10,701)	(\$10,701)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$111,637</b>	<b>\$0</b>	<b>\$113,062</b>	<b>(\$3,705)</b>	<b>(\$3,705)</b>
05. Enforcement Business Group, (C) Liquor and Tobacco	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$7,201	\$0	\$7,201	(\$236)	(\$236)
Enforcement Division -- Operating Expenses	CF	\$104,436	\$0	\$105,861	(\$3,469)	(\$3,469)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$221,627</b>	<b>\$0</b>	<b>\$221,627</b>	<b>(\$906)</b>	<b>(\$906)</b>
05. Enforcement Business Group, (D) Division of Racing Events -- Operating Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$221,627	\$0	\$221,627	(\$906)	(\$906)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$194,524</b>	<b>\$0</b>	<b>\$142,489</b>	<b>(\$3,798)</b>	<b>(\$3,798)</b>
05. Enforcement Business Group, (E) Motor Vehicle Dealer Licensing Board -- Operating Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$194,524	\$0	\$142,489	(\$3,798)	(\$3,798)
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$9,934,591</b>	<b>\$0</b>	<b>\$10,010,806</b>	<b>(\$12,242)</b>	<b>(\$12,242)</b>
05. Enforcement Business Group, (F) Marijuana Enforcement -- Marijuana Enforcement	FTE	104.0	0.0	104.1	0.0	0.0
	GF	\$0	\$0	\$0	\$0	\$0
	CF	\$9,934,591	\$0	\$10,010,806	(\$12,242)	(\$12,242)
	RF	\$0	\$0	\$0	\$0	\$0

Department of Revenue

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	FF	\$0	\$0	\$0	\$0	\$0
	<b>Total</b>	<b>\$1,203,156</b>	<b>\$0</b>	<b>\$1,203,156</b>	<b>(\$13,771)</b>	<b>(\$13,771)</b>
	FTE	0.0	0.0	0.0	0.0	0.0
06. State Lottery	GF	\$0	\$0	\$0	\$0	\$0
Division --	CF	\$1,203,156	\$0	\$1,203,156	(\$13,771)	(\$13,771)
Operating	RF	\$0	\$0	\$0	\$0	\$0
Expenses	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
FF Letternote Text Revision Required?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	
Requires Legislation?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>	
Type of Request?	Department of Revenue Non-Prioritized Request		
Interagency Approval or Related Schedule 13s: Office of Information Technology			

# Schedule 13

## Funding Request for the FY 2018-19 Budget Cycle

### Department of Revenue

#### Request Title

NP-03 Annual Fleet Vehicle Request

Dept. Approval By: 

Supplemental FY 2017-18

X

Change Request FY 2018-19

OSPB Approval By: \_\_\_\_\_

Budget Amendment FY 2018-19

Summary Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	\$660,489	\$0	\$660,489	\$3,871	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$170,950	\$0	\$170,950	\$0	\$0
	CF	\$489,539	\$0	\$489,539	\$3,871	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

Line Item Information	Fund	FY 2017-18		FY 2018-19		FY 2019-20
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
01. Executive Director's Office, (A) Administration and Support -- Vehicle Lease Payments	Total	\$660,489	\$0	\$660,489	\$3,871	\$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$170,950	\$0	\$170,950	\$0	\$0
	CF	\$489,539	\$0	\$489,539	\$3,871	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$0	\$0	\$0

CF Letternote Text Revision Required?	Yes	No	If Yes, see schedule 4 fund source detail.
RF Letternote Text Revision Required?	Yes	No	
FF Letternote Text Revision Required?	Yes	No	

**Department of Revenue**

Requires Legislation?

Yes ☐ No ☒

Type of Request?

Department of Revenue Non-Prioritized Request

Interagency Approval or Related Schedule 13s: Department of Personnel and Administration