

This document contains both the FY2011-2012 Companion Budget Package Summary and the Long Bill Narrative.

**FY 2011-2012**  
**COMPANION BUDGET**  
**PACKAGE SUMMARY**

**to**

**Senate Bill 11-209**  
**(the Long Bill Narrative)**

**JOINT BUDGET COMMITTEE**

Prepared by Joint Budget Committee Staff

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# **Section 1**

## **Budget Package Overview**

**General Fund Overview**  
**(millions of dollars)**

	<b>FY 10-11</b>	<b>FY 11-12</b>
<b><u>GENERAL FUND REVENUES AVAILABLE:</u></b>		
Beginning General Fund Reserve	\$137.4	\$156.6
General Fund Nonexempt Revenues	6,279.4	6,312.4
General Fund Exempt Revenues	782.0	805.2
Transfer to Older Americans Act	(8.0)	(8.0)
Transfers/Paybacks - Current Law	152.4	4.3
Transfers/Paybacks - Budget Package	6.2	179.2
<b>TOTAL GENERAL FUND AVAILABLE</b>	<b>\$7,349.4</b>	<b>\$7,449.7</b>
<b><u>GENERAL FUND OBLIGATIONS:</u></b>		
General Fund Appropriations	\$6,810.8	\$6,981.8
Estimated Federal Medical Assistance Percentage Changes	(0.5)	0.0
Rebates and Expenditures	127.0	140.3
Capital Construction Transfer	9.1	48.3
Transfer of Excess General Fund Reserve to the State Education Fund (SB 11-156)	246.4	0.0
<b>TOTAL GENERAL FUND OBLIGATIONS</b>	<b>\$7,192.8</b>	<b>\$7,170.4</b>
<b>YEAR END GENERAL FUND RESERVE</b>	<b>\$156.6</b>	<b>\$279.3</b>
<b>STATUTORY RESERVE (Section 24-75-201.1 (1) (d), C.R.S.)</b>	<b>156.6</b>	<b>279.3</b>
<b>MONEYS IN (DEFICT)/EXCESS OF THE STATUTORY GENERAL FUND RESERVE</b>	<b>(\$0.0)</b>	<b>\$0.0</b>

**Transfer Components of General Fund Overview**  
(millions of dollars)

		FY 2010-11	FY 2011-12
<b><u>Transfers/Paybacks - Current Law:</u></b>			
SB 09-264	Maximize Federal Match Under ARRA	\$0.5	\$0.0
SB 09-270	Amendment 35 Tobacco Transfers - Interest	2.6	2.6
SB 09-279	Permanent Cash Transfers	0.0	0.0
HB 09-1105	Colorado Innovation Investment Transfer	0.4	0.0
HB 10-1323	From Tobacco Settlement Programs	7.6	0.0
HB 10-1325	From Natural Resource Damage Recovery Fund	0.2	0.2
HB 10-1388	Cash Fund Transfers	26.6	1.1
HB 10-1389	Capital Construction Transfers	10.4	0.0
SB 11-163	Repeal Alternative Fuels Rebate Program	0.3	0.4
SB 11-164	Cash Fund Transfers	103.0	0.0
N/A	Procurement Card Cash Transfer to General Fund	0.8	0.0
Total		\$152.4	\$4.3
<b><u>Transfers/Paybacks - Recommended by JBC as Part of Budget Package:</u></b>			
SB 11-210	Phase Out Supplemental OAP Health Fund	\$0.0	\$0.7
SB 11-222	Capital Construction Transfer	1.1	0.0
SB 11-223	Sales Tax Vendor Fee	0.0	21.0
SB 11-224	Suspend Nurse Home Visitor Program Fund Increase	0.0	0.8
SB 11-225	Innovative Health Program Grant Fund Transfers	0.0	1.7
SB 11-226	General Fund Transfers	5.1	127.4
HB 11-1005	Reinstate Tax Exemption for Ag Products	0.0	(3.7)
HB 11-????	Extend Cigarette Tax	0.0	31.0
N/A	GF Revenue Gained due to Division of Insurance	0.0	0.3
Total		\$6.2	\$179.2

**General Fund Obligation Components of the General Fund Overview**  
**(millions of dollars)**

	<b>FY 2010-11</b>	<b>FY 2011-12</b>
<b><u>REBATES AND EXPENDITURES:</u></b>		
<i>Amounts Reflected in Long Bill:</i>		
Senior Citizen and Disabled Veteran Property Tax Exemption	\$1.7	\$1.7
Fire and Police Pension Association - Current Law	4.1	29.6
Fire and Police Pension Association - Modification Based on SB 11-221	0.0	(20.0)
Old Age Heat and Fuel	8.2	7.8
Cigarette Tax Exemption	11.3	11.5
Amendment 35 - Tobacco Tax	0.9	0.9
<i>Subtotal Amounts Reflected in Long Bill</i>	<u>\$26.2</u>	<u>\$31.5</u>
<i>Amounts Not Reflected in Long Bill - Off Budget</i>		
Old Age Pension - Off Budget, Not Reflected in Long Bill	\$100.0	\$106.6
Treasurer's School Loan Program - Off Budget, Not Reflected in Long Bill	0.8	2.2
<i>Subtotal Amounts Not Reflected in Long Bill - Off Budget</i>	<u>\$100.8</u>	<u>\$108.8</u>
<b>TOTAL REBATES AND EXPENDITURES</b>	<u><u>\$127.0</u></u>	<u><u>\$140.3</u></u>

**Joint Budget Committee FY 2011-12 Budget Balancing Package**

<b>General Fund Revenue Enhancements Summary Table</b>		
<b>General Fund Statutory Revenue Changes:</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
S.B. 11-210, Phase Out Supplemental OAP Health Funds	\$0	\$736,087
S.B. 11-222, Capital Construction Transfers	1,128,624	(48,267,765)
S.B. 11-223, Sales Tax Vendor Fee	0	22,800,000
S.B. 11-224, Suspend Nurse Home Visit Program Fund Increase	0	797,627
S.B. 11-225, Innovative Health Program Grant Fund Transfers	0	1,691,162
S.B. 11-226, General Fund Transfers	5,114,845	127,374,117
H.B. 11-????, Extend Cigarette Tax - <i>Not Yet Introduced</i>	0	31,000,000
H.B. 11-1005, Reinstate Tax Exemption for Ag Products	0	(3,700,000)
<b>Subtotal</b>	<b>\$6,243,469</b>	<b>\$132,431,228</b>

<b>Budget Package: Appropriation Summary Table</b>						
<b>Item</b>	<b>Total</b>	<b>General Fund*</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Current FY 2010-11 Appropriation</b>	<b>\$19,597,342,388</b>	<b>\$6,753,968,322</b>	<b>\$5,893,817,290</b>	<b>\$1,559,524,227</b>	<b>\$5,390,032,549</b>	<b>52,892.1</b>
Long Bill Supplemental Changes	314,553,099	83,022,452	99,143,113	38,202,411	94,185,123	(22.4)
2011 Session Bills Affecting FY 2010-11	<u>128,696</u>	<u>128,696</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>19,912,024,183</b>	<b>6,837,119,470</b>	<b>5,992,960,403</b>	<b>1,597,726,638</b>	<b>5,484,217,672</b>	<b>52,869.7</b>
Statutory Appropriations	1,459,489	962,923	496,566	0	0	0.0
FY 2011-12 Long Bill Changes	(86,318,189)	786,187,607	(260,419,293)	(132,510,804)	(479,575,699)	(744.4)
2011 Session Bills Affecting FY 2011-12	<u>(573,188,062)</u>	<u>(610,987,791)</u>	<u>41,191,656</u>	<u>(4,418,219)</u>	<u>1,026,292</u>	<u>(6.4)</u>
<b>Recommended FY 2011-12 Appropriation</b>	<b>\$19,253,977,421</b>	<b>\$7,013,282,209</b>	<b>\$5,774,229,332</b>	<b>\$1,460,797,615</b>	<b>\$5,005,668,265</b>	<b>52,118.9</b>
<i>Total Annual Dollar Change:</i>	<i>(\$658,046,762)</i>	<i>\$176,162,739</i>	<i>(\$218,731,071)</i>	<i>(\$136,929,023)</i>	<i>(\$478,549,407)</i>	<i>(750.8)</i>
<i>Total Annual Percent Change:</i>	<i>-3.3%</i>	<i>2.6%</i>	<i>-3.6%</i>	<i>-8.6%</i>	<i>-8.7%</i>	<i>-1.4%</i>
<b>Less:</b>						
Amount Exempt from Statutory Limit	N/A	<u>(31,508,032)</u>	N/A	N/A	N/A	N/A
<b>GRAND TOTAL SUBJECT TO STATUTORY LIMIT</b>	<b>N/A</b>	<b>6,981,774,177</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

\* Please note: General Fund amounts include dollars considered "General Fund Exempt"



**Budget Package: Appropriation Summary by Department and Bill**

Department / Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>AGRICULTURE</b>						
FY 2010-11 Appropriation (2010 Session)	\$38,678,877	\$4,956,274	\$28,575,452	\$1,126,997	\$4,020,154	287.1
FY 2010-11 Enacted Supplementals	<u>(40,049)</u>	<u>(32,160)</u>	<u>(7,080)</u>	<u>0</u>	<u>(809)</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$38,638,828</b>	<b>\$4,924,114</b>	<b>\$28,568,372</b>	<b>\$1,126,997</b>	<b>\$4,019,345</b>	<b>287.1</b>
S.B. 11-209 (Long Bill changes)	194,517	312,934	(17,477)	(84,655)	(16,285)	(3.0)
Other Balancing Package Legislation	<u>(380,826)</u>	<u>(74,366)</u>	<u>(280,009)</u>	<u>0</u>	<u>(26,451)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Agriculture</b>	<b>\$38,452,519</b>	<b>\$5,162,682</b>	<b>\$28,270,886</b>	<b>\$1,042,342</b>	<b>\$3,976,609</b>	<b>284.1</b>
<i>Total Change:</i>	<i>(\$186,309)</i>	<i>\$238,568</i>	<i>(\$297,486)</i>	<i>(\$84,655)</i>	<i>(\$42,736)</i>	<i>(3.0)</i>
<i>Percent Change:</i>	<i>-0.5%</i>	<i>4.8%</i>	<i>-1.0%</i>	<i>-7.5%</i>	<i>-1.1%</i>	<i>-1.0%</i>
<b>CORRECTIONS</b>						
FY 2010-11 Appropriation (2010 Session)	\$730,453,742	\$647,180,811	\$40,465,186	\$42,549,814	\$257,931	6,751.8
FY 2010-11 Enacted Supplementals	<u>17,341,504</u>	<u>11,613,572</u>	<u>4,203,986</u>	<u>774,399</u>	<u>749,547</u>	<u>(18.7)</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$747,795,246</b>	<b>\$658,794,383</b>	<b>\$44,669,172</b>	<b>\$43,324,213</b>	<b>\$1,007,478</b>	<b>6,733.1</b>
S.B. 11-209 (Long Bill changes)	(20,762,125)	(16,953,614)	(4,445,950)	926,230	(288,791)	(510.9)
Other Balancing Package Legislation	(8,122,186)	(7,890,042)	(99,921)	(132,218)	(5)	0.0
Existing Statutory Appropriations	<u>1,459,489</u>	<u>962,923</u>	<u>496,566</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Corrections</b>	<b>\$720,370,424</b>	<b>\$634,913,650</b>	<b>\$40,619,867</b>	<b>\$44,118,225</b>	<b>\$718,682</b>	<b>6,222.2</b>
<i>Total Change:</i>	<i>(\$27,424,822)</i>	<i>(\$23,880,733)</i>	<i>(\$4,049,305)</i>	<i>\$794,012</i>	<i>(\$288,796)</i>	<i>(510.9)</i>
<i>Percent Change:</i>	<i>-3.7%</i>	<i>-3.6%</i>	<i>-9.1%</i>	<i>1.8%</i>	<i>-28.7%</i>	<i>-7.6%</i>
<b>EDUCATION</b>						
FY 2010-11 Appropriation (2010 Session)	\$4,338,711,337	\$3,176,663,441	\$569,464,505	\$22,732,752	\$569,850,639	553.0
FY 2010-11 Enacted Supplementals (S.B. 11-137 and S.B. 11-157)	<u>27,509,603</u>	<u>(213,101,391)</u>	<u>22,946,740</u>	<u>28,226</u>	<u>217,636,028</u>	<u>2.7</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$4,366,220,940</b>	<b>\$2,963,562,050</b>	<b>\$592,411,245</b>	<b>\$22,760,978</b>	<b>\$787,486,667</b>	<b>555.7</b>
Long Bill Supplemental	<u>0</u>	<u>51,166</u>	<u>(27,205)</u>	<u>(23,961)</u>	<u>0</u>	<u>0.0</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$4,366,220,940</b>	<b>\$2,963,613,216</b>	<b>\$592,384,040</b>	<b>\$22,737,017</b>	<b>\$787,486,667</b>	<b>555.7</b>
S.B. 11-209 (Long Bill changes)	195,151,453	331,097,802	24,891,029	696,540	(161,533,918)	(15.0)
Other Balancing Package Legislation	(529,998)	(319,868)	(69,503)	(74,336)	(66,291)	0.0
S.B. 11-230 (School Finance)	<u>(460,700,000)</u>	<u>(460,700,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Education</b>	<b>\$4,100,142,395</b>	<b>\$2,833,691,150</b>	<b>\$617,205,566</b>	<b>\$23,359,221</b>	<b>\$625,886,458</b>	<b>540.7</b>
<i>Total Change:</i>	<i>(\$266,078,545)</i>	<i>(\$129,922,066)</i>	<i>\$24,821,526</i>	<i>\$622,204</i>	<i>(\$161,600,209)</i>	<i>(15.0)</i>
<i>Percent Change:</i>	<i>-6.1%</i>	<i>-4.4%</i>	<i>4.2%</i>	<i>2.7%</i>	<i>-20.5%</i>	<i>-2.7%</i>
<b>GOVERNOR</b>						
FY 2010-11 Appropriation (2010 Session)	\$201,344,214	\$11,291,137	\$26,031,709	\$130,811,782	\$33,209,586	1,046.0
FY 2010-11 Enacted Supplementals	<u>1,683,654</u>	<u>639,212</u>	<u>172,297</u>	<u>585,619</u>	<u>286,526</u>	<u>2.9</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$203,027,868</b>	<b>\$11,930,349</b>	<b>\$26,204,006</b>	<b>\$131,397,401</b>	<b>\$33,496,112</b>	<b>1,048.9</b>
S.B. 11-209 (Long Bill changes)	(34,765,572)	(654,819)	(18,481,236)	(6,004,541)	(9,624,976)	(17.4)
Other Balancing Package Legislation	<u>(1,824,822)</u>	<u>(106,599)</u>	<u>(5,271)</u>	<u>(1,613,763)</u>	<u>(99,189)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Governor</b>	<b>\$166,437,474</b>	<b>\$11,168,931</b>	<b>\$7,717,499</b>	<b>\$123,779,097</b>	<b>\$23,771,947</b>	<b>1,031.5</b>
<i>Total Change:</i>	<i>(\$36,590,394)</i>	<i>(\$761,418)</i>	<i>(\$18,486,507)</i>	<i>(\$7,618,304)</i>	<i>(\$9,724,165)</i>	<i>(17.4)</i>
<i>Percent Change:</i>	<i>-18.0%</i>	<i>-6.4%</i>	<i>-70.5%</i>	<i>-5.8%</i>	<i>-29.0%</i>	<i>-1.7%</i>

**Budget Package: Appropriation Summary by Department and Bill**

Department / Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>HEALTH CARE POLICY AND FINANCING</b>						
FY 2010-11 Appropriation (2010 Session)	\$4,584,093,812	\$1,232,196,603	\$607,038,213	\$20,889,306	\$2,723,969,690	294.8
FY 2010-11 Enacted Supplementals	<u>(24,790,931)</u>	<u>(64,659,222)</u>	<u>42,950,228</u>	<u>(4,100)</u>	<u>(3,077,837)</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$4,559,302,881</b>	<b>\$1,167,537,381</b>	<b>\$649,988,441</b>	<b>\$20,885,206</b>	<b>\$2,720,891,853</b>	<b>294.8</b>
Long Bill Supplemental	281,940,925	32,126,193	86,410,898	(2,414,962)	165,818,796	0.0
Revised ARRA FMAP Estimate	<u>617,120</u>	<u>67,091,408</u>	<u>4,909,746</u>	<u>56,588</u>	<u>(71,440,622)</u>	<u>0.0</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$4,841,860,926</b>	<b>\$1,266,754,982</b>	<b>\$741,309,085</b>	<b>\$18,526,832</b>	<b>\$2,815,270,027</b>	<b>294.8</b>
S.B. 11-209 (Long Bill changes)	210,527,393	514,500,517	19,997,642	(10,991,647)	(312,979,119)	17.4
Other Balancing Package Legislation	<u>(21,669,885)</u>	<u>(109,566,601)</u>	<u>79,594,831</u>	<u>3,592,171</u>	<u>4,709,714</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Health Care Policy and Financing</b>	<b>\$5,030,718,434</b>	<b>\$1,671,688,898</b>	<b>\$840,901,558</b>	<b>\$11,127,356</b>	<b>\$2,507,000,622</b>	<b>312.2</b>
<i>Total Change:</i>	<i>\$188,857,508</i>	<i>\$404,933,916</i>	<i>\$99,592,473</i>	<i>(\$7,399,476)</i>	<i>(\$308,269,405)</i>	<i>17.4</i>
<i>Percent Change:</i>	<i>3.9%</i>	<i>32.0%</i>	<i>13.4%</i>	<i>-39.9%</i>	<i>-10.9%</i>	<i>5.9%</i>
<b>HIGHER EDUCATION</b>						
FY 2010-11 Appropriation (2010 Session)	\$2,942,199,142	\$644,870,589	\$1,601,678,889	\$586,167,393	\$109,482,271	21,397.5
FY 2010-11 Enacted Supplementals (S.B. 11-140 and S.B. 11-157)	<u>60,444,115</u>	<u>60,274,923</u>	<u>2,593,340</u>	<u>57,602,465</u>	<u>(60,026,613)</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$3,002,643,257</b>	<b>\$705,145,512</b>	<b>\$1,604,272,229</b>	<b>\$643,769,858</b>	<b>\$49,455,658</b>	<b>21,397.5</b>
Long Bill Supplemental	10,458,138	0	10,458,138	0	0	0.0
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$3,013,101,395</b>	<b>\$705,145,512</b>	<b>\$1,614,730,367</b>	<b>\$643,769,858</b>	<b>\$49,455,658</b>	<b>21,397.5</b>
S.B. 11-209 (Long Bill changes)	(132,944,407)	(80,903,282)	82,507,378	(104,133,120)	(30,415,383)	92.3
Other Balancing Package Legislation	<u>(207,013)</u>	<u>(41,484)</u>	<u>(133,144)</u>	<u>(906)</u>	<u>(31,479)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Higher Education</b>	<b>\$2,879,949,975</b>	<b>\$624,200,746</b>	<b>\$1,697,104,601</b>	<b>\$539,635,832</b>	<b>\$19,008,796</b>	<b>21,489.8</b>
<i>Total Change:</i>	<i>(\$133,151,420)</i>	<i>(\$80,944,766)</i>	<i>\$82,374,234</i>	<i>(\$104,134,026)</i>	<i>(\$30,446,862)</i>	<i>92.3</i>
<i>Percent Change:</i>	<i>-4.4%</i>	<i>-11.5%</i>	<i>5.1%</i>	<i>-16.2%</i>	<i>-61.6%</i>	<i>0.4%</i>
<b>HUMAN SERVICES</b>						
FY 2010-11 Appropriation (2010 Session)	\$2,153,111,241	\$639,803,262	\$344,632,848	\$429,957,794	\$738,717,337	5,177.4
FY 2010-11 Enacted Supplementals	<u>(35,842,745)</u>	<u>(3,640,809)</u>	<u>2,867,508</u>	<u>(552,814)</u>	<u>(34,516,630)</u>	<u>5.3</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$2,117,268,496</b>	<b>\$636,162,453</b>	<b>\$347,500,356</b>	<b>\$429,404,980</b>	<b>\$704,200,707</b>	<b>5,182.7</b>
Long Bill Supplemental	<u>24,557,837</u>	<u>(12,965,604)</u>	<u>(2,868,254)</u>	<u>40,584,746</u>	<u>(193,051)</u>	<u>0.0</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$2,141,826,333</b>	<b>\$623,196,849</b>	<b>\$344,632,102</b>	<b>\$469,989,726</b>	<b>\$704,007,656</b>	<b>5,182.7</b>
S.B. 11-209 (Long Bill changes)	(47,615,798)	(4,432,351)	(9,989,375)	(19,022,180)	(14,171,892)	(298.9)
Other Balancing Package Legislation	<u>(6,988,775)</u>	<u>(4,601,731)</u>	<u>(206,346)</u>	<u>(1,312,203)</u>	<u>(868,495)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Human Services</b>	<b>\$2,087,221,760</b>	<b>\$614,162,767</b>	<b>\$334,436,381</b>	<b>\$449,655,343</b>	<b>\$688,967,269</b>	<b>4,883.8</b>
<i>Total Change:</i>	<i>(\$54,604,573)</i>	<i>(\$9,034,082)</i>	<i>(\$10,195,721)</i>	<i>(\$20,334,383)</i>	<i>(\$15,040,387)</i>	<i>(298.9)</i>
<i>Percent Change:</i>	<i>-2.5%</i>	<i>-1.4%</i>	<i>-3.0%</i>	<i>-4.3%</i>	<i>-2.1%</i>	<i>-5.8%</i>
<b>JUDICIAL</b>						
FY 2010-11 Appropriation (2010 Session)	\$455,245,762	\$332,423,582	\$108,528,846	\$7,478,592	\$6,814,742	4,084.4
FY 2010-11 Enacted Supplementals	<u>(1,381,104)</u>	<u>(2,088,469)</u>	<u>(387,000)</u>	<u>1,094,365</u>	<u>0</u>	<u>(14.6)</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$453,864,658</b>	<b>\$330,335,113</b>	<b>\$108,141,846</b>	<b>\$8,572,957</b>	<b>\$6,814,742</b>	<b>4,069.8</b>
Long Bill Supplemental	<u>(3,280,711)</u>	<u>(3,280,711)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(22.4)</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$450,583,947</b>	<b>\$327,054,402</b>	<b>\$108,141,846</b>	<b>\$8,572,957</b>	<b>\$6,814,742</b>	<b>4,047.4</b>
S.B. 11-209 (Long Bill changes)	29,392,093	19,204,353	5,620,309	6,171,875	(1,604,444)	125.3
Other Balancing Package Legislation	<u>(6,969,110)</u>	<u>(5,865,194)</u>	<u>(1,102,572)</u>	<u>(1,344)</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Judicial</b>	<b>\$473,006,930</b>	<b>\$340,393,561</b>	<b>\$112,659,583</b>	<b>\$14,743,488</b>	<b>\$5,210,298</b>	<b>4,172.7</b>
<i>Total Change:</i>	<i>\$22,422,983</i>	<i>\$13,339,159</i>	<i>\$4,517,737</i>	<i>\$6,170,531</i>	<i>(\$1,604,444)</i>	<i>125.3</i>
<i>Percent Change:</i>	<i>5.0%</i>	<i>4.1%</i>	<i>4.2%</i>	<i>72.0%</i>	<i>-23.5%</i>	<i>3.1%</i>

**Budget Package: Appropriation Summary by Department and Bill**

Department / Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>LABOR AND EMPLOYMENT</b>						
FY 2010-11 Appropriation (2010 Session)	\$156,869,500	\$0	\$59,616,360	\$1,691,337	\$95,561,803	1,047.0
FY 2010-11 Enacted Supplementals	<u>54,084</u>	<u>0</u>	<u>22,850</u>	<u>3,935</u>	<u>27,299</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$156,923,584</b>	<b>\$0</b>	<b>\$59,639,210</b>	<b>\$1,695,272</b>	<b>\$95,589,102</b>	<b>1,047.0</b>
S.B. 11-209 (Long Bill changes)	2,610,870	0	1,632,255	(939,246)	1,917,861	(0.2)
Other Balancing Package Legislation	<u>(1,671,967)</u>	<u>0</u>	<u>(624,437)</u>	<u>(3,753)</u>	<u>(1,043,777)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Labor and Employment</b>	<b>\$157,862,487</b>	<b>\$0</b>	<b>\$60,647,028</b>	<b>\$752,273</b>	<b>\$96,463,186</b>	<b>1,046.8</b>
<i>Total Change:</i>	\$938,903	\$0	\$1,007,818	(\$942,999)	\$874,084	(0.2)
<i>Percent Change:</i>	0.6%	N/A	1.7%	-55.6%	0.9%	0.0%
<b>DEPARTMENT OF LAW</b>						
FY 2010-11 Appropriation (2010 Session)	\$52,073,927	\$9,615,003	\$9,900,454	\$31,089,374	\$1,469,096	414.5
FY 2010-11 Enacted Supplementals	<u>1,606,008</u>	<u>(104,630)</u>	<u>25,417</u>	<u>1,685,091</u>	<u>130</u>	<u>6.2</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$53,679,935</b>	<b>\$9,510,373</b>	<b>\$9,925,871</b>	<b>\$32,774,465</b>	<b>\$1,469,226</b>	<b>420.7</b>
Long Bill Supplemental	<u>259,790</u>	<u>0</u>	<u>259,790</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Adjusted FY 2009-10 Appropriation</b>	<b>\$53,939,725</b>	<b>\$9,510,373</b>	<b>\$10,185,661</b>	<b>\$32,774,465</b>	<b>\$1,469,226</b>	<b>420.7</b>
S.B. 11-209 (Long Bill changes)	(462,295)	62,814	275,080	(854,055)	53,866	(12.9)
Other Balancing Package Legislation	<u>(788,380)</u>	<u>(180,108)</u>	<u>(69,114)</u>	<u>(516,253)</u>	<u>(22,905)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Department of Law</b>	<b>\$52,689,050</b>	<b>\$9,393,079</b>	<b>\$10,391,627</b>	<b>\$31,404,157</b>	<b>\$1,500,187</b>	<b>407.8</b>
<i>Total Change:</i>	(\$1,250,675)	(\$117,294)	\$205,966	(\$1,370,308)	\$30,961	(12.9)
<i>Percent Change:</i>	-2.3%	-1.2%	2.0%	-4.2%	2.1%	-3.1%
<b>LEGISLATURE</b>						
FY 2010-11 Appropriation (2010 Session)	\$35,999,593	\$34,796,446	\$202,831	\$1,000,316	\$0	277.1
Known Restriction in FY 2010-11	<u>(183,480)</u>	<u>(183,480)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$35,816,113</b>	<b>\$34,612,966</b>	<b>\$202,831</b>	<b>\$1,000,316</b>	<b>\$0</b>	<b>277.1</b>
S.B. 11-209 (Long Bill changes)	272,305	22,305	0	250,000	0	0.0
H.B. 10-1367 Legislative Appropriation*	415,868	580,612	(18,244)	(146,500)	0	(6.1)
Other Balancing Package Legislation	<u>(562,360)</u>	<u>(562,360)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Legislature</b>	<b>\$35,941,926</b>	<b>\$34,653,523</b>	<b>\$184,587</b>	<b>\$1,103,816</b>	<b>\$0</b>	<b>271.0</b>
<i>Total Change:</i>	\$125,813	\$40,557	(\$18,244)	\$103,500	\$0	(6.1)
<i>Percent Change:</i>	0.4%	0.1%	-9.0%	10.3%	N/A	-2.2%
* These dollars reflect the <i>difference</i> between FY 2010-11 and FY 2011-12. The legislation's full fiscal impact is listed in the narrative section.						
<b>LOCAL AFFAIRS</b>						
FY 2010-11 Appropriation (2010 Session)	\$318,292,163	\$10,561,511	\$203,509,756	\$7,243,477	\$96,977,419	176.3
FY 2010-11 Enacted Supplementals	<u>(30,662)</u>	<u>(30,662)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(0.3)</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$318,261,501</b>	<b>\$10,530,849</b>	<b>\$203,509,756</b>	<b>\$7,243,477</b>	<b>\$96,977,419</b>	<b>176.0</b>
S.B. 11-209 (Long Bill changes)	27,217,142	(80,869)	27,060,714	(61,733)	299,030	(4.4)
Other Balancing Package Legislation	<u>(341,203)</u>	<u>(91,910)</u>	<u>(43,675)</u>	<u>(129,103)</u>	<u>(76,515)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Local Affairs</b>	<b>\$345,137,440</b>	<b>\$10,358,070</b>	<b>\$230,526,795</b>	<b>\$7,052,641</b>	<b>\$97,199,934</b>	<b>171.6</b>
<i>Total Change:</i>	\$26,875,939	(\$172,779)	\$27,017,039	(\$190,836)	\$222,515	(4.4)
<i>Percent Change:</i>	8.4%	-1.6%	13.3%	-2.6%	0.2%	-2.5%

**Budget Package: Appropriation Summary by Department and Bill**

Department / Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>MILITARY AFFAIRS</b>						
FY 2010-11 Appropriation (2010 Session)	\$221,291,692	\$5,320,408	\$1,408,881	\$803,509	\$213,758,894	1,384.9
FY 2010-11 Enacted Supplementals	<u>(34,175)</u>	<u>(34,175)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$221,257,517</b>	<b>\$5,286,233</b>	<b>\$1,408,881</b>	<b>\$803,509</b>	<b>\$213,758,894</b>	<b>1,384.9</b>
S.B. 11-209 (Long Bill changes)	116,231	191,922	(197,917)	0	122,226	0.0
Other Balancing Package Legislation	<u>(169,433)</u>	<u>(59,447)</u>	<u>(1,824)</u>	<u>0</u>	<u>(108,162)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Military Affairs</b>	<b>\$221,204,315</b>	<b>\$5,418,708</b>	<b>\$1,209,140</b>	<b>\$803,509</b>	<b>\$213,772,958</b>	<b>1,384.9</b>
<i>Total Change:</i>	<i>(\$53,202)</i>	<i>\$132,475</i>	<i>(\$199,741)</i>	<i>\$0</i>	<i>\$14,064</i>	<i>0.0</i>
<i>Percent Change:</i>	<i>0.0%</i>	<i>2.5%</i>	<i>-14.2%</i>	<i>0.0%</i>	<i>0.0%</i>	<i>0.0%</i>
<b>NATURAL RESOURCES</b>						
FY 2010-11 Appropriation (2010 Session)	\$245,934,482	\$26,419,333	\$191,814,141	\$7,972,361	\$19,728,647	1,474.8
FY 2010-11 Enacted Supplementals	<u>(239,061)</u>	<u>(218,271)</u>	<u>(21,212)</u>	<u>0</u>	<u>422</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$245,695,421</b>	<b>\$26,201,062</b>	<b>\$191,792,929</b>	<b>\$7,972,361</b>	<b>\$19,729,069</b>	<b>1,474.8</b>
S.B. 11-209 (Long Bill changes)	(21,586,835)	(2,394,695)	(19,861,040)	520,686	148,214	(9.2)
Other Balancing Package Legislation	<u>(2,297,570)</u>	<u>(413,898)</u>	<u>(1,520,981)</u>	<u>(75,930)</u>	<u>(286,761)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Natural Resources</b>	<b>\$221,811,016</b>	<b>\$23,392,469</b>	<b>\$170,410,908</b>	<b>\$8,417,117</b>	<b>\$19,590,522</b>	<b>1,465.6</b>
<i>Total Change:</i>	<i>(\$23,884,405)</i>	<i>(\$2,808,593)</i>	<i>(\$21,382,021)</i>	<i>\$444,756</i>	<i>(\$138,547)</i>	<i>(9.2)</i>
<i>Percent Change:</i>	<i>-9.7%</i>	<i>-10.7%</i>	<i>-11.1%</i>	<i>5.6%</i>	<i>-0.7%</i>	<i>-0.6%</i>
<b>PERSONNEL AND ADMINISTRATION</b>						
FY 2010-11 Appropriation (2010 Session)	\$172,205,054	\$5,476,140	\$9,579,235	\$157,149,679	\$0	391.3
FY 2010-11 Enacted Supplementals	<u>(11,519,345)</u>	<u>(371,985)</u>	<u>997,727</u>	<u>(12,145,087)</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$160,685,709</b>	<b>\$5,104,155</b>	<b>\$10,576,962</b>	<b>\$145,004,592</b>	<b>\$0</b>	<b>391.3</b>
S.B. 11-209 (Long Bill changes)	(3,349,030)	135,692	(1,740,908)	(1,743,814)	0	1.0
Other Balancing Package Legislation	<u>(503,826)</u>	<u>(167,755)</u>	<u>(58,420)</u>	<u>(277,651)</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Personnel and Administration</b>	<b>\$156,832,853</b>	<b>\$5,072,092</b>	<b>\$8,777,634</b>	<b>\$142,983,127</b>	<b>\$0</b>	<b>392.3</b>
<i>Total Change:</i>	<i>(\$3,852,856)</i>	<i>(\$32,063)</i>	<i>(\$1,799,328)</i>	<i>(\$2,021,465)</i>	<i>\$0</i>	<i>1.0</i>
<i>Percent Change:</i>	<i>-2.4%</i>	<i>-0.6%</i>	<i>-17.0%</i>	<i>-1.4%</i>	<i>N/A</i>	<i>0.3%</i>
<b>PUBLIC HEALTH AND ENVIRONMENT</b>						
FY 2010-11 Appropriation (2010 Session)	\$440,148,279	\$27,541,461	\$129,530,277	\$26,479,698	\$256,596,843	1,227.7
FY 2010-11 Enacted Supplementals	<u>2,026,787</u>	<u>(80,557)</u>	<u>2,384,215</u>	<u>217,129</u>	<u>(494,000)</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$442,175,066</b>	<b>\$27,460,904</b>	<b>\$131,914,492</b>	<b>\$26,696,827</b>	<b>\$256,102,843</b>	<b>1,227.7</b>
S.B. 11-209 (Long Bill changes)	35,344,034	180,070	20,261,584	3,077,023	11,825,357	37.3
Other Balancing Package Legislation	<u>(35,068,875)</u>	<u>(167,914)</u>	<u>(30,424,935)</u>	<u>(3,539,137)</u>	<u>(936,889)</u>	<u>(5.0)</u>
<b>Proposed FY 2011-12 Appropriation - Public Health and Environment</b>	<b>\$442,450,225</b>	<b>\$27,473,060</b>	<b>\$121,751,141</b>	<b>\$26,234,713</b>	<b>\$266,991,311</b>	<b>1,260.0</b>
<i>Total Change:</i>	<i>\$275,159</i>	<i>\$12,156</i>	<i>(\$10,163,351)</i>	<i>(\$462,114)</i>	<i>\$10,888,468</i>	<i>32.3</i>
<i>Percent Change:</i>	<i>0.1%</i>	<i>0.0%</i>	<i>-7.7%</i>	<i>-1.7%</i>	<i>4.3%</i>	<i>2.6%</i>

**Budget Package: Appropriation Summary by Department and Bill**

<b>Department / Item</b>	<b>Total</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>PUBLIC SAFETY</b>						
FY 2010-11 Appropriation (2010 Session)	\$258,432,588	\$82,654,286	\$126,160,853	\$21,699,460	\$27,917,989	1,349.0
FY 2010-11 Enacted Supplementals	<u>(147,648)</u>	<u>(339,484)</u>	<u>66,085</u>	<u>158,711</u>	<u>(32,960)</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$258,284,940</b>	<b>\$82,314,802</b>	<b>\$126,226,938</b>	<b>\$21,858,171</b>	<b>\$27,885,029</b>	<b>1,349.0</b>
S.B. 11-209 (Long Bill changes)	7,305,200	481,054	2,656,267	2,390,269	1,777,610	0.3
Other Balancing Package Legislation	<u>(1,631,123)</u>	<u>(127,531)</u>	<u>(1,287,804)</u>	<u>(105,314)</u>	<u>(110,474)</u>	<u>4.7</u>
<b>Proposed FY 2011-12 Appropriation - Public Safety</b>	<b>\$263,959,017</b>	<b>\$82,668,325</b>	<b>\$127,595,401</b>	<b>\$24,143,126</b>	<b>\$29,552,165</b>	<b>1,354.0</b>
<i>Total Change:</i>	\$5,674,077	\$353,523	\$1,368,463	\$2,284,955	\$1,667,136	5.0
<i>Percent Change:</i>	2.2%	0.4%	1.1%	10.5%	6.0%	0.4%
<b>REGULATORY AGENCIES</b>						
FY 2010-11 Appropriation (2010 Session)	\$77,770,070	\$1,510,435	\$68,203,204	\$6,825,033	\$1,231,398	578.4
FY 2010-11 Enacted Supplementals	<u>(45,672)</u>	<u>0</u>	<u>(45,672)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$77,724,398</b>	<b>\$1,510,435</b>	<b>\$68,157,532</b>	<b>\$6,825,033</b>	<b>\$1,231,398</b>	<b>578.4</b>
S.B. 11-209 (Long Bill changes)	(1,138,413)	112,806	1,323,741	(2,538,188)	(36,772)	8.2
Other Balancing Package Legislation	<u>(864,981)</u>	<u>(24,246)</u>	<u>(787,573)</u>	<u>(47,133)</u>	<u>(6,029)</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Regulatory Agencies</b>	<b>\$75,721,004</b>	<b>\$1,598,995</b>	<b>\$68,693,700</b>	<b>\$4,239,712</b>	<b>\$1,188,597</b>	<b>586.6</b>
<i>Total Change:</i>	(\$2,003,394)	\$88,560	\$536,168	(\$2,585,321)	(\$42,801)	8.2
<i>Percent Change:</i>	-2.6%	5.9%	0.8%	-37.9%	-3.5%	1.4%
<b>REVENUE</b>						
FY 2010-11 Appropriation (2010 Session)	\$703,675,105	\$70,714,586	\$630,723,439	\$1,421,461	\$815,619	1,521.5
FY 2010-11 Enacted Supplementals	<u>23,521,493</u>	<u>(32,353)</u>	<u>23,553,846</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$727,196,598</b>	<b>\$70,682,233</b>	<b>\$654,277,285</b>	<b>\$1,421,461</b>	<b>\$815,619</b>	<b>1,521.5</b>
Long Bill Supplemental	0	0	0	0	0	0.0
S.B. 11-223, Extend Vendor Fee	<u>128,696</u>	<u>128,696</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$727,325,294</b>	<b>\$70,810,929</b>	<b>\$654,277,285</b>	<b>\$1,421,461</b>	<b>\$815,619</b>	<b>1,521.5</b>
S.B. 11-209 (Long Bill changes)	(434,589,869)	(264,227)	(434,151,386)	(82,338)	(91,918)	(156.1)
Other Balancing Package Legislation	<u>(1,771,830)</u>	<u>(577,574)</u>	<u>(1,178,694)</u>	<u>(15,562)</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Revenue</b>	<b>\$290,963,595</b>	<b>\$69,969,128</b>	<b>\$218,947,205</b>	<b>\$1,323,561</b>	<b>\$723,701</b>	<b>1,365.4</b>
<i>Total Change:</i>	(\$436,361,699)	(\$841,801)	(\$435,330,080)	(\$97,900)	(\$91,918)	(156.1)
<i>Percent Change:</i>	-60.0%	-1.2%	-66.5%	-6.9%	-11.3%	-10.3%
<b>DEPARTMENT OF STATE</b>						
FY 2010-11 Appropriation (2010 Session)	\$21,467,321	\$0	\$21,467,321	\$0	\$0	134.6
FY 2010-11 Enacted Supplementals	<u>29,454</u>	<u>0</u>	<u>29,454</u>	<u>0</u>	<u>0</u>	<u>0.5</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$21,496,775</b>	<b>\$0</b>	<b>\$21,496,775</b>	<b>\$0</b>	<b>\$0</b>	<b>135.1</b>
S.B. 11-209 (Long Bill changes)	(2,726,536)	0	(2,726,536)	0	0	(6.2)
Other Balancing Package Legislation	<u>(186,130)</u>	<u>0</u>	<u>(186,130)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Department of State</b>	<b>\$18,584,109</b>	<b>\$0</b>	<b>\$18,584,109</b>	<b>\$0</b>	<b>\$0</b>	<b>128.9</b>
<i>Total Change:</i>	(\$2,912,666)	\$0	(\$2,912,666)	\$0	\$0	(6.2)
<i>Percent Change:</i>	-13.5%	N/A	-13.5%	N/A	N/A	-4.6%

**Budget Package: Appropriation Summary by Department and Bill**

<b>Department / Item</b>	<b>Total</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>TRANSPORTATION</b>						
FY 2010-11 Appropriation (2010 Session)	\$1,032,417,169	\$0	\$658,329,628	\$4,986,153	\$369,101,388	3,307.5
FY 2010-11 Enacted Supplementals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$1,032,417,169</b>	<b>\$0</b>	<b>\$658,329,628</b>	<b>\$4,986,153</b>	<b>\$369,101,388</b>	<b>3,307.5</b>
S.B. 11-209 (Long Bill changes)	75,986,348	0	41,030,623	(87,910)	35,043,635	8.0
Other Balancing Package Legislation	<u>(307,038)</u>	<u>0</u>	<u>(287,754)</u>	<u>(19,284)</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Transportation</b>	<b>\$1,108,096,479</b>	<b>\$0</b>	<b>\$699,072,497</b>	<b>\$4,878,959</b>	<b>\$404,145,023</b>	<b>3,315.5</b>
<i>Total Change:</i>	<i>\$75,679,310</i>	<i>\$0</i>	<i>\$40,742,869</i>	<i>(\$107,194)</i>	<i>\$35,043,635</i>	<i>8.0</i>
<i>Percent Change:</i>	<i>7.3%</i>	<i>N/A</i>	<i>6.2%</i>	<i>-2.1%</i>	<i>9.5%</i>	<i>0.2%</i>
<b>TREASURY</b>						
FY 2010-11 Appropriation (2010 Session)	\$356,999,817	\$2,550,137	\$354,449,680	\$0	\$0	31.5
FY 2010-11 Enacted Supplementals	<u>(34,329)</u>	<u>(187,182)</u>	<u>152,853</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$356,965,488</b>	<b>\$2,362,955</b>	<b>\$354,602,533</b>	<b>\$0</b>	<b>\$0</b>	<b>31.5</b>
S.B. 11-209 (Long Bill changes)	29,505,105	25,569,195	3,935,910	0	0	0.0
Other Balancing Package Legislation	<u>(20,046,599)</u>	<u>(20,029,775)</u>	<u>(16,824)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Proposed FY 2011-12 Appropriation - Treasury</b>	<b>\$366,423,994</b>	<b>\$7,902,375</b>	<b>\$358,521,619</b>	<b>\$0</b>	<b>\$0</b>	<b>31.5</b>
<i>Total Change:</i>	<i>\$9,458,506</i>	<i>\$5,539,420</i>	<i>\$3,919,086</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<i>Percent Change:</i>	<i>2.6%</i>	<i>234.4%</i>	<i>1.1%</i>	<i>N/A</i>	<i>N/A</i>	<i>0.0%</i>
<b>CONTROLLED MAINTENANCE TRUST FUND</b>						
FY 2010-11 Appropriation (2010 Session)	\$0	\$0	\$0	\$0	\$0	0.0
FY 2010-11 Enacted Supplementals	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Current FY 2010-11 Appropriation</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
Eliminate one-time appropriation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Subtotal, Controlled Maintenance Trust Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<i>Total Change:</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>0.0</i>
<i>Percent Change:</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>	<i>N/A</i>
<b>Current FY 2010-11 Appropriation</b>	<b>\$19,597,342,388</b>	<b>\$6,753,968,322</b>	<b>\$5,893,817,290</b>	<b>\$1,559,524,227</b>	<b>\$5,390,032,549</b>	<b>52,892.1</b>
<b>Adjusted FY 2010-11 Appropriation</b>	<b>\$19,912,024,183</b>	<b>\$6,837,119,470</b>	<b>\$5,992,960,403</b>	<b>\$1,597,726,638</b>	<b>\$5,484,217,672</b>	<b>52,869.7</b>
<b>Grand Total Appropriation Changes (from Adjusted Appropriation)</b>	<b>(\$658,046,762)</b>	<b>\$176,162,739</b>	<b>(\$218,731,071)</b>	<b>(\$136,929,023)</b>	<b>(\$478,549,407)</b>	<b>(750.8)</b>
<i>Percent Change:</i>	<i>-3.3%</i>	<i>2.6%</i>	<i>-3.6%</i>	<i>-8.6%</i>	<i>-8.7%</i>	<i>-1.4%</i>
<b>Summary of Changes:</b>						
Long Bill Supplemental	\$314,553,099	\$83,022,452	\$99,143,113	\$38,202,411	\$94,185,123	(22.4)
Statutory appropriations	\$1,459,489	\$962,923	\$496,566	\$0	\$0	0.0
FY 2011-12 Long Bill	(\$86,318,189)	\$786,187,607	(\$260,419,293)	(\$132,510,804)	(\$479,575,699)	(744.4)

## **Section 2**

# **Budget Package**

**Summary of Fiscal Impacts for Legislation, Other than the Long Bill,  
Included as Part of the SB 11-209 FY 2011-12 Budget Package**

<b>Legislation with Revenue Enhancements</b>		
	<b>FY 2010-11</b>	<b>FY 2011-12</b>
<b>General Fund Statutory Revenue Changes:</b>		
S.B. 11-210, Phase Out Supplemental OAP Health Fund	0	736,087
S.B. 11-222, Capital Construction Transfers	\$1,128,624	(\$48,267,765)
S.B. 11-223, Sales Tax Vendor Fee	0	22,800,000
S.B. 11-224, Suspend Nurse Home Visit Program Fund Increase	0	797,627
S.B. 11-225, Innovative Health Program Grant Fund Transfers	0	1,691,162
S.B. 11-226, General Fund Transfers	5,114,845	127,374,117
H.B. 11-????, Extend Cigarette Tax - <i>Not Yet Introduced</i>	0	31,000,000
HB 11-1005, Reinstate Tax Exemption For Ag Products	0	(3,700,000)
<b>Subtotal General Fund Statutory Revenue Changes</b>	<b>\$6,243,469</b>	<b>\$132,431,228</b>
<b>Changes in Policy that Impact General Fund Revenue:</b>		
Decrease Operating Costs for Division of Insurance	\$0	\$300,000
<b>State Education Fund Statutory Changes:</b>		
S.B. 11-218, Cash Fund Transfers to State Education Fund	\$0	\$109,434
<b>Subtotal State Education Fund Statutory Changes</b>	<b>\$0</b>	<b>\$109,434</b>



**FY 2011-12 Appropriation Summary Table**  
**Other Legislation Considered Part of the SB 11-209 Budget Package**  
**by Bill**

Bill	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b><u>Legislation Introduced with the Long Bill and Considered Part of the Budget Package:</u></b>						
SB 11-210, Phase Out Supplemental OAP Health Fund	(2,230,500)	(2,230,500)	0	0	0	0.0
SB 11-211, Tobacco Revenues Offset Medical Services	(33,000,000)	(33,000,000)	0	0	0	(5.0)
SB 11-212, Use Provider Fee Offset GF Medicaid	0	(50,000,000)	50,000,000	0	0	0.0
SB 11-213, CHP+ Assess Monthly Enrollment Fee	750,859	41,458	(37,981)	751,920	(4,538)	0.2
SB 11-214, Decommission Fort Lyon Prison	0	0	0	0	0	0.0
SB 11-215, 2011 Nursing Facility Rate Reduction	(8,865,830)	(4,432,915)	0	0	(4,432,915)	0.0
SB 11-216, Children's Basic Health Gen Fund Approp	(4,663,402)	(3,449,967)	(24,363)	(446,100)	(742,972)	(0.2)
SB 11-217, Reduction Juvenile Detention Bed Cap	(1,078,828)	(1,078,828)	0	0	0	0.0
SB 11-219, 2011 Transfers for Health Care Services	(5,020,670)	(15,775,670)	0	0	10,755,000	0.0
SB 11-220, Personal Vehicle Mileage Allowance	(\$857,168)	(\$442,159)	(\$223,608)	(\$43,510)	(\$147,891)	0.0
SB 11-221, Old Hire FPPA Plans State Contribution	(20,000,000)	(20,000,000)	0	0	0	0.0
SB 11-228, County Tax Base Relief Formula	0	0	0	0	0	0.0
SB 11-229, Expenses School Counselor Grant Program	0	0	0	0	0	0.0
<b>Subtotal - Legislation Introduced with the Long Bill</b>	<b>(\$74,965,539)</b>	<b>(\$130,368,581)</b>	<b>\$49,714,048</b>	<b>\$262,310</b>	<b>\$5,426,684</b>	<b>(5.0)</b>
<b><u>Legislation Not Introduced with the Long Bill but Considered Part of the Budget Package:</u></b>						
SB 11-076, PERA Contribution Rates	(\$37,091,183)	(\$19,999,701)	(\$8,410,940)	(\$4,360,422)	(\$4,320,120)	0
SB 11-198, Leg. Appropriation Bill*	232,388	397,132	(18,244)	(146,500)	0	(6.1)
SB 11-230, School Finance	(460,700,000)	(460,700,000)	0	0	0	0.0
HB 11-1138, Sex Offender Management Board	471,101	318,565	152,536	0	0	4.7
HB 11-1257, Pro-Rate HLD Benefits	(1,318,309)	(818,686)	(245,744)	(173,607)	(80,272)	0.0
Existing Statutory Appropriations for Dept of Corrections	1,459,489	962,923	496,566	0	0	0.0
SJR 11-009, Declare Fiscal Emergency Tobacco Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Subtotal - Legislation Not Introduced with Long Bill</b>	<b>(\$496,946,514)</b>	<b>(\$479,839,767)</b>	<b>(\$8,025,826)</b>	<b>(\$4,680,529)</b>	<b>(\$4,400,392)</b>	<b>(1.4)</b>
* For S.B. 11-198, the dollars reflect the difference between FY 2011-12 and FY 2010-11. The full impact for S.B. 11-198 is listed in the narrative section.						
<b>Total All Other Legislation</b>	<b>(\$571,912,053)</b>	<b>(\$610,208,348)</b>	<b>\$41,688,222</b>	<b>(\$4,418,219)</b>	<b>\$1,026,292</b>	<b>(6.4)</b>
Amount Deemed Exempt from the Statutory Limit		(\$20,000,000)				
Amount Subject to the Statutory Limit		(\$590,208,348)				

**Appropriation Summary Table**  
**Other Legislation Considered Part of the SB 11-209 Budget Package**  
**by Department**

Department/Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>AGRICULTURE</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$27,904)	(\$1,680)	(\$25,219)	\$0	(\$1,005)	0.0
SB 11-076, PERA Contribution Rates	(325,677)	(72,686)	(227,545)	0	(25,446)	0.0
HB 11-1257, Pro-Rate HLD Benefits	(27,245)	0	(27,245)	0	0	0.0
<b>Total - Agriculture</b>	<b>(\$380,826)</b>	<b>(\$74,366)</b>	<b>(\$280,009)</b>	<b>\$0</b>	<b>(\$26,451)</b>	<b>0.0</b>
<b>CORRECTIONS</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$12,086)	(\$12,016)	(\$65)	\$0	(\$5)	0.0
SB 11-076, PERA Contribution Rates	(8,100,294)	(7,868,220)	(99,856)	(132,218)	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	(9,806)	(9,806)	0	0	0	0.0
Existing Statutory Appropriations	1,459,489	962,923	496,566	0	0	0.0
SB 11-214, Decommission Fort Lyon Prison	0	0	0	0	0	0.0
<b>Total - Corrections</b>	<b>(\$6,662,697)</b>	<b>(\$6,927,119)</b>	<b>\$396,645</b>	<b>(\$132,218)</b>	<b>(\$5)</b>	<b>0.0</b>
<b>EDUCATION</b>						
SB 11-076, PERA Contribution Rates	(465,333)	(311,971)	(64,092)	(56,458)	(32,812)	0.0
SB 11-220, Personal Vehicle Mileage Allowance	(\$64,665)	(\$7,897)	(\$5,411)	(\$17,878)	(\$33,479)	0.0
SB 11-229, Expenses School Counselor Grant Program	0	0	0	0	0	0.0
SB 11-230, School Finance Act	(460,700,000)	(460,700,000)	0	0	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	0	0	0	0	0	0.0
<b>Total - Education</b>	<b>(\$461,229,998)</b>	<b>(\$461,019,868)</b>	<b>(\$69,503)</b>	<b>(\$74,336)</b>	<b>(\$66,291)</b>	<b>0.0</b>
<b>GOVERNOR</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$22,016)	(\$504)	(\$1,217)	(\$555)	(\$19,740)	0.0
SB 11-076, PERA Contribution Rates	(1,785,283)	(100,336)	(4,054)	(1,601,444)	(79,449)	0.0
HB 11-1257, Pro-Rate HLD Benefits	(17,523)	(5,759)	0	(11,764)	0	0.0
<b>Total - Governor</b>	<b>(\$1,824,822)</b>	<b>(\$106,599)</b>	<b>(\$5,271)</b>	<b>(\$1,613,763)</b>	<b>(\$99,189)</b>	<b>0.0</b>
<b>HEALTH CARE POLICY AND FINANCING</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$3,148)	(\$1,185)	(\$356)	\$0	(\$1,607)	0.0
SB 11-216, Children's Basic Health Gen Fund Approp	(4,663,402)	(3,449,967)	(24,363)	(446,100)	(742,972)	(0.2)
SB 11-212, Use Provider Fee Offset GF Medicaid	0	(50,000,000)	50,000,000	0	0	0.0
SB 11-215, 2011 Nursing Facility Rate Reduction	(8,865,830)	(4,432,915)	0	0	(4,432,915)	0.0
SB 11-210, Phase Out Supplemental OAP Health Fund	(2,230,500)	(2,230,500)	0	0	0	0.0
SB 11-219, 2011 Transfers for Health Care Services	(5,020,670)	(15,775,670)	0	0	10,755,000	0.0
SB 11-211, Tobacco Revenues Offset Medical Services	0	(33,000,000)	29,713,649	3,286,351	0	0.0
SB 11-076, PERA Contribution Rates	(1,630,244)	(714,347)	(56,118)	0	(859,779)	0.0
HB 11-1257, Pro-Rate HLD Benefits	(6,950)	(3,475)	0	0	(3,475)	0.0
SJR 11-009, Declare Fiscal Emergency Tobacco Tax	0	0	0	0	0	0.0
SB 11-213, CHP+ Assess Monthly Enrollment Fee	750,859	41,458	(37,981)	751,920	(4,538)	0.2
<b>Total - Health Care Policy and Financing</b>	<b>(\$21,669,885)</b>	<b>(\$109,566,601)</b>	<b>\$79,594,831</b>	<b>\$3,592,171</b>	<b>\$4,709,714</b>	<b>0.0</b>
<b>HIGHER EDUCATION</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$7,202)	\$0	(\$277)	(\$906)	(\$6,019)	0.0
SB 11-076, PERA Contribution Rates	(199,811)	(41,484)	(132,867)	0	(25,460)	0.0
HB 11-1257, Pro-Rate HLD Benefits	0	0	0	0	0	0.0
<b>Total - Higher Education</b>	<b>(\$207,013)</b>	<b>(\$41,484)</b>	<b>(\$133,144)</b>	<b>(\$906)</b>	<b>(\$31,479)</b>	<b>0.0</b>
<b>HUMAN SERVICES</b>						
SB 11-076, PERA Contribution Rates	(5,248,580)	(3,034,793)	(204,655)	(1,196,670)	(812,462)	0.0
SB 11-217, Reduction Juvenile Detention Bed Cap	(1,078,828)	(1,078,828)	0	0	0	0.0
SB 11-220, Personal Vehicle Mileage Allowance	(\$87,271)	(\$49,292)	(\$1,135)	(\$6,153)	(\$30,691)	0.0
SB 11-228, County Tax Base Relief Formula	0	0	0	0	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	(574,096)	(438,818)	(556)	(109,380)	(25,342)	0.0
<b>Total - Human Services</b>	<b>(\$6,988,775)</b>	<b>(\$4,601,731)</b>	<b>(\$206,346)</b>	<b>(\$1,312,203)</b>	<b>(\$868,495)</b>	<b>0.0</b>
<b>JUDICIAL</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$367,852)	(\$293,849)	(\$74,003)	\$0	\$0	0.0
SB 11-076, PERA Contribution Rates	(6,132,185)	(5,260,421)	(870,420)	(1,344)	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	(469,073)	(310,924)	(158,149)	0	0	0.0
<b>Total - Judicial</b>	<b>(\$6,969,110)</b>	<b>(\$5,865,194)</b>	<b>(\$1,102,572)</b>	<b>(\$1,344)</b>	<b>\$0</b>	<b>0.0</b>
<b>LABOR AND EMPLOYMENT</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$40,239)	\$0	(\$14,430)	(\$153)	(\$25,656)	0.0
SB 11-076, PERA Contribution Rates	(1,631,728)	0	(610,007)	(3,600)	(1,018,121)	0.0
HB 11-1257, Pro-Rate HLD Benefits	0	0	0	0	0	0.0
<b>Total - Labor and Employment</b>	<b>(\$1,671,967)</b>	<b>\$0</b>	<b>(\$624,437)</b>	<b>(\$3,753)</b>	<b>(\$1,043,777)</b>	<b>0.0</b>
<b>LAW</b>						

**Appropriation Summary Table**  
**Other Legislation Considered Part of the SB 11-209 Budget Package**  
**by Department**

Department/Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
SB 11-220, Personal Vehicle Mileage Allowance	(\$324)	(\$26)	(\$98)	(\$198)	(\$2)	0.0
SB 11-076, PERA Contribution Rates	(774,669)	(180,082)	(69,016)	(502,668)	(22,903)	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(13,387)</u>	<u>0</u>	<u>0</u>	<u>(13,387)</u>	<u>0</u>	<u>0.0</u>
<b>Total - Law</b>	<b>(\$788,380)</b>	<b>(\$180,108)</b>	<b>(\$69,114)</b>	<b>(\$516,253)</b>	<b>(\$22,905)</b>	<b>0.0</b>
<b>LEGISLATIVE</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$27,499)	(\$27,499)	\$0	\$0	\$0	0.0
SB 11-076, PERA Contribution Rates	(531,051)	(531,051)	0	0	0	0.0
SB 11-198, Leg. Appropriation Bill*	232,388	397,132	(18,244)	(146,500)	0	(6.1)
HB 11-1257, Pro-Rate HLD Benefits	<u>(3,810)</u>	<u>(3,810)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total - Legislative</b>	<b>(\$329,972)</b>	<b>(\$165,228)</b>	<b>(\$18,244)</b>	<b>(\$146,500)</b>	<b>\$0</b>	<b>(6.1)</b>
* For S.B. 11-198, the dollars reflect the <i>difference</i> between FY 2011-12 and FY 2010-11. The full impact for S.B. 11-198 is listed in the narrative section.						
<b>LOCAL AFFAIRS</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$4,314)	(\$1,860)	(\$93)	(\$643)	(\$1,718)	0.0
SB 11-076, PERA Contribution Rates	(275,045)	(66,014)	(35,500)	(109,656)	(63,875)	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(61,844)</u>	<u>(24,036)</u>	<u>(8,082)</u>	<u>(18,804)</u>	<u>(10,922)</u>	<u>0.0</u>
<b>Total - Local Affairs</b>	<b>(\$341,203)</b>	<b>(\$91,910)</b>	<b>(\$43,675)</b>	<b>(\$129,103)</b>	<b>(\$76,515)</b>	<b>0.0</b>
<b>MILITARY AFFAIRS</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$2,719)	(\$653)	\$0	\$0	(\$2,066)	0.0
SB 11-076, PERA Contribution Rates	(164,417)	(56,497)	(1,824)	0	(106,096)	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(2,297)</u>	<u>(2,297)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total - Military Affairs</b>	<b>(\$169,433)</b>	<b>(\$59,447)</b>	<b>(\$1,824)</b>	<b>\$0</b>	<b>(\$108,162)</b>	<b>0.0</b>
<b>NATURAL RESOURCES</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$69,948)	(\$25,538)	(\$40,078)	(\$1,635)	(\$2,697)	0.0
SB 11-076, PERA Contribution Rates	(2,209,502)	(384,244)	(1,478,456)	(74,295)	(272,507)	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(18,120)</u>	<u>(4,116)</u>	<u>(2,447)</u>	<u>0</u>	<u>(11,557)</u>	<u>0.0</u>
<b>Total - Natural Resources</b>	<b>(\$2,297,570)</b>	<b>(\$413,898)</b>	<b>(\$1,520,981)</b>	<b>(\$75,930)</b>	<b>(\$286,761)</b>	<b>0.0</b>
<b>PERSONNEL AND ADMINISTRATION</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$3,781)	(\$1,072)	(\$29)	(\$2,680)	\$0	0.0
SB 11-076, PERA Contribution Rates	(485,722)	(160,447)	(58,391)	(266,884)	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(14,323)</u>	<u>(6,236)</u>	<u>0</u>	<u>(8,087)</u>	<u>0</u>	<u>0.0</u>
<b>Total - Personnel and Administration</b>	<b>(\$503,826)</b>	<b>(\$167,755)</b>	<b>(\$58,420)</b>	<b>(\$277,651)</b>	<b>\$0</b>	<b>0.0</b>
<b>PUBLIC HEALTH AND ENVIRONMENT</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$39,189)	(\$5,020)	(\$8,896)	(\$4,686)	(\$20,587)	0.0
SB 11-076, PERA Contribution Rates	(1,975,520)	(162,746)	(682,218)	(238,632)	(891,924)	0.0
HB 11-1257, Pro-Rate HLD Benefits	(54,166)	(148)	(20,172)	(9,468)	(24,378)	0.0
SB 11-211, Tobacco Revenues Offset Medical Services	(33,000,000)	0	(29,713,649)	(3,286,351)	0	(5.0)
SJR 11-009, Declare Fiscal Emergency Tobacco Tax	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total - Public Health and Environment</b>	<b>(\$35,068,875)</b>	<b>(\$167,914)</b>	<b>(\$30,424,935)</b>	<b>(\$3,539,137)</b>	<b>(\$936,889)</b>	<b>(5.0)</b>
<b>PUBLIC SAFETY</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$13,813)	(\$3,308)	(\$7,731)	(\$231)	(\$2,543)	0.0
SB 11-076, PERA Contribution Rates	(2,074,036)	(437,930)	(1,430,407)	(102,366)	(103,333)	0.0
HB 11-1138, Sex Offender Management Board	471,101	318,565	152,536	0	0	4.7
HB 11-1257, Pro-Rate HLD Benefits	<u>(14,375)</u>	<u>(4,858)</u>	<u>(2,202)</u>	<u>(2,717)</u>	<u>(4,598)</u>	<u>0.0</u>
<b>Total - Public Safety</b>	<b>(\$1,631,123)</b>	<b>(\$127,531)</b>	<b>(\$1,287,804)</b>	<b>(\$105,314)</b>	<b>(\$110,474)</b>	<b>4.7</b>
<b>REGULATORY AGENCIES</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$34,060)	(\$188)	(\$33,701)	(\$95)	(\$76)	0.0
SB 11-076, PERA Contribution Rates	(826,773)	(24,058)	(749,724)	(47,038)	(5,953)	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(4,148)</u>	<u>0</u>	<u>(4,148)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total - Regulatory Agencies</b>	<b>(\$864,981)</b>	<b>(\$24,246)</b>	<b>(\$787,573)</b>	<b>(\$47,133)</b>	<b>(\$6,029)</b>	<b>0.0</b>
<b>REVENUE</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$18,931)	(\$9,947)	(\$8,984)	\$0	\$0	0.0
SB 11-076, PERA Contribution Rates	(1,741,453)	(563,224)	(1,162,667)	(15,562)	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>(11,446)</u>	<u>(4,403)</u>	<u>(7,043)</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>Total - Revenue</b>	<b>(\$1,771,830)</b>	<b>(\$577,574)</b>	<b>(\$1,178,694)</b>	<b>(\$15,562)</b>	<b>\$0</b>	<b>0.0</b>
<b>STATE</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$1,885)	\$0	(\$1,885)	\$0	\$0	0.0
SB 11-076, PERA Contribution Rates	(184,245)	0	(184,245)	0	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>

**Appropriation Summary Table**  
**Other Legislation Considered Part of the SB 11-209 Budget Package**  
**by Department**

Department/Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total - State</b>	<b>(\$186,130)</b>	<b>\$0</b>	<b>(\$186,130)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>TRANSPORTATION</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$7,697)	\$0	\$0	(\$7,697)	\$0	0.0
SB 11-076, PERA Contribution Rates	(283,641)	0	(272,054)	(11,587)	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	(15,700)	0	(15,700)	0	0	0.0
<b>Total - Transportation</b>	<b>(\$307,038)</b>	<b>\$0</b>	<b>(\$287,754)</b>	<b>(\$19,284)</b>	<b>\$0</b>	<b>0.0</b>
<b>TREASURY</b>						
SB 11-220, Personal Vehicle Mileage Allowance	(\$625)	(\$625)	\$0	\$0	\$0	0.0
SB 11-076, PERA Contribution Rates	(45,974)	(29,150)	(16,824)	0	0	0.0
HB 11-1257, Pro-Rate HLD Benefits	0	0	0	0	0	0.0
SB 11-221, Old Hire FPPA Plans State Contribution	(20,000,000)	(20,000,000)	0	0	0	0.0
<b>Total - Treasury</b>	<b>(\$20,046,599)</b>	<b>(\$20,029,775)</b>	<b>(\$16,824)</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
<b>Grand Total</b>	<b>(571,912,053)</b>	<b>(610,208,348)</b>	<b>41,688,222</b>	<b>(4,418,219)</b>	<b>1,026,292</b>	<b>(6.4)</b>

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-210:

CONCERNING THE ELIMINATION OF THE SUPPLEMENTAL OLD AGE PENSION HEALTH AND MEDICAL CARE PROGRAM, AND IN CONNECTION THEREWITH, PROVIDING FOR THE TRANSFER OF THE FUND BALANCE OF THE SUPPLEMENTAL OLD AGE PENSION HEALTH AND MEDICAL CARE FUND TO THE GENERAL FUND, AUTHORIZING THE USE OF MONEYS IN THE TOBACCO TAX CASH FUND TO PROVIDE SERVICES UNDER MEDICAID FOR THE MEDICAL CARE OF OLD AGE PENSIONERS, AND MAKING AN APPROPRIATION.

### Bill Summary

1. Effective July 1, 2011 (FY 2011-12), the bill provides that \$2.2 million from the Tobacco Tax Cash Fund shall be appropriated to fund the health-related costs of Old Age Pension (OAP) clients served through the Medicaid program. This appropriation replaces a \$2.2 million cash fund appropriation from the Tobacco Tax Cash Fund to fund the health-related costs of OAP clients served through the Supplemental OAP Health and Medical Care Program.
2. The bill transfers any fund balance in the Supplemental OAP Health and Medical Care Fund to the General Fund on June 30, 2012. Effective July 1, 2012 (FY 2012-13), the bill:
  - a. Eliminates the annual transfer of \$2,850,000 sales tax revenue to the Supplemental OAP Health and Medical Care Fund; and
  - b. Repeals the Supplemental OAP Health and Medical Care Fund and the Supplemental OAP Health and Medical Care Program.

### Fiscal Impact

The bill's fiscal impact is summarize in Table 1.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

**Table 1: Fiscal Impact Summary**

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
<b>State Revenue</b>		
General Fund	\$736,087	\$2,850,000
Cash Funds /1	(\$736,087)	(\$2,850,000)
<b>State Expenditures</b>		
General Fund /2	(\$2,230,500)	(\$2,230,500)

/1 On June 30, 2012, an estimated \$736,087 fund balance remaining in the Supplemental OAP Health and Medical Care Fund will be transferred to the General Fund. Beginning July 1, 2012, \$2,850,000 will remain in the General Fund rather than being transferred into the Supplemental OAP Health and Medical Fund.

/2 Beginning in FY 2011-12, the bill allows the Tobacco Tax Cash Fund appropriation that previously funded health-related services for OAP clients through the OAP Health and Medical Program, to instead be used to fund health-related services for OAP clients currently served through the Medicaid program. This provision in the bill reduces annual General Fund expenditures by \$2.2 million.

## Appropriation Impact

Based on the provisions in the bill, appropriations in the 2011 Long Bill will be adjusted as follows:

**Table 2: FY 2011-12 APPROPRIATION Impacts**

Line Items	General Fund	Cash Funds/1	Total Funds
Medical Service Premiums	(\$2,230,500)	\$2,230,500	\$0
Transfer of Tobacco Tax Cash Fund into the Supplemental OAP State Medical Fund	<u>0</u>	<u>(2,230,500)</u>	<u>(2,230,500)</u>
<b>TOTAL</b>	(\$2,230,500)	\$0	(\$2,230,500)

/1 These amounts shall be from the Tobacco Tax Cash Fund. These appropriations meet the Constitutional requirement that a portion of the revenues collected from the imposition of additional cigarette and tobacco taxes be appropriated for health-related purposes to the Old Age Pension program.

## Background Information:

The OAP Health and Medical Program was established through Article XXIV of the State Constitution and by Section 25.5-2-101, C.R.S., to provide health care services to persons

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

who qualify to receive Old Age Pensions but who are ineligible for Medicare or Medicaid. At the beginning of FY 2011-12, the Program is anticipated to serve 3,200 clients. However, beginning in February 2012, the majority of these clients will become eligible for Medicaid pursuant to the implementation of H.B. 09-1293. House Bill 09-1293 expanded Medicaid eligibility to adults without dependent children with incomes at or below 100 percent of the federal poverty level. Because the clients in the OAP Health and Medical Program will receive health care services through the Medicaid program, the Joint Budget Committee recommends phasing-out the OAP Health and Medical Program.

The OAP Health and Medical Program has three funding sources:

- (1) \$10.0 million annually transferred pursuant to Section 7 of Article XXIV of the State Constitution;
- (2) \$2.85 million in sales tax revenues transferred pursuant to Section 39-26-123 (3) (a) (IV) (B), C.R.S.; and
- (3) \$2.2 million (1.5 percent) of tobacco tax revenues collected pursuant Section 21 (2) (e) of Article X of the State Constitution and Section 24-22-117 (1) (c) (II), C.R.S.

Currently, the Program expends approximately \$10.0 million annually but receives revenue allocations of \$15.0 million. For the past three fiscal years, the Joint Budget Committee has sponsored legislation to transfer fund balances that have accumulated in the Supplemental OAP Health and Medical Fund. This bill permanently eliminates the \$2.85 million transfer into the Supplemental OAP Health and Medical Fund and redirects the \$2.2 million (item #3 above) from the OAP Medical Program to reduce General Fund expenditures for Old Age Pension clients currently served through the Medicaid program. Once all of the OAP clients have become eligible for Medicaid, the remaining \$10.0 million in revenues for the OAP Health and Medical Program will no longer be required. However, a constitutional change would be required to eliminate this annual transfer of up to \$10.0 million.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-211: CONCERNING THE USE OF TOBACCO TAX REVENUE FOR HEALTH-RELATED PURPOSES DURING A STATE FISCAL EMERGENCY.

### Bill Summary

This bill is a companion to S.J.R. 11-009, which declares a state fiscal emergency and thus, pursuant to Section 20 of Article X of the State Constitution, allows Amendment 35 tobacco-tax revenues to be used for any health related purpose. This bill will only become law if S.J.R. 11-009 also becomes law. Because a declared state fiscal emergency only lasts for one year, this bill will only alter the distribution of Amendment 35 revenue for FY 2011-12.

This bill allows Amendment 35 tobacco-tax moneys from the following funds and programs, which are all located in the Colorado Department of Public Health and Environment (CDPHE), to be appropriated to the Department of Health Care Policy and Financing (HCPF) to support Colorado's Medicaid program and the Children's Basic Health Plan:

The Health Disparities Grant Program Fund, which supports the Health Disparities Program and Health Disparities Grants,

The Tobacco Education Programs Fund, which supports the State Tobacco Education, Prevention and Cessation Program (STEPP), which makes Tobacco Education, Prevention and Cessation Grants, and

The Prevention, Early Detection and Treatment Fund, which supports the Cancer, Cardiovascular Disease and Pulmonary Disease (CCPD) Grant Program and the Breast and Cervical Cancer Screening and Treatment Program.

The bill appropriates \$33.0 million of Amendment 35 money to HCPF for Medical Services Premiums. Of this amount, \$17.8 million is from the Tobacco Education Programs Fund, \$12.0 million is from the Prevention, Early Detection and Treatment Fund, and \$3.3 million is from the Health Disparities Grant Program Fund. These appropriations allow HCPF General Fund appropriations to be reduced by \$33.0 million.

Administrative expenses of the Tobacco Education, Prevention and Cessation Grant program and the Cancer, Cardiovascular Disease and Pulmonary Disease Grant program cannot exceed 5 percent of total program costs. This bill modifies the calculation of this percentage for the Cardiovascular Disease and Pulmonary Disease Grant Program during state fiscal emergencies by counting all appropriations from the Prevention, Early Detection and Treatment Fund as part of total program costs, including appropriations to HCPF. Without this modification, the Cancer, Cardiovascular Disease and Pulmonary Disease Grant Program would violate the 5 percent limitation during FY



## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

2011-12. No modification is required for the Tobacco Education, Prevention and Cessation Grant program.

### Fiscal Impact

This bill continues budget-balancing policies that the General Assembly utilized in FY 2009-10 and FY 2010-11, following the declaration of similar state fiscal emergencies. The following table compares the amount that was redirected to HCPF from CDPHE in prior years with the amount redirected by this bill.

<i>Department of Health Care Policy and Financing</i>	<b>FY 09-10 Approp. to HCPF</b>	<b>FY 10-11 Approp. to HCPF</b>	<b>FY 11-12 Recommended Approp. to HCPF</b>
Health Disparities Grant Program Fund - RF	\$2,000,000	\$4,490,435	\$3,286,351
Tobacco Education Program Fund - CF	15,000,000	15,521,625	17,758,594
Prevention Early Detection and Treatment Fund - CF	19,000,000	5,679,358	11,955,055
<b>Total Amendment 35 Funds Appropriated to HCPF</b>	<b>\$36,000,000</b>	<b>\$25,691,418</b>	<b>\$33,000,000</b>

The bill's appropriation clause reduces appropriations in the FY 2011-12 Long Bill to CDPHE by the following amounts in order to pay for the appropriations to HCPF:

<i>Department of Public Health and Environment</i>	<b>Cash Funds</b>	<b>Reapprop. Funds</b>	<b>Total Funds</b>	<b>FTE</b>
<b>Health Disparities Program</b>				
Program Administration	0	(175,394)	(175,394)	(2.0)
Health Disparities Grants	0	(3,068,241)	(3,068,241)	0.0
<b>Health Statistics and Vital Records</b>				
Operating Expenses	(40,000)	0	(40,000)	0.0
Breast and Cervical Cancer Screening	(1,625,000)	0	(1,625,000)	0.0
<b>Tobacco Education, Prevention, and Cessation</b>				
Program Administration	(220,000)	0	(220,000)	(1.5)
Grants	(17,428,594)	0	(17,428,594)	0.0
<b>Cancer, Cardiovascular Disease, and Chronic Pulmonary Disease</b>				
Program Administration	(130,000)	0	(130,000)	(1.5)
Grants	(10,090,055)	0	(10,090,055)	0.0
<b>Indirect Cost Assessments</b>	(180,000)	(42,716)	(222,716)	
<b>Total</b>	<b>(29,713,649)</b>	<b>(3,286,351)</b>	<b>(33,000,000)</b>	<b>(5.0)</b>

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-212:

**CONCERNING AUTHORITY FOR AN ADDITIONAL PERMISSIBLE USE OF MONEYS IN THE HOSPITAL PROVIDER FEE CASH FUND FOR STATE MEDICAID EXPENDITURES TO OFFSET STATE GENERAL FUND EXPENDITURES FOR THE NEXT TWO FISCAL YEAR, AND MAKING AN APPROPRIATION THEREFOR.**

### Bill Summary

For FY 2011-12 and FY 2012-13, the bill authorizes the use of \$50.0 million and \$25.0 million, respectively, from the Hospital Provider Fee Cash Fund to offset General Fund expenditures in the Medicaid program.

### Appropriation Impact

Based on the provisions in the bill, appropriations in the FY 2011-12 Long Bill will be adjusted as follows:

Table 1: FY 2011-12 APPROPRIATION Impacts from S.B. 11-212			
Line Items	General Fund	Cash Funds/1	Total Funds
Medical Service Premiums	(\$50,000,000)	\$50,000,000	\$0

/1 This amount shall be from the Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4) (a), Colorado Revised Statutes.

### Background Information:

The Hospital Provider Fee Program (established in HB 09-1293) authorizes the Department of Health Care Policy and Financing to charge and collect a hospital provider fee in order to: (1) increase reimbursements for hospitals participating in the Medicaid and Colorado Indigent Care programs; (2) increase the number of individuals insured by public medical assistance programs; and (3) pay the Department's administrative costs for the program. This bill expands the authorized uses of the hospital provider fee to offset General Fund expenditures by \$50.0 million in FY 2011-12 and by \$25.0 million in FY 2012-13.

The Hospital Provider Fee Program is anticipated to collect \$611.6 million in FY 2011-12 and \$719.6 million in FY 2012-13. All of the cash fund revenues, with the exception of a

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

small reserve balance of \$5.7 million, are expended by program or are refunded back to the hospitals if unused. This bill will require \$50.0 million in FY 2011-12 and \$25.0 million in FY 2012-13 in additional fee revenue that would not have been collected without this bill in order to reduce General Fund expenditures.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-213: CONCERNING ENROLLEE COST-SHARING FOR CHILDREN IN THE CHILDREN'S BASIC HEALTH PLAN.

### Bill Summary

1. The bill requires the Department of Health Care Policy and Financing to charge a monthly enrollment fee for children enrolled in the Children's Basic Health Plan (CBHP) with family incomes above 205 percent of the federal poverty level. The bill specifies that the monthly CBHP enrollment fee will be \$20.00 for the first child and \$10.00 for each subsequent child. However, no family shall pay more than \$50.00 per month.
  
2. The bill allows the Department of Health Care Policy and Financing to notify the Department of Revenue if families fail to pay the enrollment cap. This will allow the state to deduct any debt owed the state by these families from their state income tax refund.

### Fiscal Impact

The bill's fiscal impact is summarize in Table 1.

Table 1: Fiscal Impact Summary		
Fiscal Impact Summary	FY 2011- 2012	FY 2012- 2013
<b>State Revenue</b>		
Cash Funds (Premium Collections)	\$101,616	\$1,502,216
<b>State Expenditures</b>		
<i>Department of Health Care Policy and Financing</i>	(\$6,981)	(\$5,941,248)
General Fund	35,538	(1,435,401)
Cash Funds (Children's Basic Health Plan Trust)	101,616	1,506,074
Cash Funds (Hospital Provider Fee)	(139,597)	(2,146,252)
Federal Funds	(4,538)	(3,861,811)
FTE	0.2 FTE	1.0 FTE
<i>Department of Human Services</i>		
Reappropriated Funds - Transfer from HCPF	\$375,960	\$0

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

Table 1: Fiscal Impact Summary		
Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
<i>Governor's Office</i> Reappropriated Funds - Transfer from DHS	\$375,960	\$0
<i>Department of Revenue</i> General Fund	\$5,920	\$3,696

### Background Information:

Currently, all families with children enrolled in the CBHP program with incomes above 150 percent of the federal poverty level, pay an annual enrollment fee of \$25.00 for one family and \$35.00 for two or more children. Under this bill, families with incomes greater than 205 percent of the federal poverty level will pay monthly enrollment fees of \$20 for the first child enrolled in a family and \$10 for each subsequent child in the family enrolled. However, enrollment fees will be capped at no more than \$50.00 per family. The bill results in the following savings and costs.

Table 2: Cost and Saving Components		
Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
CBMS IT Changes	\$375,960	\$0
Department of Revenue Administration	5,920	3,696
HCPF Administration (1.0 FTE)	4,821	57,856
Processing Premium Collections (Lock-box)	11,087	133,046
CBHP Medical and Dental Cost Decreases	(398,849)	(6,132,150)
CBHP General Fund Offset from New Premium Collections	(101,616)	(1,502,216)
CBHP Trust Increase from New Premium Collections	<u>101,616</u>	<u>1,502,216</u>
<b>Total</b>	<b>(\$1,061)</b>	<b>(\$5,937,552)</b>
General Fund	41,458	(1,431,705)
Cash Funds	(37,981)	(644,036)
Federal Funds	(4,538)	(3,861,811)
Reappropriated Funds*	\$751,920	\$0

\* The reappropriated funds are transfers for CBMS costs to the Department of Human Services and to the Governor's Office. Because these are double-counted appropriations, the amounts are not included in the cost information above.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

**CBMS IT Changes:** The bill will require system changes to the Colorado Benefits Management System (CBMS). System changes will be needed to determine and track monthly premiums, automate data collection regarding amount of fee paid, and interface with the State's Lock Box vendor in order to produce mailings and monthly notices. These changes are anticipated to cost \$376,960 total funds and will be completed by April 2012.

**Department of Revenue Administration:** In order to encourage compliance with the monthly premium fee, the bill allows the State to withhold income tax refunds for the amount of unpaid premiums. This will require programming changes in the Department of Revenue. In addition, in the second year of implementation the Department will require funding to answer tax payer questions and to review any appeals.

**Department of Health Care Policy and Financing Administration:** The Department of Health Care Policy and Financing will require 1.0 FTE once the bill is fully implemented in FY 2012-13 to record all premiums collected, communicate with the Department of Revenue regarding withholding premiums from tax refunds, filing for collections, and other administrative duties associated with requiring a monthly premium fee.

**Processing Premium Collections:** The Department of Health Care Policy and Financing currently contracts with a vendor to process all annual CBHP premium collections. This bill will increase the amount of this contract due to more checks being processed. In addition, there will be increased costs from printing monthly letters and invoices.

**CBHP Medical and Dental Costs:** The bill is anticipated to reduce enrollment in the CBHP program by 20.0 percent for families with incomes between 205 and 250 percent of the federal poverty level. The number of children anticipated to drop coverage through CBHP is 1,946 children in FY 2011-12 and 2,398 children in FY 2012-13.

**New Premium Collections:** The bill is anticipated to increase revenues by \$101,616 in FY 2011-12 and by \$1,502,216 in FY 2012-13. This will reduce General Fund expenditures and increase cash fund expenditures in the CBHP program by a corresponding amount in each fiscal year.

# **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

## **SUMMARY OF S.B. 11-214: CONCERNING DECOMMISSIONING FORT LYON CORRECTIONAL FACILITY.**

### **Bill Summary**

In connection with the decommission of the Fort Lyon Correctional Facility, this bill removes references to Fort Lyon from three locations in statute. First, it strikes the statutory section giving Colorado jurisdiction over the Fort Lyon Veterans Hospital. Second, it removes Fort Lyon Correctional Facility from the statutory list of state correctional facilities. Finally, it strikes the statutory section authorizing the State to receive the Fort Lyon property. The effective date of this bill is March 1, 2012.

### **Fiscal Impact**

This bill does not have a fiscal impact for FY 2011-12. All budget adjustments related to the decommission of the Fort Lyon Correctional Facility are contained in the Long Bill.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-215: CONCERNING A REDUCTION IN THE PER DIEM RATES PAID TO NURSING FACILITIES FOR THE 2011-12 FISCAL YEAR, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

### Bill Summary

This bill reduces the per diem rates paid to class I nursing facilities by 1.5 percent. The bill also allows the Department to increase the supplemental Medicaid payments made to providers due to this reduction. This would allow the nursing facilities to use their provider fee to reduce the overall impact of the reduction.

### FY 2011-12 Fiscal Impact

In FY 2011-12, a 1.5 percent per diem rate reduction to nursing facilities will result in savings of \$8.9 million total funds. Of this amount, \$4.4 million is from the General Fund and \$4.4 million is from federal funds as shown in the table below.

FY 2011-12 Department of Health Care Policy and Financing Fiscal Impact			
	General Fund	Federal Funds	Total Funds
Medical Services Premiums line item (Nursing Fee 1.5% Reductions)	(\$4,432,915)	(\$4,432,915)	(\$8,865,830)



# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-216:

**CONCERNING THE REDUCTION OF GENERAL FUND APPROPRIATIONS FOR THE CHILDREN'S BASIC HEALTH PLAN BY REALLOCATING TOBACCO-RELATED REVENUE STREAMS, AND, IN CONNECTION THEREWITH, ABOLISHING THE PEDIATRIC SPECIALTY HOSPITAL FUND AND THE SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT MONEY ACCOUNT IN THE PEDIATRIC SPECIALTY HOSPITAL FUND, ABOLISHING THE COMPREHENSIVE PRIMARY AND PREVENTIVE CARE FUND, AND ABOLISHING THE COMPREHENSIVE PRIMARY AND PREVENTIVE CARE GRANT PROGRAM, AND MAKING AN APPROPRIATION.**

### Bill Summary

In order to reduce the amount of General Fund that is needed to support the Children's Basic Health Plan (CBHP) in FY 2011-12 and in subsequent fiscal years, this bill changes the funding allocations for Master Tobacco Settlement programs and for the General Fund allocation from the Amendment 35 Tobacco Tax programs. Specifically, the bill does the following:

- (1) Increases the allocation from the Master Tobacco Settlement Tier 1 distribution into the CBHP Trust Fund from 24 percent of revenues to 27 percent of revenues. The additional three percent revenues into the CBHP Trust Fund are available from eliminating the three percent of revenues that are currently distributed to the Comprehensive Primary and Preventative Care Grant (CPPCG) Program. Because this program will no longer have a revenue source, the bill also eliminates the CPPCG Program. These provisions of the bill will increase revenues into the CBHP Trust Fund by \$2.7 million and reduce the General Fund subsidy for the CBHP program by a corresponding amount.
- (2) Increases the allocation from the Master Tobacco Settlement Tier 2 distribution into the CBHP Trust Fund from 13.5 percent to 14.5 percent of revenues. The additional one percent of revenues into the CBHP Trust Fund are available from eliminating the one percent of revenues that is distributed to the Pediatric Specialty Hospital Fund. These provisions of the bill will increase revenues into the CBHP Trust Fund by \$296,872 and reduce the General Fund subsidy for the CBHP program by a corresponding amount.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

- (3) Eliminates the allocation of Amendment 35 tobacco tax moneys into the Pediatric Specialty Hospital Fund and transfers this allocation into the CBHP Trust Fund. These provisions in the bill will increase revenues into the CBHP Trust Fund by \$446,100 and reduce the General Fund subsidy for the CBHP program by a corresponding amount. Because the Pediatric Specialty Hospital Fund will no longer have any revenue sources, the bill also eliminates the Pediatric Specialty Hospital Fund.

### Appropriation Impact

Based on the provisions in the bill, appropriations in the FY 2011-12 Long Bill will be adjusted as follows:

Table 1: FY 2011-12 APPROPRIATION Impacts						
Line Items	General Fund /1	Cash Funds	Reappropriated Funds	Federal Funds	Total Funds	FTE
Executive Director's Office	\$0	(\$24,363)	\$0	\$0	(\$24,363)	(0.2)
Comprehensive Primary and Preventive Care Grant Program	0	(2,706,995)	0	0	(2,706,995)	0.0
Pediatric Specialty Hospital Program	0	(296,872)	(446,100)	(742,972)	(1,485,944)	0.0
Amendment 35 General Fund Appropriation into the Pediatric Specialty Hospital Fund /1	(446,100)	0	0	0	(446,100)	0.0
Children's Basic Health Plan Medical and Dental Costs	<u>(3,003,867)</u>	<u>3,003,867</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL</b>	<b>(\$3,449,967)</b>	<b>(\$24,363)</b>	<b>(\$446,100)</b>	<b>(\$742,972)</b>	<b>(\$4,663,402)</b>	<b>(0.2)</b>

/1 Includes General Fund Exempt

/2 These amounts shall be from the Tobacco Tax Cash Fund. These appropriation meet the Constitutional requirement that a portion of the revenues collected from the imposition of additional cigarette and tobacco taxes be appropriated to the General Fund for health-related purposes.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-217: CONCERNING A REDUCTION TO THE JUVENILE DETENTION BED CAP AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

### Bill Summary

This bill reduces the cap on youth corrections detention beds by 57 beds from the current 479 beds to 422 beds. The reduction will result in the closure of 43 beds in state-operated youth corrections facilities and will eliminate 14 detention contract placements.

Specifically, this bill makes the following changes:

**Section 1** states that for FY 2011-12 and each fiscal year thereafter, the number of available juvenile detention beds shall be limited to 422.

**Section 2** includes an appropriation clause to reduce the FY 2011-12 appropriation for the Department of Human Services by \$1,078,828 General Fund and 8.3 FTE.

**Section 3** includes a safety clause.

### Fiscal Impact

The bill reduces the appropriation to the Department of Human Services by \$1,078,828 General Fund and 8.3 FTE in FY 2011-12. These savings will annualize to \$1,198,031 General Fund and 10.0 FTE in FY 2012-13, as reflected in the table below.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

	FY 2011-12	FY 2012-13
<b>Division of Youth Corrections</b>		
Personal Services	(\$394,237)	(\$473,086)
<i>FTE</i>	-8.3	-10.0
Operating Expenses	<u>(7,917)</u>	<u>(9,500)</u>
Subtotal - Personal Services and Operating Expenses	(402,154)	(482,586)
Videoconferencing	20,000	0
Purchase of Contract Placements	<u>(604,414)</u>	<u>(604,414)</u>
<b>Subtotal - Youth Corrections</b>	<b>(\$986,568)</b>	<b>(\$1,087,000)</b>
<b>Executive Director's Office (Centrally-appropriated benefits)</b>		
S.B 06-235 Supplemental Amortization Equalization Disbursement	(\$8,870)	(\$10,644)
S.B. 04-257 Amortization Equalization Disbursement	(11,039)	(13,246)
Health, Life, Dental	(66,376)	(79,970)
Short-term Disability	(61)	(73)
Shift Differential	<u>(5,914)</u>	<u>(7,096)</u>
<b>Subtotal - Executive Director's Office</b>	<b>(\$92,260)</b>	<b>(\$111,031)</b>
<b>Grand Total</b>	<b>(\$1,078,828)</b>	<b>(\$1,198,031)</b>

### Additional Information

A cap on juvenile detention beds of 479 was first imposed in FY 2003-04. In the last several years, due to declines in the number of youth arrested and increases in the use of community-based alternatives, the use of secure detention beds has declined dramatically. During FY 2009-10 the average daily detention population was 363.4. As of January 2011, the year-to-date average daily population for FY 2010-11 was 343.9.

Bed closures would be distributed throughout the State and are anticipated to include the elimination of 14 contract placements and 43 state-operated beds. Although pods would be closed at several facilities, no state-operated facility would be entirely closed in the scenario used to develop this fiscal estimate.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-218: CONCERNING THE TRANSFER OF MONEYS FROM CERTAIN CASH FUNDS TO THE STATE EDUCATION FUND.

### Bill Summary

This bill requires the State Treasurer to transfer the balance of moneys remaining in various cash funds on June 30, 2011, to the State Education Fund as shown in the table below. All of these cash funds are administered by the Department of Education. Details concerning the revenue sources for and purpose of each cash fund are provided following the table.

Bill Section	Name of Fund	Estimated Transfer Amount
1	National Academic Contest Fund	\$44
2	Financial Literacy Cash Fund	46,510
3	Teacher Development Fund	1,065
4	Full-day Kindergarten Facility Capital Construction Fund	37,419
5	Science and Technology Education Fund	3,761
6	Reading Assistance Grant Program Fund	20,635
<b>Total FY 2010-11 Transfers to the State Education Fund</b>		<b>\$109,434</b>

### **Section 1 -- National Academic Contest Fund -- \$44**

*Revenue Sources:* Originally established in 1997 and repealed in 2006, this fund consisted of: bequests, gifts, and grants; any other moneys (excluding General Fund moneys) appropriated by the General Assembly; and interest earnings. The FY 2002-03 Long Bill included a \$50,000 cash funds appropriation from the State Public School Fund to this fund. This appropriation was eliminated through a mid-year supplemental bill. No bequests, gifts, or grants have been credited to this fund. The remaining fund balance is thus interest earned on the \$50,000 balance that existed in FY 2002-03.

*Purpose:* Moneys in the fund were to be used to distribute moneys to school districts for the purpose of sending pupils from the school district who are state-level winners of academic contests and their chaperones to represent the state at the national level of such contests.

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

### **Section 2 -- Financial Literacy Cash Fund -- \$46,510**

*Revenue Sources:* Originally established in 2004, this fund consists of: gifts, grants, or donations; any appropriations made by the General Assembly from the State Education Fund; and interest earnings. From FY 2004-05 through FY 2009-10, the General Assembly appropriated a total of \$201,757 cash funds from the State Education Fund for financial literacy. No gifts, grants, or donations have been credited to this fund. The remaining fund balance is thus unspent appropriations from the State Education Fund and interest earned on the fund balance.

*Purpose:* Moneys in the fund are to be used to create and maintain a resource bank of materials pertaining to financial literacy and to provide technical assistance upon the request of a school district or charter school.

### **Section 3 --Teacher Development Fund -- \$1,065**

*Revenue Sources:* Originally established in 2000, this fund consists of: gifts, grants, and donations; any moneys appropriated by the General Assembly to the fund; and interest earnings. For FY 2000-01 and FY 2001-02, the General Assembly appropriated a total of \$4,000,000 from the General Fund to the Teacher Development Fund. No gifts, grants, or donations have been credited to this fund. The remaining fund balance is thus unspent appropriations from the General Fund and interest earned on the fund balance.

*Purpose:* Moneys in the fund are to be used to administer and provide grants to schools through the Teacher Development Grant Program for school-based skills development activities related to instructing students in reading, writing, mathematics, and science.

### **Section 4 --Full-day Kindergarten Facility Capital Construction Fund -- \$37,419**

*Revenue Sources:* Originally established in 2008, this fund consisted of any moneys appropriated by the General Assembly to the fund, and interest earnings. In 2008, the General Assembly appropriated \$34.5 million cash funds from the State Education Fund to this fund. This appropriation was eliminated through a mid-year supplemental bill. The remaining fund balance is thus interest earned on the \$34.5 million balance that existed in FY 2008-09.

*Purpose:* Moneys in the fund are to be used to provide grants to school districts and Institute charter schools for capital construction projects to renovate, rent, or provide a facility for full-day kindergarten programs.

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

### **Section 5 – Science and Technology Education Fund -- \$3,761**

*Revenue Sources:* Originally established in 2001, this fund consists of: gifts, grants, and donations; any moneys appropriated by the General Assembly to the fund; and interest earnings. For FY 2001-02, the General Assembly appropriated \$1,400,000 cash funds from the State Education Fund to this fund. No gifts, grants, or donations have been credited to this fund. The remaining fund balance is thus unspent moneys from the initial appropriation and interest earned on the fund balance.

*Purpose:* Moneys in the fund are to be used to administer and provide grants through the Science and Technology Education Center Grant Program for development and operation of nonprofit science and technology education centers.

### **Section 6 – Reading Assistance Grant Program Fund -- \$20,635**

*Revenue Sources:* Originally established in 2006 and repealed in 2010, this fund consisted of: gifts, grants, and donations; any moneys appropriated by the General Assembly from the Read-to-Achieve Cash Fund to the fund; and interest earnings. For FY 2006-07, the General Assembly appropriated \$300,000 cash funds from the Read-to-Achieve Cash Fund to this fund. No gifts, grants, or donations have been credited to this fund. The remaining fund balance is thus unspent moneys from the initial appropriation and interest earned on the fund balance.

*Purpose:* Moneys in the fund were to be used to administer and provide grants through the Reading Assistance Grant Program to assist organizations in the development and distribution of comprehensive materials and equipment that help students who have print disabilities.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-219: CONCERNING MONEYS APPROPRIATED IN THE 2011-12 FISCAL YEAR FOR HEALTH CLINICS, AND MAKING APPROPRIATION THEREFOR.

### Bill Summary

1. This bill is contingent upon the General Assembly enacting S.J.R. 11-009, which declares a fiscal emergency for FY 2011-12 (pursuant to Section 21 (7) of Article X of the State Constitution). This action would allow tobacco tax revenues to be diverted for the purposes in this bill.
2. The bill authorizes the following amounts to be appropriated from tobacco tax revenues that were credited to the Primary Care Fund:
  - a. \$15,775,670 for health-related purposes, and to serve populations enrolled in the Children's Basic Health Plan and the Colorado Medical Assistance Program;
  - b. \$21,510,000 to the Colorado Health Care Services Fund; and
  - c. \$1,722,330 to the Primary Care Special Distribution Fund.
3. The bill also directs the Department of Health Care Policy and Financing to develop a distribution formula to allocate the moneys in the Colorado Health Care Services Fund and from the Primary Care Special Distribution Fund to qualified primary care providers.

The bill's appropriation impacts are described in the table below.



## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

FY 2011-12 Appropriation Impacts				
Line Items	GF	CF	FF	TF
Medical Service Premiums	(15,775,670)	15,775,670	0	0
Health Care Services Fund	0	10,755,000	10,755,000	21,510,000
Primary Care Special Distribuion Fund	0	1,722,330	0	1,722,330
Primary Care Fund	<u>0</u>	<u>(28,253,000)</u>	<u>0</u>	<u>(28,253,000)</u>
<b>TOTAL</b>	<b>(\$15,775,670)</b>	<b>\$0</b>	<b>\$10,755,000</b>	<b>(\$5,020,670)</b>

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-220: CONCERNING A REDUCTION IN THE MILEAGE ALLOWANCE FOR THE USE OF A PERSONAL MOTOR VEHICLE FOR OFFICIAL STATE BUSINESS.

### Bill Summary

Currently, the State's reimbursement rate for the use of a personal vehicle while conducting official State business is 90.0 percent of the prevailing Internal Revenue Service (IRS) rate for a two-wheel drive vehicle, and 95.0 percent of the prevailing IRS rate for a four-wheel drive vehicle (\$0.46 per mile and \$0.48 per mile, accordingly). This legislation reduces the State's personal vehicle mileage reimbursement rate to approximately \$0.38 per mile for FY 2011-12 and FY 2012-13.

Specifically, this bill makes the following changes:

**Section 1** reduces the mileage allowance for the use of a personal vehicle to the lesser of: (1) 75.0 percent of the prevailing Internal Revenue Services (IRS) mileage reimbursement rate; or (2) the State's average total ownership cost per mile. The same rate applies to all types of vehicles.

**Section 2** includes a safety clause.

### Fiscal Impact

The bill reduces appropriations to state agencies by \$857,168 total funds, including \$442,159 General Fund, for FY 2011-12. The amount increases to \$878,598 total funds, including \$453,215 General Fund, for FY 2012-13.

### Additional Information

The General Assembly does not appropriate funds to the Departments of Higher Education and Transportation specifically for operating expenses. Although this legislation will generate savings within these departments, they will retain the funds and use them for other purposes. Therefore, these savings are not included for budget-balancing purposes.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-221:

### CONCERNING CONTRIBUTIONS TO PAY THE UNFUNDED ACCRUED LIABILITY OF OLD HIRE PENSION PLANS THAT ARE AFFILIATED WITH THE FIRE AND POLICE PENSION ASSOCIATION, AND MAKING AN APPROPRIATION THEREFOR.

#### Bill Summary

This bill reduces the payments to the Fire and Police Pension Association old-hire pension plans for two years and extends the repayment schedule for four years. The payment for FY 2011-12 will be \$5.3 million and the payment in FY 2012-13 will be \$10.0 million. The final payment required during FY 2018-19 will be adjusted to include any additional amounts that are caused by the reductions in the 2011-12 and 2012-13 fiscal years.

#### Fiscal Impact

Current statutes (Section 31-30.5-307 (2), C.R.S.) require the State to make payments of \$25,321,079 in FY 2011-12 and continue those payments through FY 2014-15. The final payment will include the amount necessary to retire the State's obligation, currently set at \$83,853,854. This bill reduces the payment in FY 2011-12 by \$20,000,000 and by \$15,321,079 in FY 2012-13, and extends the final repayment of the State's obligation until FY 2018-19. The payment in the final year will be the amount necessary to retire the State's obligation with that payment. All appropriations shall be from the General Fund Exempt Account pursuant to Sections 24-77-103.6 (2) and 24-77-104.5 (1) (a), C.R.S.

The following table shows the State's schedule of payments under current statute and the schedule should this bill pass.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

<b>Fire and Police Pension Association                      Old-hire Pension Plan                      Schedule of Payments (General Fund Exempt)</b>		
	<b>Current Payment                      Schedule</b>	<b>Payment Schedule                      of Proposed Bill</b>
FY 2011-12	\$25,321,079	\$5,321,079
FY 2012-13	25,321,079	10,000,000
FY 2013-14	25,321,079	25,321,079
FY 2014-15	83,853,854	25,321,079
FY 2015-16	0	25,321,079
FY 2016-17	0	25,321,079
FY 2017-18	0	25,321,079
FY 2018-19	<u>0</u>	<u>49,443,768</u>
<b>Total Payment</b>	<b>\$159,817,091</b>	<b>\$191,370,242</b>

# **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

## **SUMMARY OF S.B. 11-222: CONCERNING TRANSFERS OF MONEYS RELATING TO CAPITAL CONSTRUCTION.**

### **Bill Summary**

This bill transfers funds from the Higher Education Maintenance and Reserve Fund to the General Fund in FY 2010-11, and it transfers funds from the General Fund to the Capital Construction Fund in FY 2011-12.

### **Fiscal Impact**

For FY 2010-11, this bill transfers \$1,128,624 from the Higher Education Maintenance and Reserve Fund to the General Fund to augment revenues.

For FY 2011-12, this bill transfers \$48,267,765 from the General Fund to the Capital Construction Fund to support the following:

Lease purchase payments;  
Level I (life safety) Controlled Maintenance through score 5;  
Colorado Integrated Tax Architecture;  
Windsor Readiness Center (armory) construction;  
Cumbres and Toltec Scenic Railroad track rehabilitation; and  
Highway construction projects.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-224:

CONCERNING THE SUSPENSION OF ANNUAL INCREASES IN THE PERCENTAGE OF TOBACCO LITIGATION SETTLEMENT MONEYS RECEIVED BY THE STATE THAT ARE ALLOCATED TO THE NURSE HOME VISITOR PROGRAM.

### Bill Summary

Under current law, the Nurse Home Visitor Program will be allocated 15 percent of tobacco-settlement revenue in FY 2011-12. This allocation percentage will rise to 16 percent in FY 2012-13 and will continue rising 1 percent per year until it reaches 19 percent in FY 2015-16. The allocation in any year cannot exceed \$19 million.

As a consequence of the 2010 Federal Affordable Care Act, Colorado has begun receiving federal grants for home visitation and expects to continue receiving the grants for 5 years. The Act requires that these grants "supplement, and not supplant" state spending for nurse home visitation. The State will begin spending the grants in FY 2011-12.

This bill suspends the growth of the Nurse Home Visitor Program's allocation percentage for fiscal years 2011-12 and 2012-13 and transfers the resulting savings to the General Fund. After growth resumes in FY 2013-14, the allocation percentage will resume its one-percent-per-year rise until it reaches 19 percent, the cap that it would reach two years earlier under current law. During the two year suspension, the program will receive 14 percent of tobacco-settlement revenues, which equals the FY 2010-11 allocation percentage, but no less than \$12,737,350. This minimum should be sufficient to meet the requirement that the new federal grants "supplement, and not supplant" state spending. The difference between the Nurse Home Visitor program's actual allocation and the allocation that it would have received under current law will be transferred to the General Fund. These transfers will equal an estimated \$800,000 in FY 2011-12 and \$1.7 million in FY 2012-13. The transfers will continue through FY 2016-17.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

### Fiscal Impact

The following table shows the actual FY 2010-11 allocation to the Nurse Home Visitor program, and the projected allocation in future years if settlement revenue stays constant at \$90.4 million, which equals the January 2011 Legislative Council Staff tobacco-settlement forecast for FY 2011-12 revenue.

Fiscal Year	Current Law		With this bill			Difference = Projected transfer to Gen. Fund
	NHV %	\$ to NHV	NHV %	NHV Gets a Min of	\$ to NHV	
2010-11	14%	\$13,214,228	14%	-	\$13,214,228	\$0
2011-12	15%	13,534,977	14%	12,737,350	12,737,350	797,627
2012-13	16%	14,438,953	14%	12,737,350	12,737,350	1,701,603
2013-14	17%	15,342,930	15%	-	13,534,977	1,807,954
2014-15	18%	16,246,907	16%	-	14,438,953	1,807,954
2015-16	19%	17,150,884	17%	-	15,342,930	1,807,954
2016-17	19%	17,150,884	18%	-	16,246,907	903,977
2017-18	19%	17,150,884	19%	-	17,150,884	0

In order to bring the FY 2011-12 Long Bill appropriation into accord with the Nurse Home Visitor funding that is provided by this bill, the bill reduces the FY 2011-12 Long Bill appropriation by \$804,599.

### Background on the Nurse Home Visitor Program

The Nurse Home Visitor Program, which was established by S.B. 00-71 and is found in Title 25, Article 30 of the Colorado Revised Statutes, operates through contractors who provide health education and counseling services by specially trained nurse home visitors to low-income, first-time mothers beginning in pregnancy and lasting until their child's second birthday. Since the inception of the program in 2000, approximately 12,000 low income first time mothers have participated. The goal of the program is to provide educational, health and other resources for new mothers during pregnancy and the first years of their infants' lives. Participants can earn up to 200% of the Federal Poverty Level. The program was developed and is monitored by the National Center for Children, Families and Communities at the CU Health Sciences Center. The program originally received 3 percent of tobacco settlement revenues, with the percentage increasing 2 percentage points per year until it reached 19 percent in FY 2008-09. House Bill 04-1421, a JBC bill enacted during the last economic downturn, stopped the growth of the program for one year and slowed subsequent growth to 1 percentage point annually until it reaches 19 percent of settlement revenue. During the current economic downturn, S.B. 09-269 delayed the growth of the

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

program for one year; there was no growth from FY 2008-09 to FY 2009-10. The ceiling remained 19 percent. As the Nurse Home Visitor Program's resources have expanded, its reach around the state has grown. Currently, it has programs in all but 8 counties.



# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-225:

CONCERNING THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND, AND, IN CONNECTION THEREWITH, TRANSFERRING THE BALANCE OF THE GRANT FUND TO THE GENERAL FUND AT THE END OF THE 2011-12 FISCAL YEAR AND TERMINATING ALL EXISTING STATUTORY TRANSFERS TO THE GRANT FUND OTHER THAN ITS PERCENTAGE-BASED ALLOCATION OF TOBACCO LITIGATION SETTLEMENT MONEYS AFTER THE 2010-11 FISCAL YEAR.

### Bill Summary

This bill directs certain unspent tobacco-settlement dollars and the interest earned on certain tobacco-settlement dollars to the General Fund at the end of each Fiscal Year. It also transfers \$1.7 million of tobacco revenue to the General Fund in FY 2011-12.

Under current law, most of the "Tier 2" programs that receive tobacco settlement revenues are not allowed to keep the portion of their settlement allocation that they do not spend in a given fiscal year, nor are they allowed to keep the interest earned on their allocation. At the end of each fiscal year, these programs must transfer unspent principal and interest to the Short-term Innovative Health Program Grant Fund. During recent years these transfers averaged \$0.5 million annually.

In addition to transfers from other funds, the Short-term Innovative Health Program Grant Fund also receives 6.0 percent of Tier 2 tobacco settlement revenues.

This bill does the following:

Transfers approximately \$1,691,000 from the Short-term Innovative Health Program Grant Fund to the General Fund for FY 2011-12.

In FY 2011-12 and subsequent years, redirects interest earned by the cash funds that support most Tier 2 tobacco-settlement programs to the General Fund. Under current law this interest is transferred to the Short-term Innovative Health Program Grant Fund.

In FY 2011-12 and subsequent years, redirects to the General Fund the end-of-year unexpended tobacco settlement moneys in the cash funds that support most Tier 2 programs. Under current law these reversions are transferred to the Short-term Innovative Health Program Grant Fund.

### Fiscal Impact

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

By redirecting end-of-year transfers and interest from the Short-term Innovative Health Program Grant Fund to the General Fund, this bill will increase General Fund revenue. In FY 2007-08, FY 2008-09, and FY 2009-10, end-of-year transfers to the Short-term Innovative Health Program Grant Fund averaged \$490,000, but the size of future transfers is unknown.

The bill transfers a projected \$1,691,162 from the Short-term Innovative Health Program Grant Fund to the General Fund for FY 2011-12.

For reference, the following Tier 2 tobacco-settlement programs currently make transfers to the Short-term Innovative Health Program Grant Fund and are thus affected by this bill. However, the bill will not alter the amount of settlement revenue that these funds have available for expenditure.

<b>Tier 2 Program</b>
University of Colorado Health Sciences Center
Mental health services for juvenile and adult offenders
Local public health services
Colorado Immunization Program
Alcohol and drug abuse and treatment programs
Short-term Grants for Innovative Health Programs
Medicaid Shortfalls at Children's Hospital

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-226: CONCERNING THE AUGMENTATION OF THE GENERAL FUND THROUGH TRANSFERS OF CERTAIN MONEYS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

### Bill Summary

For purposes of augmenting General Fund revenues for FY 2010-11 and FY 2011-12, this bill requires the State Treasurer to transfer amounts from various cash funds to the General Fund as shown in the table below.

Bill Section	Name of Fund	Department	Transfer Date	Transfer Amount	
				FY 2010-11	FY 2011-12
1	Read-to-Achieve Cash Fund*	Education	June 30, 2011	\$1,864,845	\$0
2	Tobacco Litigation Settlement Cash Fund - Health Care Supplemental Appropriations and Overexpenditures Account*	Public Health and Environment	June 30, 2012	0	669,519
3	Debt Collection Fund	Personnel and Administration	June 30, 2012	0	249,494
4	Child Welfare Action Committee Cash Fund*	Human Services	July 1, 2012	0	155,104
5	Local Government Mineral Impact Fund	Local Affairs	June 30, 2012	0	30,000,000
6	Perpetual Base Account of Severance Tax Trust Fund	Natural Resources	July 1, 2011 and June 30, 2012	0	48,100,000
7	Operational Account of the Severance Tax Trust Fund	Natural Resources	June 30, 2012	0	3,500,000
	<i>Amendment anticipated: Operational Account of the Severance Tax Trust Fund</i>	<i>Natural Resources</i>	<i>June 30, 2012</i>	<i>0</i>	<i>3,700,000</i>
8	Local Government Severance Tax Fund	Local Affairs	June 30, 2012	0	41,000,000
9	Low Income Energy Assistance Fund	Human Services	June 30, 2011 and Jan. 5, 2012	3,250,000	0

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

Bill Section	Name of Fund	Department	Transfer Date	Transfer Amount	
				FY 2010-11	FY 2011-12
<b>Total Transfers</b>				<b>\$5,114,845</b>	<b>\$127,374,117</b>

\*The bill requires the transfer of all remaining amounts in these funds.

*Appropriation.* The bill also includes an appropriation clause to reduce the informational appropriation in the Long Bill for the Low Income Energy Assistance Program by \$3.25 million in FY 2010-11, consistent with the transfer of amounts in the Low Income Energy Assistance Fund to the General Fund.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## APPENDIX TO GENERAL FUND TRANSFERS PURSUANT TO S.B. 11-226

### Section 1 --Read to Achieve Cash Fund -- All Remaining Funds

*Department of Education*

	Read-to-Achieve Cash Fund JBC Recommendation			
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$3,663,108	\$2,511,562	\$0	\$0
Revenues a/	5,252,097	5,151,551	4,511,659	4,511,659
Expenditures - Read-to-Achieve Grant Program	(6,358,546)	(5,526,074)	(4,347,329)	(4,347,329)
Expenditures - S.B. 10-054	n/a	(209,287)	(120,418)	(120,418)
Expenditures - Distribution to BOCES required by Section 22-2- 122 (3), C.R.S. (1.0 percent)	<u>(45,097)</u>	<u>(62,907)</u>	<u>(43,912)</u>	<u>(43,912)</u>
Subtotal	\$2,511,562	\$1,864,845	\$0	\$0
<b>Recommended Transfer</b>	<u>0</u>	<u>(1,864,845)</u>	<u>0</u>	<u>0</u>
Ending FY Balance	\$2,511,562	\$0	\$0	\$0
<i>Fee Impact:</i> None.				

a/ For fiscal years 2009-10 and 2010-11, revenues include annual transfer of tobacco settlement moneys, unspent funds returned by grant recipients, and interest earnings.

*Revenue Source:* Pursuant to Section 24-75-1104.5 (1) (h), C.R.S., 5.0 percent of the total amount of tobacco settlement moneys received by the State annually, up to \$8.0 million, is credited to the Read-to-Achieve Cash Fund.

*Purpose:* Pursuant to Section 22-7-908, C.R.S., moneys in the Read-to-Achieve Cash Fund shall be used to administer and provide grants through the Read-to-Achieve Grant Program, and for reimbursing school districts for educational services provided to juveniles held in jail.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

### **Section 2 --Tobacco Litigation Settlement Cash Fund - Health Care Supplemental Appropriations and Overexpenditures Account--All Remaining Funds**

*Department of Public Health and Environment*

<b>Health Care Supplemental Appropriations and Overexpenditures Account of the Tobacco Litigation Settlement Cash Fund JBC Recommendation</b>				
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Estimate</b>	<b>FY 2011-12 Estimate</b>	<b>FY 2012-13 Estimate</b>
Beginning FY Balance	\$821,714	\$669,519	\$669,519	\$0
Revenues	0	0	0	0
Expenditures	<u>(152,195)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	\$669,519	\$669,519	\$669,519	\$0
<b>Recommended Transfer</b>	<u>0</u>	<u>0</u>	<u>(669,519)</u>	<u>0</u>
Ending FY Balance	\$669,519	\$669,519	\$0	\$0
<i>Fee Impact: None.</i>				

*Background Information:* House Bill 07-1359 diverted \$24.4 million of the April 2007 tobacco settlement payment into the Health Care Supplemental Appropriations and Overexpenditures Account of the Tobacco Litigation Settlement Cash Fund. Moneys in the account could be used for overexpenditure appropriations or supplemental appropriations to the Children's Basic Health Plan and to the Colorado Benefits Management System. Pursuant to Section 24-22-115 (4) (a), C.R.S., all unappropriated moneys remaining in the account on April 16, 2010 were transferred to the General Fund; moneys that were previously appropriated but were never expended remained in the account.

*Revenue Sources:* None.

*Purpose:* The Fund was formerly used for overexpenditure appropriations or supplemental appropriations to the Children's Basic Health Plan and to the Colorado Benefits Management System. The statutory authority for these appropriations from the fund, or for any other appropriations from the fund, has expired.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

### **Section 3 -Debt Collection Fund-\$249,494**

*Department of Personnel and Administration*

	Debt Collection Fund JBC Recommendation			
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$274,913	\$506,307	\$418,385	\$228,273
Revenues	2,638,518	2,694,697	2,748,591	2,802,485
Expenditures	<u>(2,407,124)</u>	<u>(2,782,619)</u>	<u>(2,689,209)</u>	<u>(2,669,643)</u>
Subtotal	\$506,307	\$418,385	\$477,767	\$361,115
<b>Recommended Transfer</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(249,494)</u></b>	<b><u>0</u></b>
Ending FY Balance	\$506,307	\$418,385	\$228,273	\$361,115
<i>Fee Impact: None.</i>				

*Background Information:* The Debt Collection Fund supports the operations of the Department's central collections services, which provide debt collection services for state agencies and local governments (Section 24-30-202.4, C.R.S.). It collects on referred debt by utilizing tools such as income tax interception, vendor interception, and employment information.

*Revenue Sources:* Collection fees are assessed to individuals for the collection of past due debts owed to the State. The Department determines the amount of the fee, based on the approximate costs incurred by the Office of the State Controller to collect the debts.

### **Section 4 -Child Welfare Action Committee Cash Fund--All Remaining Funds**

*Department of Human Services*

	Child Welfare Action Committee Cash Fund JBC Recommendation			
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$197,141	\$179,785	\$155,104	\$0
Revenues	4,283	2,248	0	0

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

Child Welfare Action Committee Cash Fund JBC Recommendation				
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Expenditures	(21,639)	(26,929)	0	0
Subtotal	\$179,785	\$155,104	\$155,104	\$0
<b>Recommended Transfer</b>	<b>0</b>	<b>0</b>	<b>(155,104)</b>	<b>0</b>
Ending FY Balance	\$179,785	\$155,104	\$0	\$0
<i>Fee Impact: None.</i>				

*Background Information:* The Child Welfare Action Committee Cash Fund was created by H.B. 08-1404 to fund the work of the Child Welfare Action Committee (created through Executive Order). The Child Welfare Action Committee issued its final report in CY 2010.

*Revenue Sources:* Initial revenue was based on a statutory requirement that the first \$200,000 of the Department of Human Services' FY 2007-08 General Fund reversions be deposited into the Fund. Revenue since that time has been based on interest earned. Although the Department was also authorized to receive gifts, grants, and donations in the Fund, none were received.

### **Section 5 -- Local Government Mineral Impact Fund -- \$30,000,000**

*Department of Local Affairs*

Local Government Mineral Impact Fund JBC Recommendation				
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$75,812,767	\$35,521,023	\$32,756,476	\$21,252,980
Revenues	50,826,724	61,250,115	65,409,121	67,347,450
Expenditures	(68,518,468)	(49,014,662)	(46,912,617)	(64,851,266)
Subtotal	58,121,023	47,756,476	51,252,980	23,749,164
Previously Authorized Transfer(s)	(22,600,000)	(15,000,000)	0	0
<b>Recommended Transfer</b>	<b>0</b>	<b>0</b>	<b>(30,000,000)</b>	<b>0</b>
Ending FY Balance	\$35,521,023	\$32,756,476	\$21,252,980	\$23,749,164
<i>Fee Impact: None.</i>				



## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

*Revenue Source:* consists of 41.7 percent of "non-bonus" revenues (i.e., rents, royalties, and earnings) the State receives from the federal government. The Department combines moneys from severance tax revenues and federal mineral lease revenues for administrative efficiency and applicant convenience into the Local Government Mineral and Energy Impact Assistance Program.

*Purpose:* The portion of the Fund transferred through this legislation to the General Fund provides grant opportunities for counties, municipalities, and school districts impacted by mineral development on federal lands.

### **Section 6 -Perpetual Base Account of the Severance Tax Trust Fund--\$48,100,000**

*Department of Natural Resources*

<b>Perpetual Base Account of the Severance Tax Trust Fund</b>				
<b>JBC Recommendation</b>				
	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>
	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>Estimate</b>
Beginning FY Balance	\$40,454,321	\$4,865,510	\$26,203,731	\$23,154,812
Revenues	29,070,759	50,683,633	58,051,081	62,116,313
Expenditures	<u>(659,570)</u>	<u>(13,345,412)</u>	<u>(13,000,000)</u>	<u>(13,000,000)</u>
Subtotal	\$68,865,510	\$42,203,731	\$71,254,812	\$72,271,125
Previously Authorized Transfer to General Fund (S.B. 09-279)	(62,000,000)	0	0	0
Previously Authorized Transfer to General Fund (H.B. 10-1327)	(2,000,000)	0	0	0
Previously Authorized Transfer to General Fund (H.B. 10-1388)	0	(11,000,000)	0	0
Previously Authorized Transfer to General Fund (S.B. 11-164)	0	(5,000,000)	0	0
<b>Recommended Transfer</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(48,100,000)</u></b>	<b><u>0</u></b>
Ending FY Balance	\$4,865,510	\$26,203,731	\$23,154,812	\$72,271,125
<i>Fee Impact:</i> None. The Severance Tax Perpetual Base Account receives half of receipts to the Severance Tax Trust Fund (one fourth of all severance tax income).				

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

*Revenue Sources:* The Severance Tax Perpetual Base Account receives half of receipts to the severance tax trust fund (one fourth of all severance tax income). This fund is a revolving loan account, as such no permanent programs depend on this fund.

*Purpose:* The Perpetual Base Account of the Severance Tax Trust Fund is authorized in Section 39-29-109 (2) (a), C.R.S., to be used for similar purposes as the Colorado Water Conservation Board Construction Fund (created in Section 37-60-121 (1) (a), C.R.S.). It funds directly, or provides loans, for construction, rehabilitation, enlargement, or improvement of water projects.

### **Section 7 -Operational Account of the Severance Tax Trust Fund--\$3,500,000**

*Department of Natural Resources*

<b>Operational Account of the Severance Tax Trust Fund JBC Recommendation</b>				
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Estimate</b>	<b>FY 2011-12 Estimate</b>	<b>FY 2012-13 Estimate</b>
Beginning FY Balance	\$68,073,848	\$31,181,533	\$23,123,845	\$23,711,212
Revenues	10,168,149	41,557,461	47,034,396	51,452,295
Expenditures	<u>(36,060,464)</u>	<u>(49,615,149)</u>	<u>(39,247,029)</u>	<u>(51,490,594)</u>
Subtotal	42,181,533	23,123,845	30,911,212	23,672,913
Previously Authorized Transfer(s)	(11,000,000)	0	0	0
<b>Recommended Transfer</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(3,500,000)</u></b>	<b><u>0</u></b>
<i>Additional Transfer (amendment)</i>			<b><u>(3,700,000)</u></b>	
Ending FY Balance	\$31,181,533	\$23,123,845	\$23,711,212	\$23,672,913
<i>Fee Impact:</i> None. This fund receives 25 percent of severance tax dollars collected.				

*Revenue Sources:* The Operational Account receives half of receipts to the Severance Tax Trust Fund (one fourth of all severance tax income).

*Purpose:* The Operational Account of the Severance Tax Trust Fund is authorized in Section 39-29-109 (2) (b), C.R.S., to support a variety of programs, primarily in the Department of Natural Resources but also including programs within the Department of Agriculture, the Governor's Office, and the Department of Human Services.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

*Amendment Anticipated:* The introduced bill reflects a transfer of \$3.5 million; however, due to a drafting error, an additional transfer of \$3.7 million was eliminated. This discrepancy is anticipated to be modified through amendment.

### **Section 8 -- Local Government Severance Tax Fund -- \$41,000,000**

*Department of Local Affairs*

Local Government Severance Tax Fund JBC Recommendation				
	FY 2009-10 Actual	FY 2010-11 Estimate	FY 2011-12 Estimate	FY 2012-13 Estimate
Beginning FY Balance	\$77,764,048	\$86,228,672	\$48,577,280	\$57,333,725
Revenues	153,567,219	85,462,500	97,726,500	106,246,500
Expenditures	<u>(94,774,799)</u>	<u>(53,113,892)</u>	<u>(47,970,055)</u>	<u>(104,264,696)</u>
Subtotal	136,556,468	118,577,280	98,333,725	59,315,529
Previously Authorized Transfer(s)	(50,327,796)	(70,000,000)	0	0
<b>Recommended Transfer</b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>(41,000,000)</u></b>	<b><u>0</u></b>
Ending FY Balance	\$86,228,672	\$48,577,280	\$57,333,725	\$59,315,529
<i>Fee Impact:</i> None. This fund receives 50 percent of severance tax dollars collected.				

*Revenue Sources:* The Local Government Severance Tax Fund receives 50.0 percent of total gross receipts realized from the severance taxes imposed on extracted minerals and mineral fuels. The moneys deposited in the Fund provide direct distribution and grant opportunities for county and municipal governments, as well as qualifying political subdivisions, to compensate the entities for the loss of property tax revenue resulting from the deduction of severance taxes paid in the determination of the valuation for assessment of producing mines. Seventy percent of the moneys deposited in the Fund are distributed as grants and loans by the Department and thirty percent are directly distributed by formula to impacted localities, pursuant to statute.

*Purpose:* The portion of the Fund transferred through this legislation to the General Fund provides grant opportunities for counties, municipalities, school districts, special districts and other political subdivisions, and State agencies for the planning, construction, and maintenance of public facilities and public services. Priority is given to schools and local

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

governments socially or economically impacted by the mineral extraction industry on State lands.

### **Section 9 --Low Income Energy Assistance Cash Fund -- \$3,250,000**

*Department of Human Services*

<b>Low Income Energy Assistance Fund JBC Recommendation</b>				
	<b>FY 2009-10 Actual</b>	<b>FY 2010-11 Actual</b>	<b>FY 2011-12 Estimate</b>	<b>FY 2012-13 Estimate</b>
Beginning FY Balance	\$0	\$0	\$0	\$0
Revenues	1,625,000	3,250,000	3,250,000	3,250,000
Expenditures	<u>0</u>	<u>0</u>	<u>(3,250,000)</u>	<u>(3,250,000)</u>
Subtotal	\$1,625,000	\$3,250,000	\$0	\$0
<b>Recommended Transfer</b>	<u>0</u>	<u>(3,250,000)</u>	<u>0</u>	<u>0</u>
Previously Authorized Transfer (H.B. 10-1319)*	<u>(1,625,000)</u>			
Ending FY Balance	\$0	\$0	\$0	\$0
<i>Fee Impact: None.</i>				

\*This amount was transferred back to the Operational Account of the Severance Tax Trust Fund, permitting a larger transfer of Severance Tax dollars to the General Fund in a separate bill.

*Background Information:* The Low Income Energy Assistance Fund derives from Severance tax revenue directed to the Low Income Energy Assistance Program (LEAP) pursuant to statute. LEAP provides energy subsidies to households with incomes at or below 185 percent of the federal poverty level. The majority of funding for LEAP comes from the federal Low-income Home Energy Assistance block grant. Energy subsidy levels are established annually by the Department, based on available revenue, projected caseload, and energy prices. For FY 2010-11, actual expenditures for LEAP are estimated at \$52.2 million, based on an estimated caseload of 130,000.

For FY 2010-11, based on relatively low energy prices and federal funds anticipated to be received, the Department projects that participant energy subsidies can be fully covered without the use of Severance Tax funding. Therefore, no funds have been spent from the Low Income Energy Assistance Fund this year.

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

*Revenue Sources:* Amounts in this fund originate from the Operational Account of the Severance Tax Trust Fund (Operational Account). Pursuant to Sections 39-29-109.3 (2) (f) and (4) (c), C.R.S., amounts from the Operational Account are transferred to the Department of Human Services Low-income Energy Assistance Fund on January 4 of each year.

Assuming adequate total Severance Tax revenue, statute requires transfer of \$3.25 million in Severance Tax revenue to the Low-income Energy Assistance Fund through FY 2012-13. For FY 2009-10, statutory change first lowered the LEAP allocation to \$1.65 million and then eliminated it.

*Appropriation.* The bill includes an appropriation clause to reduce the informational appropriation in the Long Bill for the Low Income Energy Assistance Program by \$3.25 million in FY 2010-11, consistent with the transfer of amounts in the Low Income Energy Assistance Fund to the General Fund.

# JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

## SUMMARY OF S.B. 11-228:

CONCERNING THE FORMULA BY WHICH MONEYS SHALL BE ADVANCED TO A COUNTY FROM THE COUNTY TAX BASE RELIEF FUND IN THE EVENT THAT APPROPRIATIONS ARE INSUFFICIENT TO COVER ALL ADVANCEMENTS.

Prime Sponsors: Senator Steadman and Representative Gerou

### Bill Summary

The bill modifies the distribution of County Tax Base Relief appropriations among qualifying counties, in the event appropriations are insufficient to cover advancements from one or more tiers of the existing County Tax Base Relief Formula.

Specifically, this bill makes the following changes:

**Section 1** modifies provisions of the County Tax Base Relief statute that specify how funds are distributed when appropriations are insufficient to fully fund a County Tax Base Relief funding tier. Pursuant to current statute, allocations are prorated on the basis of total claims submitted in proportion to moneys available. As modified, amounts are allocated so that each eligible county has the same proportion of the county's obligations paid through the combination of its available property tax revenue and County Tax Base Relief appropriations.

**Section 2** includes a safety clause.

### Fiscal Impact

The bill has no fiscal impact. However, the FY 2011-12 Long Bill, as introduced, provides an appropriation of \$1.0 million General Fund for County Tax Base Relief, which represents a reduction of \$1.6 million General Fund from the FY 2010-11 level. The FY 2010-11 level was intended to fully fund Tier I counties (those counties with the highest social services costs and lowest property tax base). The FY 2011-12 appropriation will not fully fund Tier I. When compared with the allocations that would be received under current law, the change in the formula provides more money to those counties for which County Tax Base Relief comprises a larger share of the county's obligations for human services programs.

## JOINT BUDGET COMMITTEE BUDGET BALANCING BILL

A	B	C	D	E	F	G	H
COUNTY	FY 2009-10 COUNTY HUMAN SERVICES OBLIGATION	FY 2009-10 COUNTY PROPERTY TAX REVENUE AVAILABLE	PROPERTY TAX REVENUE AVAILABLE AS PERCENT OBLIGATION	COUNTY TAX BASE RELIEF ALLOCATION - NEW FORMULA		COUNTY TAX BASE RELIEF ALLOCATION - CURRENT LAW	
	Amount for Tax Base Relief Calculation - statutory and Long Bill county share for Medicaid and Human Services programs	Amount for Tax Base Relief Calculation Tier I - 3.0 mills on county property tax base	[column C/column B]	County Allocation - NEW FORMULA	Percent County Obligation met by Property Tax + Allocation NEW FORMULA [C+E)/B]	County Allocation - CURRENT LAW	Percent County Obligation met by Property Tax Revenue + Allocation CURRENT LAW [C+G)/B]
Alamosa	\$949,099	\$384,470	40.5%	\$326,028	74.9%	\$162,947	57.7%
Bent	286,273	164,530	57.5%	49,775	74.9%	35,134	69.7%
Conejos	370,028	144,240	39.0%	132,764	74.9%	65,160	56.6%
Crowley	208,289	104,950	50.4%	50,975	74.9%	29,823	64.7%
Fremont	1,376,495	1,288,581	93.6%	0	n/a	25,371	95.5%
Lincoln	289,472	210,435	72.7%	6,265	74.9%	22,809	80.6%
Logan	747,341	607,543	81.3%	0	n/a	40,344	86.7%
Otero	742,660	344,408	46.4%	211,549	74.9%	114,932	61.9%
Prowers	557,653	374,969	67.2%	42,491	74.9%	52,721	76.7%
Pueblo	5,085,519	3,649,111	71.8%	157,921	74.9%	414,534	79.9%
Rio Grande	551,686	513,581	93.1%	0	n/a	10,997	95.1%
Saguache	<u>259,286</u>	<u>171,870</u>	66.3%	<u>22,233</u>	74.9%	<u>25,228</u>	76.0%
<b>TOTAL</b>	<b>\$11,423,801</b>	<b>\$7,958,688</b>		<b>\$1,000,000</b>		<b>\$1,000,000</b>	

## **JOINT BUDGET COMMITTEE BUDGET BALANCING BILL**

### **SUMMARY OF S.B. 11-229: CONCERNING INCREASING THE STATUTORY CAP ON ADMINISTRATIVE EXPENSES FOR THE SCHOOL COUNSELOR CORPS GRANT PROGRAM.**

Prime Sponsors: Senator Steadman and Representative Ferrandino

#### **Bill Summary**

This bill increases the statutory cap on administrative expenses for the School Counselor Corps Grant Program from 2.0 percent of moneys annually appropriated for the Program to 3.0 percent.

#### **Fiscal Impact**

This bill would not affect revenues, expenditures, or appropriations for FY 2011-12. However, it would authorize the Department of Education to spend an additional \$25,000 of the appropriation for the School Counselor Corps Grant Program for administrative purposes.

For fiscal years 2008-09 through 2010-11, the General Assembly annually appropriated \$5,000,000 cash funds from the State Education Fund and 1.0 FTE for the School Counselor Corps Grant Program. Based on the statutory cap of 2.0 percent, the Department of Education has been allowed to spend up to \$100,000 annually to administer the Program. The FY 2011-12 Long Bill, as introduced, appropriates \$2,500,000 cash funds from the State Education Fund and 0.8 FTE for the School Counselor Corps Grant Program. Based on the existing statutory cap, the Department would only be allowed to spend up to \$50,000 in FY 2011-12 to administer the Program. This amount would not be sufficient for the Department to manage the program and provide ongoing support and technical assistance to schools that receive grants through the Program.



**Legislation Not Introduced with the Long Bill but Considered Part of the Budget Package:**

**Senate Bill 11-076**

*PERA Contribution Rates*

This legislation temporarily extends the provisions of S.B. 10-146, which *decreased* the employer's contribution rate to the Public Employees' Retirement Association (PERA) by 2.5 percent (from 10.15 percent to 7.65 percent of an employee's total salary), and *increased* the employee's contribution rate by 2.5 percent. The change impacts the State and Judicial divisions only, and the legislation extends these modifications for FY 2011-12 *only*.

For budget-balancing purposes, the legislation's fiscal impact reduces *appropriations* by a total of \$37.1 million, including \$20.0 million General Fund. The legislation will reduce State expenditures by approximately \$58.3 million total funds, including \$35.0 million General Fund because, with a few exceptions, the Departments of Higher Education and Transportation will retain their funds and use them for other purposes.

**Senate Bill 11-198**

*Legislative Appropriation Bill*

The Legislative Branch includes the elected officials of the House of Representatives and the Senate and the necessary staff to support them in their duties and responsibilities. The staff includes those assigned to both the House and the Senate; the State Auditor's Office; the Joint Budget Committee; the Legislative Council; the Office of Legislative Legal Services; and the Colorado Reapportionment Commission. The majority of the legislative appropriation is contained in a separate legislative appropriation bill. The following table highlights the appropriations contained in the Legislative Appropriation bill.

<b>Bill</b>	<b>Total</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
HB 10-1020	(\$1,131)	(\$1,131)	\$0	\$0	\$0	0.0
HB 10-1367	<u>33,367,880</u>	<u>32,164,733</u>	<u>202,831</u>	<u>1,000,316</u>	<u>0</u>	<u>277.1</u>
Total Non-Long Bill FY 2010-11 Appropriations	33,366,749	32,163,602	202,831	1,000,316	0	277.1
SB 11-198	<u>33,599,137</u>	<u>32,560,734</u>	<u>184,587</u>	<u>853,816</u>	<u>0</u>	<u>271.0</u>
Non-Long Bill Difference between FY 2011-12 and FY 2010-11	\$232,388	\$397,132	(\$18,244)	(\$146,500)	\$0	(6.1)

**Senate Bill 11-223**  
*Sales Tax Vendor Fee*

This bill reduces the fee that retailers are allowed to retain as compensation for collecting sales taxes for the State (Vendor Fee) to 2.22 percent. The bill will require expenditures in FY 2010-11 to notify vendors of the change, but will increase State General Fund revenues by the amounts shown in the table below.

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14
General Fund Revenues	\$0	\$22,800,000	\$24,100,000	\$25,200,000
General Fund Expenditures	\$128,696	\$0	\$0	\$0

**House/Senate Bill (bill number pending)**  
*Sales Tax for Cigarettes*

This bill extends the suspension of the exemption from sales taxes for cigarettes, currently set to expire on June 30, 2011 through June 30, 2013. The bill will increase General Fund revenue by the amounts shown in the table below.

	FY 2011-12	FY 2012-13
General Fund Revenue	\$31,000,000	\$29,500,000

**Senate Bill 11-230**  
*Financing of Public Schools*

This bill amends the "Public School Finance Act of 1994" to modify the funding for public schools for FY 2011-12. For purposes of the Joint Budget Committee's budget package, it is assumed that this bill will reduce General Fund appropriations for school finance in the FY 2011-12 Long Bill by a total of \$460.7 million.

First, it is anticipated that school districts' total program funding for FY 2011-12 will be reduced by \$250.0 million. This reduction is assumed to include a \$286.0 million reduction in the General Fund appropriation for the State's share of school districts' total program funding for FY 2011-12. This reduction is anticipated to be offset by a \$36.0 million increase in the cash funds available for school finance for FY 2011-12 by extending the temporary diversion of state trust lands revenues to the State Public School Fund; this diversion was previously authorized for three fiscal years through S.B. 09-260 and S.B. 10-150.

Second, it is assumed that this bill will increase the appropriation from the State Education Fund for the State's share of school districts' total program funding for FY 2011-12 by \$174.7 million, and

reduce the General Fund appropriation for this purpose by the same amount. This financing adjustment is possible due to the projected transfer of \$246.4 million from the General Fund to the State Education Fund pursuant to S.B. 11-156 (General Fund reserve requirement for FY 2010-11).

Finally, this bill increases the statewide base per pupil funding for FY 2011-12 to \$5,634.77 as required by the State Constitution to account for a 1.9 percent inflation rate in CY 2010.

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**House Bill 11-1005**

*Reinstate Tax Exemption for Ag Products*

This legislation restores the exemption from sales and use taxes for the sale or storage, use, or consumption of agricultural compounds used in caring for livestock, semen for agricultural and ranching purposes, and pesticides for use in the production of agricultural and livestock products. The exemption will be reinstated upon the signature of the Governor. The bill decreases General Fund revenue by the amounts shown below.

	FY 2011-12	FY 2012-13
General Fund Revenue reduced	(\$3,700,000)	(\$3,700,000)

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**House Bill 11-1138**

*Sex Offender Management Board*

This legislation extends the Sex Offender Management Board (SOMB) from July 1, 2010, to September 1, 2020, and makes numerous revisions to the sections of law concerning the board. The bill includes an appropriation of \$471,101, including \$318,565 General Fund and 4.7 FTE.

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**House Bill 11-1257**

*Part-time State Employee Group Benefits*

This legislation reduces the State's contribution amounts for health and dental insurance premiums for employees who work less than full-time. Specifically, the State would provide the full contribution amount for employees who work at least 50.0 percent full time equivalence (20.0 or more hours per week), and it would contribute 50.0 percent of the annual contribution amount for individuals who are employed between 25.0 percent and 49.0 percent full-time equivalence (between 10.0 and 19.9 hours per week). The State would not contribute any moneys to health or dental premiums for employees who work fewer than 10.0 hours per week. The legislation would reduce State appropriations for FY 2011-12 by \$1.3 million, including \$818,686 General Fund.

**Existing Statutory Appropriations**  
*Department of Corrections*

As a result of five-year appropriations in accordance with Section 2-2-703, C.R.S., the following General Fund is statutorily appropriated to the Department of Corrections in FY 2011-12:

<b>Summary of 5-year Appropriations for FY 2011-12</b>		
<b>Statutory Citation</b>	<b>Bill</b>	<b>Amount</b>
17-1-163 (1) (e)*	H.B. 07-1040	496,566
17-1-164 (1) (e) (II)	S.B. 07-096	353,114
17-1-165 (1) (e)	H.B. 07-1326	160,005
17-18-101 (1) (d)	H.B. 08-1115	54,640
17-18-102 (1) (d)	H.B. 08-1352	217,566
17-18-103 (1) (d) (II)	S.B. 08-239	89,150
17-18-104 (1) (d)	H.B. 08-1194	31,634
17-18-105 (1) (b)	H.B. 10-1081	28,800
17-18-106 (1) (b)	H.B. 10-1277	<u>28,014</u>
	<b>TOTAL</b>	<b>\$1,459,489</b>
*This appropriation is cash funds. All others in the table are General Fund.		

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**Senate Joint Resolution 11-009**  
*Declare Fiscal Emergency Tobacco Tax*

This Joint Resolution declares a state fiscal emergency for FY 2011-12, which allows Amendment 35's tobacco tax revenues to be appropriated for any health-related purpose. Amendment 35 specifically provides for the declaration of such an emergency. It states that a resolution declaring the emergency must be approved by a two-thirds vote of both the House and the Senate and by the Governor. The emergency remains in effect for one year.

The Joint Budget Committee's budget package bills include transfers of \$48.8 million from the Amendment 35 tobacco tax revenues to offset General Fund appropriations in the Medicaid program.

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**Narrative for**  
**Senate Bill 11-209**

**Prepared by Joint Budget Committee Staff**

**April 4, 2011**

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**SUMMARY OF PROPOSED LONG BILL APPROPRIATIONS FOR FY 2011-12**

<b>Department</b>	<b>TOTAL</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
Agriculture	\$38,833,345	\$5,237,048	\$28,550,895	\$1,042,342	\$4,003,060
Corrections	727,033,121	641,840,769	40,223,222	44,250,443	718,687
Education	4,561,372,393	3,294,711,018	617,275,069	23,433,557	625,952,749
Governor	168,262,296	11,275,530	7,722,770	125,392,860	23,871,136
Health Care Policy and Financing	5,052,388,319	1,781,255,499	761,306,727	7,535,185	2,502,290,908
Higher Education	2,880,156,988	624,242,230	1,697,237,745	539,636,738	19,040,275
Human Services	2,090,960,535	618,764,498	331,392,727	450,967,546	689,835,764
Judicial	479,976,040	346,258,755	113,762,155	14,744,832	5,210,298
Labor and Employment	159,534,454	0	61,271,465	756,026	97,506,963
Law	53,477,430	9,573,187	10,460,741	31,920,410	1,523,092
Legislature	2,905,149	2,655,149	0	250,000	0
Local Affairs	345,478,643	10,449,980	230,570,470	7,181,744	97,276,449
Military and Veterans Affairs	221,373,748	5,478,155	1,210,964	803,509	213,881,120
Natural Resources	224,108,586	23,806,367	171,931,889	8,493,047	19,877,283
Personnel and Administration	157,336,679	5,239,847	8,836,054	143,260,778	0
Public Health and Environment	477,519,100	27,640,974	152,176,076	29,773,850	267,928,200
Public Safety	265,590,140	82,795,856	128,883,205	24,248,440	29,662,639
Regulatory Agencies	76,585,985	1,623,241	69,481,273	4,286,845	1,194,626
Revenue	292,735,425	70,546,702	220,125,899	1,339,123	723,701
State	18,770,239	0	18,770,239	0	0
Transportation	1,108,403,517	0	699,360,251	4,898,243	404,145,023
Treasury	<u>386,470,593</u>	<u>27,932,150</u>	<u>358,538,443</u>	<u>0</u>	<u>0</u>
<b>LONG BILL OPERATING TOTAL</b>	<b>\$19,789,272,725</b>	<b>\$7,591,326,955</b>	<b>\$5,729,088,279</b>	<b>\$1,464,215,518</b>	<b>\$5,004,641,973</b>
<b>LESS:</b>					
Amount Exempt from Statutory Limit	N/A	<u>(51,508,032)</u>	N/A	N/A	N/A
<b>GRAND TOTAL SUBJECT TO STATUTORY LIMIT</b>	<b>N/A</b>	<b>\$7,539,818,923</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
		<b>Capital Construction Funds Exempt</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>
<b>CAPITAL CONSTRUCTION</b>	<b>\$74,555,508</b>	<b>\$48,987,765</b>	<b>\$16,916,318</b>	<b>\$0</b>	<b>\$8,651,425</b>

**COMPARISON LONG BILL APPROPRIATIONS TO PRIOR YEAR APPROPRIATIONS**

<b>GENERAL FUND COMPARISON: LONG BILL TO PRIOR YEAR APPROPRIATION</b>				
<b>Department</b>	<b>FY 2010-11 Appropriation*</b>	<b>FY 2011-12 Long Bill</b>	<b>Difference</b>	<b>% Difference</b>
Agriculture	\$4,924,114	\$5,237,048	\$312,934	6.4%
Corrections	655,834,888	641,840,769	(13,994,119)	-2.1%
Education	2,963,613,216	3,294,711,018	331,097,802	11.2%
Governor	11,930,349	11,275,530	(654,819)	-5.5%
Health Care Policy and Financing	1,266,754,982	1,781,255,499	514,500,517	40.6%
Higher Education	705,145,512	624,242,230	(80,903,282)	-11.5%
Human Services	623,196,849	618,764,498	(4,432,351)	-0.7%
Judicial	327,054,402	346,258,755	19,204,353	5.9%
Labor and Employment	0	0	0	n/a
Law	9,510,373	9,573,187	62,814	0.7%
Legislature	2,632,844	2,655,149	22,305	0.8%
Local Affairs	10,530,849	10,449,980	(80,869)	-0.8%
Military and Veterans Affairs	5,286,233	5,478,155	191,922	3.6%
Natural Resources	26,201,062	23,806,367	(2,394,695)	-9.1%
Personnel and Administration	5,104,155	5,239,847	135,692	2.7%
Public Health and Environment	27,460,904	27,640,974	180,070	0.7%
Public Safety	82,314,802	82,795,856	481,054	0.6%
Regulatory Agencies	1,510,435	1,623,241	112,806	7.5%
Revenue	70,682,233	70,546,702	(135,531)	-0.2%
State	0	0	0	n/a
Transportation	0	0	0	n/a
Treasury	<u>2,362,955</u>	<u>27,932,150</u>	<u>25,569,195</u>	1082.1%
<b>LONG BILL OPERATING TOTAL</b>	<b>\$6,802,051,157</b>	<b>\$7,591,326,955</b>	<b>\$789,275,798</b>	<b>11.6%</b>
<b>LESS:</b>				
Amount Exempt from Statutory Limit	<u>(26,209,165)</u>	<u>(51,508,032)</u>	<u>(25,298,867)</u>	
<b>GRAND TOTAL SUBJECT TO STATUTORY LIMIT</b>	<b>\$6,775,841,992</b>	<b>\$7,539,818,923</b>	<b>\$763,976,931</b>	<b>11.3%</b>
Capital Construction	<u>19,954,062</u>	<u>48,987,765</u>	<u>29,033,703</u>	
<b>GRAND TOTAL</b>	<b>\$6,795,796,054</b>	<b>\$7,588,806,688</b>	<b>\$793,010,634</b>	

\* Includes supplemental appropriations.



## **EXPLANATION OF MAJOR GENERAL FUND DIFFERENCES**

As reflected in the table, the following departments have the largest General Fund changes: Corrections, Education, Health Care Policy and Financing, Higher Education, Human Services, Judicial, and Treasury. A summary of the most significant changes in these departments is provided below. The narrative for each department provides a more detailed explanation of the changes.

**Department of Corrections** -- The bill includes a net decrease of \$14.0 million. This primarily reflects the following reductions: (1) \$17.2 million for the external capacity program based on the projected inmate population; (2) \$5.6 million to reflect a 1.5 percent reduction for Personal Services line items; (3) \$4.5 million associated with FY 2010-11 supplemental adjustments; (4) \$3.0 million for academic and vocational programs offered to inmates; and (5) \$2.0 million for prison operations and prison therapeutic communities. These reductions are primarily offset by the following increases: (1) \$9.8 million to restore one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146; (2) \$5.9 million for adjustments to centrally appropriated line items; and (3) and \$2.6 million related to the impact of prior year decision items and legislation.

**Department of Education** – The bill includes a net increase of \$331.1 million General Fund, which primarily reflects an increase of \$334.8 million to provide the required increase in state funding for public school finance based on current law. This increase is primarily required to offset the elimination of federal funds made available in FY 2010-11 and a projected decrease in local tax revenues. This increase is offset by the elimination of a one-time \$2.9 million appropriation to assist certain school districts with cash flow needs.

**Department of Health Care Policy and Financing** – The bill includes an increase of \$517.8 million which includes \$362.5 million to backfill the loss of federal funds due to the enhanced match rate under the American Recovery and Reinvestment Act (ARRA) expiring, \$97.2 million for medical and mental health services due to Medicaid program caseload and cost increases, \$66.9 million to backfill fund deficits in the Health Care Expansion and Children's Basic Health Plan cash funds, and \$44.4 million to backfill one-time savings in FY 2010-11. These increases are offset by \$52.3 million in program reductions.

**Department of Higher Education** – The bill includes a net decrease of \$80.9 million, which is primarily due to a reduction in state and federal funding for the higher education institutions of \$125.4 million, or 19.5 percent, including \$96.3 million General Fund. This decrease is

offset by a \$15.4 million increase in General Fund for financial aid due to the end of one-time cash funds from the CollegeInvest Scholarship Trust Fund.

**Judicial Department** – The increase of \$19.2 million primarily reflects: (1) a \$5.1 million increase in the General Fund appropriation to the Drug Offender Surcharge Fund based on projected General Fund savings in the Department of Corrections resulting from H.B. 10-1352; (2) an increase of \$5.0 million to restore funding reductions related to a temporary reduction in the State contribution to PERA for FY 2010-11; (3) an increase of \$3.0 million for centrally appropriated line items; (4) an increase of \$2.6 million to add public defender staff for the implementation of H.B. 07-1054 (new judges); and (5) an increase of \$2.1 million for court-appointed counsel to address caseload and cost per case increases.

**Department of Treasury** – The bill reflects a \$25.6 increase in General Fund Exempt that is due primarily to the statutory resumption of payments in the amount of \$25.3 million to the Fire and Police Pension Association "old-hire" pension plans. These payments had been suspended for three fiscal years pursuant to S.B. 09-227.

**CASH FUNDS COMPARISON: LONG BILL TO PRIOR YEAR APPROPRIATION**

<b>Department</b>	<b>FY 2010-11 Appropriation*</b>	<b>FY 2011-12 Long Bill</b>	<b>Difference</b>	<b>% Difference</b>
Agriculture	\$28,568,372	\$28,550,895	(\$17,477)	-0.1%
Corrections	44,183,641	40,223,222	(3,960,419)	-9.0%
Education	592,384,040	617,275,069	24,891,029	4.2%
Governor	26,204,006	7,722,770	(18,481,236)	-70.5%
Health Care Policy and Financing	741,309,085	761,306,727	19,997,642	2.7%
Higher Education	1,614,730,367	1,697,237,745	82,507,378	5.1%
Human Services	341,382,102	331,392,727	(9,989,375)	-2.9%
Judicial	108,141,846	113,762,155	5,620,309	5.2%
Labor and Employment	59,639,210	61,271,465	1,632,255	2.7%
Law	10,185,661	10,460,741	275,080	2.7%
Legislature	0	0	0	n/a
Local Affairs	203,509,756	230,570,470	27,060,714	13.3%
Military and Veterans Affairs	1,408,881	1,210,964	(197,917)	-14.0%
Natural Resources	191,792,929	171,931,889	(19,861,040)	-10.4%
Personnel and Administration	10,576,962	8,836,054	(1,740,908)	-16.5%
Public Health and Environment	131,914,492	152,176,076	20,261,584	15.4%
Public Safety	126,226,938	128,883,205	2,656,267	2.1%
Regulatory Agencies	68,157,532	69,481,273	1,323,741	1.9%
Revenue	654,277,285	220,125,899	(434,151,386)	-66.4%
State	21,496,775	18,770,239	(2,726,536)	-12.7%
Transportation	658,329,628	699,360,251	41,030,623	6.2%
Treasury	<u>354,602,533</u>	<u>358,538,443</u>	<u>3,935,910</u>	1.1%
<b>LONG BILL OPERATING TOTAL</b>	<b>\$5,989,022,041</b>	<b>\$5,729,088,279</b>	<b>(\$259,933,762)</b>	<b>-4.3%</b>
Capital Construction	<u>76,699,557</u>	<u>16,916,318</u>	<u>(59,783,239)</u>	-77.9%
<b>GRAND TOTAL</b>	<b>\$6,065,721,598</b>	<b>\$5,746,004,597</b>	<b>(\$319,717,001)</b>	<b>-5.3%</b>

\* Includes supplemental appropriations.

## **EXPLANATION OF MAJOR CASH FUND DIFFERENCES**

As reflected in the table, the following departments have the largest cash funds changes: Education, Governor - Lieutenant Governor - State Planning and Budgeting, Health Care Policy and Financing, Higher Education, Local Affairs, Natural Resources, Public Health and Environment, Revenue, and Transportation. A summary of the most significant changes in these departments is provided below. The narrative for each department provides a more detailed explanation of the changes.

**Department of Education** – The bill includes an increase of \$24.9 million cash funds. This primarily reflects an increase of \$21.6 million for public school finance, an increase of \$9.0 million from the Public School Capital Construction Assistance Fund for the purpose of making payments on lease-purchase agreements pursuant to the Building Excellent Schools Today (BEST) Program, and an increase of \$4.4 million from the State Education Fund to increase state funding for categorical programs as constitutionally required. These increases are offset by \$6.2 million in funding reductions for various grant programs.

**Governor - Lieutenant Governor - State Planning and Budgeting** – The bill includes a decrease of \$18.5 million primarily due to \$18.9 million in limited gaming revenue being transferred to the General Fund rather than available for use by economic development programs. Please note that S.B. 11-159 (Steadman/Ferrandino) restores \$16.1 million of the decrease in the economic development programs.

**Department of Health Care Policy and Financing** – The bill includes an increase of \$20.0 million. This primarily reflects an increase of \$71.5 million for caseload and base cost adjustments, \$31.4 million to backfill the loss of federal funds funds due to the enhanced match rate under the American Recovery and Reinvestment Act (ARRA) expiring, and \$6.9 million for policy adjustments including an increase in cash funds for the Safety Net Provider Payments line item. These increases are offset by decreases of \$61.0 million due to insufficient revenues in the Health Care Expansion Fund and in the Children's Basic Health Plan Trust to support program expenditures, and \$28.8 million to eliminate one-time cash fund transfers used to balance the FY 2010-11 budget.

**Department of Higher Education** – The increase of \$82.5 million in the bill primarily reflects the projected tuition if institutions increase Colorado resident tuition rates 9.0 percent and nonresident rates 5.0 percent. Pursuant to S.B. 10-003, higher education governing boards may increase resident undergraduate tuition rates by up to 9.0 percent without legislative review or approval, and may increase resident undergraduate tuition rates by more than 9.0 percent if the Colorado Commission on Higher Education approves a financial accountability plan submitted by the governing board ensuring access and accountability.

**Department of Local Affairs** – The \$27.1 million increase in the bill primarily reflects estimated cash funds increases of \$28.5 million in severance tax revenues and federal mineral lease revenues based on the March 2011, Legislative Council Staff economic and revenue forecast. Increases are partially offset by a projected decrease of \$1.4 million in disbursements from the Conservation Trust Fund for parks, recreation, and open space purposes based on projected lottery revenues.

**Department of Natural Resources** – The cash funds decrease of \$19.9 million in the bill primarily reflects the elimination of one-time funding provided through H.B. 10-1398 (Species Conservation Trust Fund) and H.B. 10-1250 (Colorado Water Conservation Board Projects).

**Department of Public Health and Environment** – The increase of \$20.3 million is the net result of a \$21.1 million increase due to the expiration of H.B. 10-1381, which reduced appropriations of Amendment 35 tobacco-tax revenues to the Department of Public Health and Environment by this amount and then appropriated the savings to the Department of Health Care Policy and Financing, a \$1.9 million increase for medical marijuana, and a \$2.1 million reduction for tobacco-settlement supported programs.

**Department of Revenue** – The bill includes a decrease of \$434.2 million primarily as the result a decrease of \$432.6 million from the elimination of Lottery prizes as an expense in conformance with Section 24-35-210 (1), C.R.S., and a decrease of \$1.5 million in the Medical Marijuana Enforcement Division to align the appropriation with actual spending. The decreases were partially offset by increases of \$833,000 for a Limited Gaming Commission adjustment and \$500,000 for common policy adjustments.

**Department of Transportation** – The bill includes an increase of \$41.0 million in cash funds. This reflects revenue projections compared to the estimates included in the FY 2010-11 Long Bill. Increases include \$35.6 million in additional revenues to the State Highway Fund and \$20.0 million for the Statewide Bridge Enterprise as a result of an increase in the bridge safety surcharge from FY 2010-11 to FY 2011-12 (as required by S.B. 09-108). The increases are partially offset by \$12.6 million of reductions in other cash fund revenues. These amounts are not legislatively appropriated and are subject to change based on actual revenues.

**REAPPROPRIATED FUNDS COMPARISON: LONG BILL TO PRIOR YEAR APPROPRIATION**

<b>Department</b>	<b>FY 2010-11 Appropriation*</b>	<b>FY 2011-12 Long Bill</b>	<b>Difference</b>	<b>% Difference</b>
Agriculture	\$1,126,997	\$1,042,342	(\$84,655)	-7.5%
Corrections	43,324,213	44,250,443	926,230	2.1%
Education	22,737,017	23,433,557	696,540	3.1%
Governor	131,397,401	125,392,860	(6,004,541)	-4.6%
Health Care Policy and Financing	18,526,832	7,535,185	(10,991,647)	-59.3%
Higher Education	643,769,858	539,636,738	(104,133,120)	-16.2%
Human Services	469,989,726	450,967,546	(19,022,180)	-4.0%
Judicial	8,572,957	14,744,832	6,171,875	72.0%
Labor and Employment	1,695,272	756,026	(939,246)	-55.4%
Law	32,774,465	31,920,410	(854,055)	-2.6%
Legislature	0	250,000	250,000	n/a
Local Affairs	7,243,477	7,181,744	(61,733)	-0.9%
Military and Veterans Affairs	803,509	803,509	0	0.0%
Natural Resources	7,972,361	8,493,047	520,686	6.5%
Personnel and Administration	145,004,592	143,260,778	(1,743,814)	-1.2%
Public Health and Environment	26,696,827	29,773,850	3,077,023	11.5%
Public Safety	21,858,171	24,248,440	2,390,269	10.9%
Regulatory Agencies	6,825,033	4,286,845	(2,538,188)	-37.2%
Revenue	1,421,461	1,339,123	(82,338)	-5.8%
State	0	0	0	n/a
Transportation	4,986,153	4,898,243	(87,910)	-1.8%
Treasury	<u>0</u>	<u>0</u>	<u>0</u>	n/a
<b>LONG BILL OPERATING TOTAL</b>	<b>\$1,596,726,322</b>	<b>\$1,464,215,518</b>	<b>(\$132,510,804)</b>	<b>-8.3%</b>
Capital Construction	<u>0</u>	<u>0</u>	<u>0</u>	n/a
<b>GRAND TOTAL</b>	<b>\$1,596,726,322</b>	<b>\$1,464,215,518</b>	<b>(\$132,510,804)</b>	<b>-8.3%</b>

\* Includes supplemental appropriations.

## **EXPLANATION OF MAJOR REAPPROPRIATED FUNDS DIFFERENCES**

As reflected in the table, the following departments have the largest reappropriated funds changes: Governor - Lieutenant Governor - State Planning and Budgeting, Health Care Policy and Financing, Higher Education, Human Services, and Judicial. A summary of the most significant changes in these departments is provided below. The narrative for each department provides a more detailed explanation of the changes.

**Governor - Lieutenant Governor - State Planning and Budgeting** – The bill includes a decrease of \$6.0 million primarily due to the annualization of prior year legislation and budget actions for changes to the Colorado Benefits Management System (CBMS).

**Department of Health Care Policy and Financing** – The bill reflects a net decrease of \$11.0 million. The decrease is primarily due to a reduction of \$6.9 million in one-time reappropriated funds from the Children's Basic Health Plan Trust, and a \$4.5 million reduction due to a one-time transfer from the Health Disparities Grant Fund in FY 2010-11 used to offset General Fund expenditures in the Medical Services Premiums line item.

**Department of Higher Education** – The bill includes a decrease of \$104.1 million, which primarily reflects a reduction in fee-for-service contracts for higher education institutions.

**Department of Human Services** – The decrease of \$19.0 million primarily reflects reductions for community services for people with developmental disabilities, including reductions associated with cost-containment measures.

**Judicial Department** – The increase of \$6.2 million primarily relates to the implementation of two bills, including: a \$5.0 million increase in the cash funds spending authority from the Drug Offender Surcharge Fund for the provision of treatment services to adult offenders pursuant to H.B. 10-1352; and a \$0.5 million increase in the transfer of moneys in the Persistent Drunk Driver Cash Fund from the Department of Human Services for the provision of treatment services for indigent offenders pursuant to H.B. 10-1347.

<b>FEDERAL FUNDS COMPARISON: LONG BILL TO PRIOR YEAR APPROPRIATION</b>				
<b>Department</b>	<b>FY 2010-11 Appropriation*</b>	<b>FY 2011-12 Long Bill</b>	<b>Difference</b>	<b>% Difference</b>
Agriculture	\$4,019,345	\$4,003,060	(\$16,285)	-0.4%
Corrections	1,007,478	718,687	(288,791)	-28.7%
Education	787,486,667	625,952,749	(161,533,918)	-20.5%
Governor	33,496,112	23,871,136	(9,624,976)	-28.7%
Health Care Policy and Financing	2,815,270,027	2,502,290,908	(312,979,119)	-11.1%
Higher Education	49,455,658	19,040,275	(30,415,383)	-61.5%
Human Services	704,007,656	689,835,764	(14,171,892)	-2.0%
Judicial	6,814,742	5,210,298	(1,604,444)	-23.5%
Labor and Employment	95,589,102	97,506,963	1,917,861	2.0%
Law	1,469,226	1,523,092	53,866	3.7%
Legislature	0	0	0	n/a
Local Affairs	96,977,419	97,276,449	299,030	0.3%
Military and Veterans Affairs	213,758,894	213,881,120	122,226	0.1%
Natural Resources	19,729,069	19,877,283	148,214	0.8%
Personnel and Administration	0	0	0	n/a
Public Health and Environment	256,102,843	267,928,200	11,825,357	4.6%
Public Safety	27,885,029	29,662,639	1,777,610	6.4%
Regulatory Agencies	1,231,398	1,194,626	(36,772)	-3.0%
Revenue	815,619	723,701	(91,918)	-11.3%
State	0	0	0	n/a
Transportation	369,101,388	404,145,023	35,043,635	9.5%
Treasury	<u>0</u>	<u>0</u>	<u>0</u>	n/a
<b>LONG BILL OPERATING TOTAL</b>	<b>\$5,484,217,672</b>	<b>\$5,004,641,973</b>	<b>(\$479,575,699)</b>	<b>-8.7%</b>
Capital Construction	<u>10,273,498</u>	<u>8,651,425</u>	<u>(1,622,073)</u>	-15.8%
<b>GRAND TOTAL</b>	<b>\$5,494,491,170</b>	<b>\$5,013,293,398</b>	<b>(\$481,197,772)</b>	<b>-8.8%</b>

\* Includes supplemental appropriations.



## **EXPLANATION OF MAJOR FEDERAL FUNDS DIFFERENCES**

As reflected in the table, the following departments have the largest proposed federal funds changes: Education, Health Care Policy and Financing, Higher Education, Human Services, Public Health and Environment, and Transportation. A summary of the most significant changes in these departments is provided below. The narrative for each department provides a more detailed explanation of the changes.

**Department of Education** – The bill reflects a decrease of \$161.5 million federal funds, including: (1) the elimination of \$216.4 million in federal funds that were distributed to school districts in FY 2010-11 based on the school finance formula; (2) an increase of \$48.0 million to reflect the amount of federal funds anticipated to be available to school districts for school breakfast and lunch programs; and (3) an increase of \$7.4 million to reflect a federal grant to improve state data systems used for longitudinal analyses of student assessment results.

**Department of Health Care Policy and Financing** – The decrease of \$313.0 million includes \$376.4 million due to the enhanced match rate under the American Recovery and Reinvestment Act (ARRA) expiring, \$24.8 million for program reductions, and \$14.8 million to eliminate one-time adjustments in FY 2010-11. These decreases are offset by a \$103.1 million increase for caseload and cost adjustments.

**Department of Higher Education** – The decrease of \$30.4 million primarily reflects eliminating one-time federal funds available under ARRA. The bill reduces state and federal funding for the higher education institutions by \$125.4 million, or 19.5 percent, including \$29.2 million federal funds. The bill also reflects a \$1.3 million decrease due to the discontinuation of the federal financial aid Leveraging Educational Assistance Program.

**Department of Human Services** – The decrease of \$14.2 million includes a reduction of \$9.4 million to reflect federal Low Income Home Energy Assistance block grant funds anticipated to be received, and a reduction of \$5.5 million associated with the end of the enhanced federal match rate for child welfare services that was available under the ARRA.

**Department of Public Health and Environment** – The increase of \$11.8 million is the net result of multiple changes. The largest adjustments include: a \$17.4 million increase for federal emergency preparedness and response grants, a \$4.0 million increase for disease control grants, a \$3.3 million increase for a grant for nurse home visitation, a \$16.6 million reduction for the Women, Infants, and Children Supplemental Food Grant (which is largely due to an overstatement of this grant in last year's Long Bill), and an \$8 million decrease for immunizations (which reflects new federal grant distribution rules rather than reduced funding for the State).

**Department of Transportation** – The bill includes an increase of \$35.0 million in anticipated federal funds, reflecting estimated federal revenues available to the Department in FY 2011-12 relative to the estimate included in the FY 2010-11 Long Bill.

**FULL TIME EQUIVALENT (FTE) COMPARISON: LONG BILL TO PRIOR YEAR APPROPRIATION**

<b>Department</b>	<b>FY 2010-11 Appropriation*</b>	<b>FY 2011-12 Long Bill</b>	<b>Difference</b>	<b>% Difference</b>
Agriculture	287.1	284.1	(3.0)	-1.0%
Corrections	6,733.1	6,222.2	(510.9)	-7.6%
Education	555.7	540.7	(15.0)	-2.7%
Governor	1,048.9	1,031.5	(17.4)	-1.7%
Health Care Policy and Financing	294.8	312.2	17.4	5.9%
Higher Education	21,397.5	21,489.8	92.3	0.4%
Human Services	5,182.7	4,883.8	(298.9)	-5.8%
Judicial	4,047.4	4,172.7	125.3	3.1%
Labor and Employment	1,047.0	1,046.8	(0.2)	0.0%
Law	420.7	407.8	(12.9)	-3.1%
Legislature**	277.1	271.0	(6.1)	-2.2%
Local Affairs	176.0	171.6	(4.4)	-2.5%
Military and Veterans Affairs	1,384.9	1,384.9	0.0	0.0%
Natural Resources	1,474.8	1,465.6	(9.2)	-0.6%
Personnel and Administration	391.3	392.3	1.0	0.3%
Public Health and Environment	1,227.7	1,265.0	37.3	3.0%
Public Safety	1,349.0	1,349.3	0.3	0.0%
Regulatory Agencies	578.4	586.6	8.2	1.4%
Revenue	1,521.5	1,365.4	(156.1)	-10.3%
State	135.1	128.9	(6.2)	-4.6%
Transportation	3,307.5	3,315.5	8.0	0.2%
Treasury	<u>31.5</u>	<u>31.5</u>	<u>0.0</u>	0.0%
<b>LONG BILL OPERATING TOTAL</b>	<b>52,869.7</b>	<b>52,119.2</b>	<b>(750.5)</b>	<b>-1.4%</b>

\* Includes supplemental appropriations.

\*\* As reflected in the reengrossed version of S.B. 11-198 (Legislative Appropriations Act)

LONG BILL FTE APPROPRIATION CHANGES BY CATEGORY						
Department	Impact of Prior Year Decision Item or Legislation	Restore On-time Reductions	Base Reductions	Convert Existing Contract Staff to FTE	Staff Shown for Informational Purposes	Staff Transfers
Agriculture	0.0	0.0	(2.0)	0.0	0.0	(1.0)
Corrections	26.0	0.0	(524.4)	0.0	0.0	0.0
Education	0.6	0.0	(12.8)	0.0	(2.8)	0.0
Governor	2.4	0.0	(20.8)	0.0	0.0	1.0
Health Care Policy and Financing	16.5	0.0	0.0	0.0	0.0	0.9
Higher Education	0.0	0.0	(2.0)	0.0	92.3	0.0
Human Services	26.7	0.0	(174.1)	0.5	(142.4)	0.0
Judicial	80.7	45.3	(1.0)	0.0	(1.7)	0.0
Labor and Employment	(0.2)	0.0	0.0	0.0	0.0	0.0
Law	0.0	0.0	(12.9)	0.0	0.0	0.0
Legislature	0.0	0.0	(6.1)	0.0	0.0	0.0
Local Affairs	0.0	0.0	(4.4)	0.0	0.0	0.0
Military and Veterans Affairs	0.0	0.0	0.0	0.0	0.0	0.0
Natural Resources	(2.0)	0.0	(7.9)	0.0	0.0	0.0
Personnel and Administration	1.2	0.0	(1.0)	0.0	0.0	0.0
Public Health and Environment	0.7	0.0	0.0	0.0	37.5	(0.9)
Public Safety	2.0	0.0	(4.7)	0.0	3.0	0.0
Regulatory Agencies	2.2	0.0	0.0	0.0	0.0	0.0
Revenue	(4.5)	0.0	(151.6)	0.0	0.0	0.0
State	(2.0)	0.0	(4.2)	0.0	0.0	0.0
Transportation	0.0	0.0	0.0	0.0	8.0	0.0
Treasury	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>TOTALS</b>	<b>150.3</b>	<b>45.3</b>	<b>(929.9)</b>	<b>0.5</b>	<b>(6.1)</b>	<b>0.0</b>

LONG BILL FTE APPROPRIATION CHANGES BY CATEGORY					
Department	Improve or Expand Existing Programs/ Functions	Staffing Related to Population Changes	Staffing for New or Expanded Facilities	Staffing for New Programs	Total FTE Change for FY 2011-12
Agriculture	0.0	0.0	0.0	0.0	(3.0)
Corrections	0.0	(12.5)	0.0	0.0	(510.9)
Education	0.0	0.0	0.0	0.0	(15.0)
Governor	0.0	0.0	0.0	0.0	(17.4)
Health Care Policy and Financing	0.0	0.0	0.0	0.0	17.4
Higher Education	0.0	0.0	2.0	0.0	92.3
Human Services	0.0	(9.6)	0.0	0.0	(298.9)
Judicial	2.0	0.0	0.0	0.0	125.3
Labor and Employment	0.0	0.0	0.0	0.0	(0.2)
Law	0.0	0.0	0.0	0.0	(12.9)
Legislature	0.0	0.0	0.0	0.0	(6.1)
Local Affairs	0.0	0.0	0.0	0.0	(4.4)
Military and Veterans Affairs	0.0	0.0	0.0	0.0	0.0
Natural Resources	0.7	0.0	0.0	0.0	(9.2)
Personnel and Administration	0.0	0.0	0.0	0.8	1.0
Public Health and Environment	0.0	0.0	0.0	0.0	37.3
Public Safety	0.0	0.0	0.0	0.0	0.3
Regulatory Agencies	6.0	0.0	0.0	0.0	8.2
Revenue	0.0	0.0	0.0	0.0	(156.1)
State	0.0	0.0	0.0	0.0	(6.2)
Transportation	0.0	0.0	0.0	0.0	8.0
Treasury	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
<b>TOTALS</b>	<b>8.7</b>	<b>(22.1)</b>	<b>2.0</b>	<b>0.8</b>	<b>(750.5)</b>

## **EXPLANATION OF MAJOR FTE DIFFERENCES**

Major changes in the FTE appropriations are summarized by department in the table on page 13, and the table on pages 14 - 15 details these changes using the following categories:

- *Impact of Prior Year Decision Item or Legislation.* Includes FTE changes that are required to implement legislation that has been enacted, as well as programs or services previously authorized by the General Assembly through the budget process.
- *Restore One-time Reductions.* Reflects restoration of FTE that were temporarily reduced for budget balancing purposes.
- *Base Reductions.* Reflects reductions in existing FTE appropriations.
- *Convert Existing Contract Staff to FTE.* Reflects FTE associated with existing contract staff who will be converted to state employees.
- *Staff Shown for Informational Purposes.* Reflects changes in FTE that are shown in the bill for informational purposes only (e.g., staff supported by federal funds or grants, staff employed by higher education institutions, etc.).
- *Staff Transfers.* Reflects staff transfers between departments.
- *Improve or Expand Existing Programs / Functions.* Reflects FTE changes designed to improve existing programs or functions previously authorized by the General Assembly.
- *Staffing Related to Population Changes.* Includes staffing adjustments related to changes in the number of individuals or entities receiving services (e.g., students enrolled, individuals licensed, individuals receiving public assistance, facilities inspected, prisoners housed, etc.).
- *Staffing for New or Expanded Facilities.* Includes staffing changes required for new or expanded state facilities.
- *Staffing for New Programs.* Includes staffing changes recommended for new or expanded programs.

The narrative for each department provides further explanation of all FTE changes. Major changes are summarized below.

**Department of Corrections** – The bill includes a net decrease of 510.9 FTE. This includes an increase of 26.0 FTE related to the impact of prior year decision items or legislation. The bill also includes a base reduction of 524.4 FTE, including the following: (1) 400.0 FTE to more closely align the appropriated FTE level with the actual FTE level; (2) 41.5 FTE for academic and vocational programs offered to inmates; (3) 37.0 FTE for prison operations and prison therapeutic communities; (4) 36.1 FTE related to the decommission of the Fort Lyon Correctional Facility; and (5) 9.8 FTE for administrative positions and contract services. Finally, the bill includes a decrease of 12.5 FTE to reflect declining caseloads in parole and community corrections.

**Department of Higher Education** – The bill includes an increase of 2.0 FTE for maintenance of the new History Colorado Center and a decrease of 2.0 FTE for the Colorado Commission on Higher Education administration. The remaining FTE increase of 92.3 is attributable to the higher education institutions, and included in the bill for informational purposes only. Pursuant to statute, each governing board retains control over the number of employees hired. Historically, projections submitted by the schools of employment in the current year have been used in the bill. Thus, the FTE reported lags funding decisions.

**Department of Human Services** – The bill includes: (1) a reduction of 142.4 FTE to the state and veterans nursing homes, primarily due to the closure of the Trinidad home; (2) a reduction 125.0 FTE to align appropriations with actual FTE usage; (3) a reduction of 29.6 FTE for the closure of the Mountain Star residential child care facility at the Colorado Mental Health Institute at Fort Logan; (4) a reduction of 14.5 FTE due to reduced funding for the Circle alcohol and drug treatment unit at the Colorado Mental Health Institute at Pueblo; (5) a reduction of 9.6 FTE for the Division of Youth Corrections associated with commitment population reductions; and (6) a reduction of 5.0 FTE to eliminate various positions in the Executive Director's Office. These decreases are partially offset by an increase of 26.7 FTE to annualize FY 2010-11 staffing increases for the mental health institutes and 0.5 FTE to convert a contract position to a state FTE position.

**Judicial Department** – The increase of 125.3 FTE primarily reflects an increase of 76.7 FTE for continued implementation of H.B. 07-1054 which increased the number of state court judges, and 45.3 FTE to restore probation, court, and administrative FTE that were temporarily reduced mid-year in FY 2010-11 for budget balancing purposes.

**Department of Revenue** – The bill reduces FTE by a total of 156.1 FTE, primarily as a result of a base reduction of 151.6 FTE to more closely align FTE authority with actual FTE usage. The bill also provides a decrease of 4.5 FTE that are the result of annualization of 2010 special bills and budget actions.

## HIGHWAY USERS TAX FUND APPROPRIATION COMPARISON

The following table shows the bill's FY 2011-12 "Off-the-Top" appropriations from the Highway Users Tax Fund (HUTF), which are limited to an annual growth rate of 6.0 percent over the previous year's "Off-the-Top" appropriation. These moneys are referred to as "Off-the-Top" because they are removed from available HUTF revenue before the statutory allocation to cities, counties, and the Department of Transportation. Pursuant to the various provisions of Sections 43-4-201 through 215, C.R.S., "Off-the-Top" appropriations are limited to: (1) the Colorado State Patrol in the Department of Public Safety; (2) the Department of Revenue for the Ports of Entry program; and (3) related capital projects. The General Assembly approved legislation to allow the use of HUTF "Off-the-Top" appropriations in the Department of Revenue for the Division of Motor Vehicles for FY 2008-09 through FY 2010-11.

House Bill 11-1161, which has been signed into law, extends the use of HUTF "Off-the-Top" appropriations in the Department of Revenue for the Division of Motor Vehicles for FY 2011-12. This bill includes the use of HUTF "Off-the-Top" moneys in the Division of Motor Vehicles pursuant to H.B. 11-1161. In addition, this bill extends the use of HUTF "Off-the-Top" appropriations in the Department of Public Safety to support programs previously supported by the Law Enforcement Assistance Fund (LEAF) within the Department of Transportation.

HUTF "Off-the-Top" Appropriation Comparison				
Department	FY 2010-11 Appropriation	FY 2011-12 Long Bill Appropriation	Change	Percent Change
Public Safety - Colorado State Patrol	\$97,228,700	\$99,922,688	\$2,693,988	2.8%
Revenue - Ports of Entry	9,659,717	9,728,766	69,049	0.7%
Revenue - Division of Motor Vehicles	5,080,665	2,349,622	(2,731,043)	(53.8)%
Capital Construction Projects	3,478,870	0	(3,478,870)	(100.0)%
<b>Total</b>	<b>\$115,447,952</b>	<b>\$112,001,076</b>	<b>(\$3,446,876)</b>	<b>(3.0)%</b>
Allowable 6.0% Limit	\$115,447,952	\$122,374,829	n/a	n/a
<b>Amount Over/(Under) 6.0% limit</b>	<b>\$0</b>	<b>(\$10,373,753)</b>	<b>n/a</b>	<b>n/a</b>

### Department of Public Safety

For the Department of Public Safety, the bill includes the following major changes: (1) \$1.9 million increase for centrally appropriated line items, statewide IT common policy adjustments, and a net increase in indirect cost recoveries; (2) \$1.3 million increase to restore one-time personal services reductions for FY 2010-11; (3) \$472,000 increases for various changes including the deployment of Electro Muscular Device Technology also known as Taser®, the procurement of a State Patrol Academy driving simulator, increase in utilities costs, and an increase in ongoing costs for the



COPLINK information sharing platform; and (4) a reduction of \$928,000 for a 1.5 percent Personal Services line item reduction.

#### Department of Revenue

For the Department of Revenue Ports of Entry program, the bill includes the following changes: (1) an increase of \$138,795 to restore funding for the FY 2010-11 PERA contribution reduction; (2) a decrease of \$97,073 for the Personal Services base reduction; (3) and a decrease of \$4,396 to annualize the FY 2010-11 transfer of the Motor Carrier Safety Assistance Program to the Department of Public Safety. For the Division of Motor Vehicles, the bill includes an increase of \$1,262,762 for FY 2010-11 to offset other cash fund revenue shortfalls in the Division, and a reduction of \$2,731,043 for FY 2011-12.

## Department of Agriculture

**Department Description:** The Department of Agriculture regulates, promotes and supports various agriculture activities throughout Colorado through a wide range of services including: regulation and certification of the livestock industry; regulation of the use of pesticides and pesticide applicators; administration of Inspection and Consumer Services Programs; brand inspections; oversight of conservation services throughout the state; promotion of Colorado's agricultural industries; and administration of the State Fair and fairgrounds.

<b>Summary Table for Department of Agriculture</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$38,638,828	\$4,924,114	\$28,568,372	\$1,126,997	\$4,019,345	287.1
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Commissioner's Office and Administrative Services	2,299,576	360,484	2,042,379	(84,655)	(18,632)	0.0
Agricultural Services Division	(1,846,001)	(252,462)	(1,594,602)	0	1,063	(33.5)
Agricultural Markets Division	2,740,302	200,000	2,540,302	0	0	36.0
Brand Board	171,036	0	171,036	0	0	0.0
Special Purpose	(2,621,125)	0	(2,621,125)	0	0	(5.5)
Colorado State Fair	(105,467)	0	(105,467)	0	0	0.0
Conservation Board	(443,804)	4,912	(450,000)	0	1,284	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$38,833,345</b>	<b>\$5,237,048</b>	<b>\$28,550,895</b>	<b>\$1,042,342</b>	<b>\$4,003,060</b>	<b>284.1</b>
\$ Change from prior year	\$194,517	\$312,934	(\$17,477)	(\$84,655)	(\$16,285)	(3.0)
% Change from prior year	0.5%	6.4%	(0.1)%	(7.5)%	(0.4)%	(1.0)%

### Appropriation Highlights:

1. Adds \$404,000 total funds, of which \$146,000 is General Fund, for the restoration of one-time personal services reductions.
2. Adds \$61,000 cash funds for the brand assessment conducted once every five years.
3. Reduces a total of 3.0 FTE to account for Department vacancies.
4. Reduces \$450,000 cash funds from the Conservation District Grant Fund.
5. Reduces a total of \$315,000 total funds, of which \$34,400 is General Fund, for a 1.5 percent personal services base reduction.

## Appropriation Detail by Long Bill Division

**Commissioner's Office and Administrative Services:** The Commissioner's Office, in conjunction with the Colorado Agricultural Commission, is responsible for the development and implementation of agricultural policies throughout the state. The Administrative Services section provides administrative and technical support for Department programs, including accounting, budgeting, and human resources. The funding sources for this division are General Fund, various cash funds, and federal grants. Reappropriated funds are received from various cash funds within the Department for centrally appropriated items.

Commissioner's Office & Administrative Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$8,276,563	\$1,582,789	\$2,691,609	\$1,081,997	\$2,920,168	27.7
<i>Changes from FY 2010-11 Appropriation</i>						
Long Bill reorganization transfers from the Agricultural Services and Special Purpose Divisions	1,722,115	0	1,722,115	0	0	3.0
Centrally appropriated line items	358,149	121,912	268,594	0	(32,357)	0.0
Statewide IT common policy adjustments	189,248	121,357	67,891	0	0	0.0
Restore one-time personal services reductions	68,711	52,235	0	0	16,476	0.0
Fund source adjustment	0	68,425	0	(68,425)	0	0.0
FTE adjustment	0	0	0	0	0	(3.0)
Personal services base reduction	(19,675)	(3,445)	0	(16,230)	0	0.0
Indirect cost adjustment	(18,444)	0	(15,693)	0	(2,751)	0.0
Annualize prior year funding	(528)	0	(528)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$10,576,139</b>	<b>\$1,943,273</b>	<b>\$4,733,988</b>	<b>\$997,342</b>	<b>\$2,901,536</b>	<b>27.7</b>
\$ Change from prior year	\$2,299,576	\$360,484	\$2,042,379	(\$84,655)	(\$18,632)	0.0
% Change from prior year	27.8%	22.8%	75.9%	(7.8)%	(0.6)%	0.0%

### Issue Descriptions

**Long Bill reorganization transfers from the Agricultural Services and Special Purpose Divisions:** The bill includes the transfer of \$22,531 cash funds from the Agricultural Services Division for the Food Systems Advisory Council, and \$1,699,584 cash funds and 3.0 FTE from the Special Purpose Division for the Agriculture Management Fund.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: health, life and dental benefits; short-term disability; amortization equalization disbursement; supplemental amortization equalization disbursement; workers' compensation; legal services; payment to risk management and property funds; vehicle lease payments; leased space; and Capitol complex leased space.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes a net decrease in the amount of total department indirect cost recoveries applied to this division, which necessitates an increase of \$68,425 General Fund for this division.

**FTE adjustment:** The bill eliminates 2.0 vacant FTE positions and transfers 1.0 FTE to the Governor's Office of Information Technology.

**Personal services reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes a reduction of \$528 for the second year funding of S.B. 10-072.

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**Agricultural Services Division:** This division administers four major Department programs listed below. The primary source of funding is from three cash funds: the Agricultural Productions Inspection Fund, the Inspection and Consumer Services Cash Fund; and the Plant Health, Pest Control and Environmental Protection Fund.

*Inspection and Consumer Services Programs:* These programs ensure compliance with product quality standards through licensing and inspection; certify commercial (large and small) weights and measurement devices; and analyze fertilizer and animal feed for chemical contaminants.

*Animal Industry:* This program provides for the: monitoring of the health of livestock and other animals used in various fields of agriculture, and if needed, the prevention and control of livestock disease; licensing and inspection of pet animal facilities; implementation of pest control; and investigation of animal cruelty claims.

*Plant Industry:* This program manages statewide pest control programs; registers pesticides and pesticide applicators; inspects plants and plant byproducts intended for domestic or international export; oversees the organic certification program; and inspects nursery stock for quality and health.

*Conservation Services:* This program provides technical and financial support, leadership, statewide coordination and regulatory oversight to public and private landowners statewide on an array of natural resource management challenges including noxious weed management and biological pest control.

*Fruit and Vegetable Inspection:* Starting in FY 2011-12 Long Bill this program will be shown in the Agricultural Markets Division.

<b>Agricultural Services Division</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$12,515,603	\$2,717,644	\$9,197,498	\$0	\$600,461	150.3
<i>Changes from FY 2010-11 Appropriation</i>						
Long Bill reorganization transfer of the Vaccine and Service Fund from the Special Purpose Division	324,320	0	324,320	0	0	1.0
Restore one-time personal services reductions	188,469	76,668	108,586	0	3,215	0.0
Annualize prior year legislation	0	(70,000)	70,000	0	0	0.0
Long Bill reorganization of the Agricultural Services Division	0	0	0	0	0	0.0
Long Bill reorganization transfer to the Agricultural Markets Division	(2,150,313)	(200,000)	(1,950,313)	0	0	(34.5)
Personal services base reduction	(131,612)	(30,970)	(98,548)	0	(2,094)	0.0
General Fund reduction	(28,160)	(28,160)	0	0	0	0.0
Indirect cost assessment	(26,174)	0	(26,116)	0	(58)	0.0
Long Bill reorganization transfer to the Commissioner's Office and Administrative Services	(22,531)	0	(22,531)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$10,669,602	\$2,465,182	\$7,602,896	\$0	\$601,524	116.8
\$ Change from prior year	(\$1,846,001)	(\$252,462)	(\$1,594,602)	\$0	\$1,063	(33.5)
% Change from prior year	(14.8)%	(9.3)%	(17.3)%	n/a	0.2%	(22.3)%

## Issue Descriptions

**Long Bill reorganization transfer of the Vaccine and Service Fund from the Special Purpose Division:** The bill includes the transfer of \$324,320 cash funds and 1.0 FTE from the Vaccine and Service Fund previously funded in the Special Purpose Division, to this division.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes a decrease of \$70,000 General Fund and increase of \$70,000 cash funds to account for the pay-day shift of General Funded employees who were refinanced with cash funds via H.B. 10-1377 (Cash Fund Agriculture Programs Two Years) for FY 2010-11 and FY 2011-12.

**Long Bill reorganization of the Agricultural Services Division:** The bill includes a net zero reorganization of the Agricultural Services Division to show the funding for the Animal Industry, Plant Industry, Conservation Services, and Inspection and Consumer Services programs.

**Long Bill reorganization transfer to the Agricultural Markets Division:** The bill includes a transfer of \$200,000 General Fund, \$1,950,313 cash funds and 34.5 FTE to the Agricultural Markets Division for the transfer of the Agricultural Products Inspection program.

**Personal services reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of General Fund to certain line items.

**Indirect Cost assessment:** The bill includes a net increase in indirect cost assessments.

**Long Bill reorganization transfer to the Commissioner's Office and Administrative Services:** The bill includes the transfer of \$22,531 cash funds for the Food System Advisory Council to the Commissioner's Office and Administrative Services.

**Agricultural Markets Division:** Starting in the FY 2011-12 Long Bill this division is reorganized into two subdivisions which are:

1. Agricultural Markets subdivision which provides marketing assistance and related support to Colorado agricultural-based businesses competing in local, national, and international arenas through coordination of various market orders, promotion of Colorado agricultural products, and assistance to start-up or expanding food processing companies within the state. Additionally through the Long Bill reorganization this subdivision will oversee the Wine Promotion Board.
2. Agricultural Products Inspection subdivision will administer the agricultural products inspection program which performs mandatory and non-mandatory inspections to determine grade, size, and quality of fruits and vegetables.

Agricultural Markets Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,110,390	\$0	\$1,065,390	\$45,000	\$0	5.2
<b>Changes from FY 2010-11 Appropriation</b>						
Long Bill reorganization transfer from the Agricultural Services Division	2,150,313	200,000	1,950,313	0	0	34.5
Long Bill reorganization transfer from the Special Purpose Division	569,613	0	569,613	0	0	1.5
Restore one-time personal services reductions	36,701	0	36,701	0	0	0.0
Indirect cost assessment	11,623	0	11,623	0	0	0.0
Personal services base reduction	(27,948)	0	(27,948)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,850,692	\$200,000	\$3,605,692	\$45,000	\$0	41.2
\$ Change from prior year	\$2,740,302	\$200,000	\$2,540,302	\$0	\$0	36.0
% Change from prior year	246.8%	n/a	238.4%	0.0%	n/a	692.3%

**Issue Descriptions**

**Long Bill reorganization transfer from the Agricultural Services Division:** The bill includes the transfer of \$200,000 General Fund, \$1,950,313 cash funds and 34.5 FTE associated with the Agricultural Products Inspection Program.

**Long Bill reorganization transfer from the Special Purpose Division:** The bill includes the transfer of \$569,613 cash funds and 1.5 FTE associated with the Wine Promotion Board.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Brand Board:** The Brand Board serves the livestock industry and assists the public with problems related to livestock management. The Brand Board also administers and records livestock brands, and inspects cattle, horse, and alternative livestock brands (such as deer and elk) to verify ownership at the time of sale, transport, or slaughter. The Brand Board is entirely funded with cash funds from the Brand Inspection Fund and the Alternative Livestock Farm Cash Fund. Under Section 35-41-101 (5) (a), C.R.S., the Brand Board constitutes an enterprise for the purposes of Section 20 of Article X of the Colorado Constitution (TABOR).

<b>Brand Board</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$4,023,791	\$0	\$4,023,791	\$0	\$0	66.3
<i>Changes from FY 2010-11 Appropriation</i>						
Long Bill reorganization transfer from the Special Purpose Division	94,050	0	94,050	0	0	0.0
Restore one-time personal services reduction	73,560	0	73,560	0	0	0.0
Brand assessment funding	61,197	0	61,197	0	0	0.0
Indirect cost assessment	119	0	119	0	0	0.0
Personal services base reduction	(57,890)	0	(57,890)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,194,827	\$0	\$4,194,827	\$0	\$0	66.3
\$ Change from prior year	\$171,036	\$0	\$171,036	\$0	\$0	0.0
% Change from prior year	4.3%	n/a	4.3%	n/a	n/a	0.0%

**Issue Descriptions**

**Long Bill reorganization transfer from the Special Purpose Division:** The bill includes the transfer of \$94,050 cash funds for the Brand Estray Fund from the Special Purpose Division.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Brand assessment funding:** The bill includes an increase of \$61,197 cash funds for the brand assessment conducted by the Brand Board once every five years.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Special Purpose:** This division previously reflected funding for:

- ▶ The Agriculture Management Fund provides funding for Department programs and staff. In FY 2010-11, approximately \$488,000 is being used to refinance the General Fund in this division.
- ▶ The Colorado Wine Development Fund allows the Wine Promotion Board to promote wines produced in Colorado.
- ▶ The Vaccine and Service Fund provides for the vaccination of calves against brucellosis.
- ▶ The Brand Estray Fund funds the maintenance and sale or return of stray livestock.

For FY 2011-12, this division has been eliminated; funding and staff have been transferred to the Commissioner's Office, Agricultural Services Division, and Agricultural Markets Division.

Special Purpose	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,621,125	\$0	\$2,621,125	\$0	\$0	5.5
<i>Changes from FY 2010-11 Appropriation</i>						
Long Bill reorganization transfer to Commissioner's Office and Administrative Services	(1,680,159)	0	(1,680,159)	0	0	(3.0)
Long Bill reorganization transfer to Agricultural Markets Division	(570,049)	0	(570,049)	0	0	(1.5)
Long Bill reorganization transfer to Agricultural Services Division	(276,867)	0	(276,867)	0	0	(1.0)
Long Bill reorganization transfer to the Brand Board	(94,050)	0	(94,050)	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$0	\$0	\$0	\$0	\$0	0.0
\$ Change from prior year	(\$2,621,125)	\$0	(\$2,621,125)	\$0	\$0	(5.5)
% Change from prior year	(100.0)%	n/a	(100.0)%	n/a	n/a	(100.0)%

### Issue Descriptions

**Long Bill reorganization transfer to Commissioner's Office and Administrative Services:** The bill reflects the transfer of \$1,680,159 cash funds and 3.0 FTE to the Commissioner's Office and Administrative Services for the Agriculture Management Fund line item and the associated Indirect Costs line item.

**Long Bill reorganization transfer to Agricultural Markets Division:** The bill reflects the transfer of \$570,049 cash funds and 1.5 FTE for the Wine Promotion Board to the Agricultural Markets Division.



**Long Bill reorganization transfer to the Agricultural Services Division:** The bill includes the transfer of \$276,876 cash funds and 1.0 FTE for the Vaccine and Service Fund to the Agricultural Services Division.

**Long Bill reorganization transfer to the Brand Board:** The bill includes the transfer of \$94,050 cash funds for the Brand Estray Fund to the Brand Board.

**Colorado State Fair:** This program includes personal services and operating expenses associated with the Colorado State Fair, which is administered by the eleven member State Fair Authority. The State Fair is designated as a Type 1 agency pursuant to Section 35-65-401 (1) (a), C.R.S. This division is entirely cash funded from the Colorado State Fair Authority Cash Fund, and revenue is from fees collected during the eleven day state fair and from non-fair events held at the fairgrounds during the rest of the year.

Colorado State Fair	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$8,518,959	\$0	\$8,518,959	\$0	\$0	26.9
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	24,096	0	24,096	0	0	0.0
Personal services base reduction	(77,785)	0	(77,785)	0	0	0.0
Indirect cost assessment	(51,778)	0	(51,778)	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$8,413,492	\$0	\$8,413,492	\$0	\$0	26.9
\$ Change from prior year	(\$105,467)	\$0	(\$105,467)	\$0	\$0	0.0
% Change from prior year	(1.2)%	n/a	(1.2)%	n/a	n/a	0.0%

**Issue Descriptions**

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net reduction in indirect cost assessments.

**Conservation Board:** The Conservation Board is responsible for providing administrative and fiscal oversight to Colorado's 77 conservation districts. The Board also coordinates various federal programs related to natural resource issues, provides guidance on stream bank erosion, and assists farmers and ranchers in implementing a variety of water and energy practices. The primary sources of funding are General Fund and federal grant dollars from the U.S. Department of Agriculture Natural Resources Conservation Service.

Conservation Board	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,572,397	\$623,681	\$450,000	\$0	\$498,716	5.2
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	9,696	8,412	0	0	1,284	0.0
Eliminate the Conservation District Grant Fund	(450,000)	0	(450,000)	0	0	0.0
Operating reduction	(3,500)	(3,500)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,128,593	\$628,593	\$0	\$0	\$500,000	5.2
\$ Change from prior year	(\$443,804)	\$4,912	(\$450,000)	\$0	\$1,284	0.0
% Change from prior year	(28.2)%	0.8%	(100.0)%	n/a	0.3%	0.0%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the one-time personal services reduction for the reduced State contribution to Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate the Conservation District Grant Fund:** The bill eliminates funding for the Conservation District Grant Fund pursuant to Section 35-1-106.7 (1), C.R.S. House Bill 11-1156 (Becker/Hodge) provides an extension of funding for this line item through FY 2011-12.

**Operating reduction:** The bill includes a General Fund reduction for personal services.

## Department of Corrections

**Department Description:** The Department of Corrections is responsible for the following activities: (1) managing, supervising, and controlling the correctional facilities operated and supported by the State; (2) supervising inmates who are placed on parole or who are placed in community corrections programs; (3) developing a systematic building program providing for the projected, long-range needs of the institutions under the Department's control; and (4) developing correctional industries within the institutions, which have a rehabilitative or therapeutic value for inmates.

Summary Table for Department of Corrections						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$747,795,246	\$658,794,383	\$44,669,172	\$43,324,213	\$1,007,478	6,733.1
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Management	(15,343,006)	(14,539,023)	(670,434)	(133,549)	0	(20.7)
Institutions	(3,448,629)	(2,606,966)	(479,367)	(362,296)	0	(230.6)
Support Services	409,989	420,081	(15,043)	4,951	0	(33.2)
Inmate Programs	(3,835,223)	(220,693)	(3,309,178)	(16,561)	(288,791)	(146.9)
Community Services	1,369,466	(29,784)	(750)	1,400,000	0	(54.8)
Parole Board	22,771	22,771	0	0	0	(1.0)
Correctional Industries	56,500	0	22,815	33,685	0	(20.9)
Canteen Operation	6,007	0	6,007	0	0	(2.8)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$727,033,121	\$641,840,769	\$40,223,222	\$44,250,443	\$718,687	6,222.2
Statutory Appropriations	1,459,489	962,923	496,566	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$728,492,610	\$642,803,692	\$40,719,788	\$44,250,443	\$718,687	6,222.2
\$ Change from prior year	(\$19,302,636)	(\$15,990,691)	(\$3,949,384)	\$926,230	(\$288,791)	(510.9)
% Change from prior year	(2.6)%	(2.4)%	(8.8)%	2.1%	(28.7)%	(7.6)%

### Appropriation Highlights:

1. Provides \$9.8 million General Fund to restore one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.
2. Provides \$5.9 million General Fund for adjustments to centrally appropriated line items.
3. Provides \$2.5 million total funds and 26.0 FTE, including an increase of \$4.4 million General Fund and \$1.4 million reappropriated funds and a decrease of \$3.3 million cash funds, related to the impact of prior year decision items and legislation.
4. Includes a reduction of \$17.2 million General Fund for the external capacity program based on the projected inmate population.

5. Includes a reduction of \$5.6 million General Fund to reflect a 1.5 percent reduction for Personal Services line items.
6. Includes a reduction of \$4.5 million General Fund associated with FY 2010-11 supplemental adjustments.
7. Includes a base reduction of \$3.0 million General Fund and 41.5 FTE for academic and vocational programs offered to inmates.
8. Includes a base reduction of \$2.0 million General Fund and 37.0 FTE for prison operations and prison therapeutic communities. The prison therapeutic communities provide intensive, long-term residential treatment of substance dependence.
9. Includes a base reduction of \$0.7 million General Fund and 9.8 FTE for administrative positions and contract services.
10. Includes a reduction of \$0.6 million General Fund and 7.8 FTE for the inspector general program and private prison monitoring unit to reflect the projected reduction in the inmate population.
11. Includes a reduction of \$0.6 million General Fund and 4.7 FTE associated with the projected reduction in the parole and community corrections populations.
12. Includes a reduction of \$0.5 million General Fund for reduced medical costs associated with the declining inmate population.
13. Includes a base reduction of \$0.4 million General Fund and 36.1 FTE related to the decommissioning of the Fort Lyon Correctional Facility.
14. Includes a base reduction of 400.0 FTE to more closely align the appropriated FTE level with the actual FTE level.

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### **Appropriation Detail by Long Bill Division**

**Management:** The Management Division contains the main departmental management functions including the Executive Director's Office, the External Capacity Subprogram, and the Inspector General Subprogram. The Executive Director's Office provides general administrative oversight for the Department. The External Capacity Subprogram is used to reimburse private prisons, local jails, the pre-release parole revocation facility, and community programs created pursuant to S.B. 03-252. This subprogram also contains staff for the private prison monitoring unit which oversees the private prisons to determine their compliance with contractual provisions. The Inspector General Subprogram is responsible for investigating crimes in prisons.

Management	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$178,951,739	\$173,098,053	\$5,347,207	\$410,879	\$95,600	97.3
<i>Changes from FY 2010-11 Adjusted Appropriation</i>						
Centrally appropriated line items	5,137,770	5,081,374	56,396	0	0	0.0
Fort Lyon Correctional Facility decommission	1,599,617	1,599,617	0	0	0	0.0
Restore one-time personal services reductions	220,848	216,514	0	4,334	0	0.0
Annualize prior year funding	38,217	38,217	0	0	0	0.0
FTE reduction	0	0	0	0	0	(9.9)
Inmate caseload	(17,910,514)	(17,185,228)	(725,286)	0	0	0.0
State facility reconfiguration	(1,511,577)	(1,511,577)	0	0	0	0.0
DRDC transition beds	(1,166,429)	(1,166,429)	0	0	0	0.0
Private prison monitoring unit reduction	(365,241)	(365,241)	0	0	0	(4.8)
Education program reduction	(345,539)	(345,539)	0	0	0	0.0
Operations and therapeutic communities reduction	(292,273)	(292,273)	0	0	0	0.0
Administrative reduction	(229,365)	(229,365)	0	0	0	(3.0)
Inspector general reduction	(197,154)	(197,154)	0	0	0	(3.0)
Grant funding	(134,692)	0	0	(134,692)	0	0.0
Personal services base reduction	(105,078)	(100,343)	(1,544)	(3,191)	0	0.0
Parole and community caseload	(68,978)	(68,978)	0	0	0	0.0
Technical correction special bills	(12,618)	(12,618)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$163,608,733	\$158,559,030	\$4,676,773	\$277,330	\$95,600	76.6
\$ Change from prior year	(\$15,343,006)	(\$14,539,023)	(\$670,434)	(\$133,549)	\$0	(20.7)
% Change from prior year	(8.6)%	(8.4)%	(12.5)%	(32.5)%	0.0%	(21.3)%

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions to health, life, and dental benefits; shift differential; state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; legal services; payments to risk management and property funds; and Capitol complex leased space.

**Fort Lyon Correctional Facility decommission:** The bill includes an appropriation for private prison beds related to the decommission of the Fort Lyon Correctional Facility by March 1, 2012.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**FTE reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Inmate caseload:** The bill includes adjustments based on the projected inmate caseload.

**State facility reconfiguration:** The bill includes funding adjustments to add 122 beds to current state facilities. This reduction reflects fewer inmates in private prisons as a result of the added state capacity.

**DRDC transition beds:** The bill includes funding adjustments to bring 62 transition beds online at the Denver Reception and Diagnostic Center (DRDC). The expansion of these 62 transition beds was completed in FY 2009-10 but never funded for operation. This reduction reflects fewer inmates in private prisons as a result of the added state capacity.

**Private prison monitoring unit reduction:** The bill includes a reduction to the private prison monitoring unit to reflect the projected reduction in the private prison inmate population.

**Education program reduction:** The bill includes a reduction for academic and vocational programs offered to inmates.

**Operations and therapeutic communities reduction:** The bill includes a reduction for prison operations and prison therapeutic communities. The prison therapeutic communities provide intensive, long-term residential treatment of substance dependence.

**Administrative reduction:** The bill includes a reduction for administrative positions and contract services.

**Inspector general reduction:** The bill includes a reduction to the inspector general program to reflect the projected reduction in the overall inmate population.

**Grant funding:** The bill reflects anticipated changes in grant funding and federal funding.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Parole and community caseload:** The bill reflects a reduction associated with the projected parole and community corrections caseload.

**Technical correction special bills:** The bill includes a reduction to correct technical errors in the allocation of General Fund and FTE in H.B. 10-1360 and H.B. 10-1374.

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**Institutions:** The Institutions Division includes all costs directly attributable to the operation of state-owned and operated prisons. These costs include utilities, maintenance, housing and security, food service, medical services, laundry, superintendents, the Youth Offender System, case management, mental health, inmate pay, the San Carlos Correctional Facility, and legal access.

Institutions	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$385,958,402	\$383,592,273	\$1,723,733	\$562,396	\$80,000	5,127.8
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	7,314,394	7,314,394	0	0	0	0.0
State facility reconfiguration	1,390,116	1,390,116	0	0	0	0.0
DRDC transition beds	792,340	792,340	0	0	0	0.0
Indirect cost assessment	0	(9,593)	9,593	0	0	0.0
FTE reduction	0	0	0	0	0	(211.1)
Personal services base reduction	(4,334,785)	(4,331,356)	(3,429)	0	0	0.0
Annualize prior year funding	(3,524,092)	(3,524,092)	0	0	0	26.9
Fort Lyon Correctional Facility decommission	(1,658,507)	(1,658,507)	0	0	0	(31.0)
Five-year statutory appropriations	(1,451,401)	(965,870)	(485,531)	0	0	0.0
Operations and therapeutic communities reduction	(598,122)	(598,122)	0	0	0	(14.0)
Medical adjustments	(415,091)	(415,091)	0	0	0	0.0
Grant funding	(362,296)	0	0	(362,296)	0	0.0
Utilities reduction	(350,000)	(350,000)	0	0	0	0.0
Administrative reduction	(141,052)	(141,052)	0	0	0	(1.4)
Laundry operating expenses and dress out expenses	(110,133)	(110,133)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$382,509,773	\$380,985,307	\$1,244,366	\$200,100	\$80,000	4,897.2
\$ Change from prior year	(\$3,448,629)	(\$2,606,966)	(\$479,367)	(\$362,296)	\$0	(230.6)
% Change from prior year	(0.9)%	(0.7)%	(27.8)%	(64.4)%	0.0%	(4.5)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**State facility reconfiguration:** The bill includes funding adjustments to add 122 beds to current state facilities.

**DRDC transition beds:** The bill includes funding to bring 62 transition beds online at the Denver Reception and Diagnostic Center (DRDC). The expansion of these 62 transition beds was completed in FY 2009-10 but never funded for operation.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**FTE reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Fort Lyon Correctional Facility decommission:** The bill includes a reduction related to the decommission of the Fort Lyon Correctional Facility by March 1, 2012.

**Five-year statutory appropriations:** The bill includes adjustments to reflect the funding that will be provided to the Department of Corrections statutorily in FY 2010-11 for criminal sentencing bills that were enacted in prior legislative sessions.

**Operations and therapeutic communities reduction:** The bill includes a reduction for prison operations and prison therapeutic communities. The prison therapeutic communities provide intensive, long-term residential treatment of substance dependence.

**Medical adjustments:** The bill includes reductions associated with medical expenses for inmates based on the projected decline in the inmate population.

**Grant funding:** The bill reflects anticipated changes in grant funding and federal funding.

**Utilities reduction:** The bill includes a reduction for utilities to more accurately reflect actual expenditures.

**Administrative reduction:** The bill includes a reduction for administrative positions and contract services.

**Laundry operating expenses and dress out expenses:** The bill includes reductions based on the inmate population decline for clothing and dress out expenses for inmates who are released from prison (clothing, bus ticket, and \$100 for each inmate).

**Support Services:** The Support Services Division includes business operations, personnel, offender services, communication, transportation, training, information systems, and facility services.

Support Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$31,146,727	\$30,372,913	\$770,743	\$3,071	\$0	255.6
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide IT common policy adjustments	860,645	861,723	(1,078)	0	0	0.0
Restore one-time personal services reductions	456,898	456,898	0	0	0	0.0
Technical correction special bills	12,618	12,618	0	0	0	0.0
DRDC transition beds	9,990	9,990	0	0	0	0.0
Indirect cost assessment	0	(14,917)	9,920	4,997	0	0.0
FTE reduction	0	0	0	0	0	(26.1)
Administrative reduction	(291,924)	(291,924)	0	0	0	(5.4)
Personal services base reduction	(233,930)	(227,450)	(6,434)	(46)	0	0.0



Support Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Centrally appropriated line items	(126,301)	(108,850)	(17,451)	0	0	0.0
Fort Lyon Correctional Facility decommission	(73,682)	(73,682)	0	0	0	(0.8)
Operations and therapeutic communities reduction	(62,902)	(62,902)	0	0	0	(1.0)
Private prison monitoring unit reduction	(34,956)	(34,956)	0	0	0	0.0
Parole and community caseload	(28,835)	(28,835)	0	0	0	0.0
Education program reduction	(25,988)	(25,988)	0	0	0	0.0
Annualize prior year funding	(22,928)	(22,928)	0	0	0	0.1
Inspector general reduction	(21,054)	(21,054)	0	0	0	0.0
Transportation funding for inmate population decline	(7,662)	(7,662)	0	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$31,556,716	\$30,792,994	\$755,700	\$8,022	\$0	222.4
\$ Change from prior year	\$409,989	\$420,081	(\$15,043)	\$4,951	\$0	(33.2)
% Change from prior year	1.3%	1.4%	(2.0)%	161.2%	n/a	(13.0)%

## Issue Descriptions

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Technical correction special bills:** The bill includes a reduction to correct technical errors in the allocation of General Fund and FTE in H.B. 10-1360 and H.B. 10-1374.

**DRDC transition beds:** The bill includes funding to bring 62 transition beds online at the Denver Reception and Diagnostic Center (DRDC). The expansion of these 62 transition beds was completed in FY 2009-10 but never funded for operation.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**FTE reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Administrative reduction:** The bill includes a reduction for administrative positions and contract services.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Centrally appropriated line items:** The bill includes an adjustment for vehicle lease payments.

**Fort Lyon Correctional Facility decommission:** The bill includes a reduction related to the decommission of the Fort Lyon Correctional Facility by March 1, 2012.

**Operations and therapeutic communities reduction:** The bill includes a reduction for prison operations and prison therapeutic communities. The prison therapeutic communities provide intensive, long-term residential treatment of substance dependence.

**Private prison monitoring unit reduction:** The bill includes a reduction to the private prison monitoring unit to reflect the projected reduction in the private prison inmate population.

**Parole and community caseload:** The bill reflects a reduction associated with the projected parole and community corrections caseload.

**Education program reduction:** The bill includes a reduction for academic and vocational programs offered to inmates.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Inspector general reduction:** The bill includes a reduction to the inspector general program to reflect the projected reduction in the overall inmate population.

**Transportation funding for inmate population decline:** The bill includes a reduction for transportation operating expenses associated with the declining inmate population.

**Inmate Programs:** The Inmate Programs Division includes all inmate labor programs, educational programs, and recreational programs. This division is also responsible for sex offender treatment and drug and alcohol treatment.

Inmate Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$42,006,203	\$32,208,760	\$8,014,087	\$990,576	\$792,780	629.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	947,596	937,913	9,683	0	0	0.0
State facility reconfiguration	21,838	15,128	6,710	0	0	0.0
Indirect cost assessment	4,997	0	0	0	4,997	0.0
FTE Reduction	0	0	0	0	0	(79.5)
Education program reduction	(2,675,567)	(2,675,567)	0	0	0	(41.5)
Operations and therapeutic communities reduction	(1,016,070)	(1,016,070)	0	0	0	(22.0)
Personal services base reduction	(530,788)	(508,400)	(22,388)	0	0	0.0
Annualize prior year funding	(285,291)	3,322,858	(3,301,767)	(56,561)	(249,821)	0.4
Fort Lyon Correctional Facility decommission	(246,806)	(245,390)	(1,416)	0	0	(4.3)

Inmate Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Parole and community caseload	(51,165)	(51,165)	0	0	0	0.0
Grant funding	(3,967)	0	0	40,000	(43,967)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$38,170,980	\$31,988,067	\$4,704,909	\$974,015	\$503,989	482.1
\$ Change from prior year	(\$3,835,223)	(\$220,693)	(\$3,309,178)	(\$16,561)	(\$288,791)	(146.9)
% Change from prior year	(9.1)%	(0.7)%	(41.3)%	(1.7)%	(36.4)%	(23.4)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**State facility reconfiguration:** The bill includes funding adjustments to add 122 beds to current state facilities.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**FTE Reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Education program reduction:** The bill includes a reduction for academic and vocational programs offered to inmates.

**Operations and therapeutic communities reduction:** The bill includes a reduction for prison operations and prison therapeutic communities. The prison therapeutic communities provide intensive, long-term residential treatment of substance dependence.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Fort Lyon Correctional Facility decommission:** The bill includes a reduction related to the decommission of the Fort Lyon Correctional Facility by March 1, 2012.

**Parole and community caseload:** The bill reflects a reduction associated with the projected parole and community corrections caseload.

**Grant funding:** The bill reflects anticipated changes in grant funding and federal funding.

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**Community Services:** The Community Services Division includes the parole, parole Intensive Supervision Program (ISP), community supervision (transition), and community ISP (transition) subprograms. This section also provides funds to supervise offenders in the aftercare program for the Youthful Offender System. Finally,

this section includes the Community Re-entry Subprogram to assist offenders in reintegrating to the community following their incarceration.

Community Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$38,261,770	\$38,019,447	\$10,750	\$192,475	\$39,098	417.2
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	1,351,616	(48,384)	0	1,400,000	0	(1.4)
Restore one-time personal services reductions	809,231	809,231	0	0	0	0.0
FTE reduction	0	0	0	0	0	(48.7)
Parole and community caseload	(422,686)	(422,686)	0	0	0	(4.7)
Personal services base reduction	(367,673)	(367,673)	0	0	0	0.0
Grant funding	(750)	0	(750)	0	0	0.0
Centrally appropriated line items	(272)	(272)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$39,631,236	\$37,989,663	\$10,000	\$1,592,475	\$39,098	362.4
\$ Change from prior year	\$1,369,466	(\$29,784)	(\$750)	\$1,400,000	\$0	(54.8)
% Change from prior year	3.6%	(0.1)%	(7.0)%	727.4%	0.0%	(13.1)%

## Issue Descriptions

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**FTE reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Parole and community caseload:** The bill reflects a reduction associated with the projected parole and community corrections caseload.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Grant funding:** The bill reflects anticipated changes in grant funding and federal funding.

**Centrally appropriated line items:** The bill includes an adjustment for administrative law judge services.

**Parole Board:** The Parole Board has discretion to grant or deny parole for persons who were not sentenced under mandatory parole. The Board can stipulate conditions of parole for discretionary and mandatory parolees.

<b>Parole Board</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$1,502,937	\$1,502,937	\$0	\$0	\$0	13.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	41,466	41,466	0	0	0	0.0
Annualize prior year funding	6,307	6,307	0	0	0	0.0
FTE Reduction	0	0	0	0	0	(1.0)
Personal services base reduction	(18,332)	(18,332)	0	0	0	0.0
Technical correction special bills	(4,670)	(4,670)	0	0	0	0.0
Operating reduction	(2,000)	(2,000)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,525,708	\$1,525,708	\$0	\$0	\$0	12.5
\$ Change from prior year	\$22,771	\$22,771	\$0	\$0	\$0	(1.0)
% Change from prior year	1.5%	1.5%	n/a	n/a	n/a	(7.4)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**FTE Reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Technical correction special bills:** The bill includes a reduction to correct technical errors in the allocation of General Fund and FTE in H.B. 10-1360 and H.B. 10-1374.

**Operating reduction:** The bill includes an operating expenses reduction associated with the reduction of FTE taken through the FY 2010-11 supplemental process.

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**Correctional Industries:** Correctional Industries manages profit-oriented work programs that provide inmates with training in various job skills while generating revenue to cover its costs. The major businesses operated by Correctional Industries include manufacturing operations for automobile license plates; office furniture, and modular office systems; a print shop; a leather products shop; and a garment production operation. Correctional Industries sells its products primarily to other government agencies. Correctional Industries is an enterprise.

As such, revenues to Correctional Industries do not count toward the limit on state revenues pursuant to Article X, Section 20 of the State Constitution (TABOR).

Correctional Industries	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$55,259,882	\$0	\$14,095,066	\$41,164,816	\$0	163.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	202,603	0	59,715	142,888	0	0.0
Indirect cost assessment	8,630	0	8,630	0	0	0.0
FTE reduction	0	0	0	0	0	(20.9)
Personal services base reduction	(154,733)	0	(45,530)	(109,203)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$55,316,382	\$0	\$14,117,881	\$41,198,501	\$0	142.1
\$ Change from prior year	\$56,500	\$0	\$22,815	\$33,685	\$0	(20.9)
% Change from prior year	0.1%	n/a	0.2%	0.1%	n/a	(12.8)%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**FTE reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Canteen Operation:** The Canteen Operation provides various personal items for purchase by inmates including toiletries, snack foods, phone services, and other approved items. All net proceeds are required to be used to provide inmates with additional educational, recreational, and social benefits. The Canteen Operation is an enterprise. As such, canteen revenues do not count toward the limit on state revenues pursuant to Article X, Section 20 of the State Constitution (TABOR).

Canteen Operation	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$14,707,586	\$0	\$14,707,586	\$0	\$0	29.7
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	31,673	0	31,673	0	0	0.0
Indirect cost assessment	1,290	0	1,290	0	0	0.0
FTE Reduction	0	0	0	0	0	(2.8)

Canteen Operation	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Personal services base reduction	(26,956)	0	(26,956)	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$14,713,593	\$0	\$14,713,593	\$0	\$0	26.9
\$ Change from prior year	\$6,007	\$0	\$6,007	\$0	\$0	(2.8)
% Change from prior year	0.0%	n/a	0.0%	n/a	n/a	(9.4)%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**FTE Reduction:** The bill includes a reduction of FTE to more closely align the appropriated FTE level with the actual FTE level.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Education

**Department Description:** The Department supports the State Board of Education in its duty to exercise general supervision over public schools, including accrediting public schools and school districts. The Department distributes state and federal funds to school districts, and it administers a variety of education-related programs, including educator licensure, education programs for children with special needs, English language proficiency programs, the Colorado Preschool Program, and a variety of grant programs. The Department develops and maintains state model content standards, and administers associated assessments. The Department also includes three independent agencies:

1. The Board of Trustees for the Colorado School for the Deaf and the Blind, a state-funded school in Colorado Springs which provides educational services to eligible children and youth;
2. The State Charter School Institute Board, which is responsible for authorizing and monitoring institute charter schools in various school districts; and,
3. The Public School Capital Construction Assistance Board, which is responsible for assessing public school construction needs statewide and making recommendations concerning the prioritization and allocation of state financial assistance for school construction projects.

Finally, in addition to its responsibilities related to public schools, the Department is charged with encouraging resource sharing among libraries statewide and ensuring equal access to information for all Coloradans.

Summary Table for Department of Education						
	Total Funds	General Fund/1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,366,220,940	\$2,963,562,050	\$592,411,245	\$22,760,978	\$787,486,667	555.7
Long Bill Supplemental	0	51,166	(27,205)	(23,961)	0	0.0
<b>FY 2010-11 Adjusted Appropriation</b>	\$4,366,220,940	\$2,963,613,216	\$592,384,040	\$22,737,017	\$787,486,667	555.7
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Management and Administration	9,069,484	(203,091)	867,182	806,202	7,599,191	(18.6)
Assistance to Public Schools	186,458,823	331,247,873	23,867,725	(24,090)	(168,632,685)	(0.1)
Library Programs	(331,317)	4,903	164,204	0	(500,424)	3.7
School for the Deaf and the Blind	(45,537)	48,117	(8,082)	(85,572)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,561,372,393	\$3,294,711,018	\$617,275,069	\$23,433,557	\$625,952,749	540.7
\$ Change from prior year	\$195,151,453	\$331,097,802	\$24,891,029	\$696,540	(\$161,533,918)	(15.0)
% Change from prior year	4.5%	11.2%	4.2%	3.1%	(20.5)%	(2.7)%

<sup>1</sup> Includes General Fund Exempt. See Division Detail for information on General Fund Exempt appropriations.



## Appropriation Highlights:

1. Increases state funding for the School Finance Act by \$356.4 million (11.1 percent) based on current law, including \$334.8 million General Fund and \$21.6 million cash funds. This increase is primarily required to backfill two sources of funds that will not be available for FY 2011-12:
    - (a) Through S.B. 11-157, the General Assembly reduced state funding for school finance for FY 2010-11 by \$216 million based on the availability of \$216 million in federal funds. Under current law, state funds will be required to increase by \$216 million in FY 2011-12 because these federal funds are no longer available.
    - (b) Local property and specific ownership tax revenues for school finance are projected to decrease by \$142 million (7.1 percent) in FY 2011-12. Under current law, state funds will be required to increase by \$142 million in FY 2011-12 to offset this decline in local revenues.
  2. Adjusts appropriations to better reflect funding anticipated to be available from various cash and federal grants, including adding \$54.6 million federal funds.
  3. Increases cash funds spending authority from the Public School Capital Construction Assistance Fund by \$9.0 million for the purpose of making payments on lease-purchase agreements entered into by the State Treasurer pursuant to the Building Excellent Schools Today ("BEST") Program.
  4. Adds \$4.4 million cash funds from the State Education Fund to increase state funding for categorical programs by 1.9 percent as required by Section 17 (1) of Article IX of the State Constitution.
  5. Eliminates \$216.4 million in federal funds that were made available to school districts in FY 2010-11 and were reflected in appropriations in S.B. 11-157 for informational purposes.
  6. Reduces and eliminates appropriations for various programs by a total of \$5.2 million, including \$4.6 million cash funds and \$575,000 General Fund.
  7. Eliminates a \$2.9 million one-time General Fund appropriation to assist certain school districts with cash flow needs.
  8. Reduces the number of positions by 15.0 FTE, including the following changes:
    - (a) Eliminates 12.8 FTE to better reflect the number of state-funded positions that can be filled with existing resources;
    - (b) Reduces the number of positions shown for informational purposes or supported by gifts and grants by 2.8 FTE; and
    - (c) Adds 0.6 FTE cash funded position for the general educational development (GED) program to annualize a prior year budget action.
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## Appropriation Detail by Long Bill Division

**Management and Administration:** This section provides funding and staff for the State Board of Education, for the administration of a variety of education- and library-related programs, and for general department administration, including human resources, budgeting, accounting, information management, and facilities maintenance. This section also includes funding for licensing educators, the Division of On-line Learning, administration of the Colorado Student Assessment Program (CSAP), and the State Charter School Institute.

Management and Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$48,976,085	\$7,441,811	\$19,445,854	\$12,112,050	\$9,976,370	151.5
Long Bill Supplemental	0	51,166	(27,205)	(23,961)	0	0.0
<b>FY 2010-11 Adjusted Appropriation</b>	\$48,976,085	\$7,492,977	\$19,418,649	\$12,088,089	\$9,976,370	151.5
<i>Changes from FY 2010-11 Appropriation</i>						
Spending authority and informational appropriation adjustments	8,039,926	0	0	537,246	7,502,680	(7.5)
Transfer appropriation	550,000	0	550,000	0	0	0.0
Centrally appropriated line items	331,420	171,091	(2,913)	(15,866)	179,108	0.0
Restore one-time personal services reductions	208,587	115,200	45,969	28,932	18,486	0.0
Statewide IT common policy adjustments	127,017	127,017	0	0	0	0.0
Indirect cost assessment	118,233	(512,745)	118,233	512,745	0	0.0
Annualize prior year funding	45,586	0	45,586	0	0	0.6
CSAP funding	19,556	0	120,639	0	(101,083)	0.0
Personal services base reduction	(326,559)	(59,372)	(10,332)	(256,855)	0	(11.7)
General Fund reduction	(38,794)	(38,794)	0	0	0	0.0
Other	(5,488)	(5,488)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$58,045,569	\$7,289,886	\$20,285,831	\$12,894,291	\$17,575,561	132.9
\$ Change from prior year	\$9,069,484	(\$203,091)	\$867,182	\$806,202	\$7,599,191	(18.6)
% Change from prior year	18.5%	(2.7)%	4.5%	6.7%	76.2%	(12.3)%

### Issue Descriptions

**Long Bill Supplemental:** The bill includes an adjustment to correct fund sources appropriated for workers' compensation benefits for FY 2010-11.

**Spending authority and informational appropriation adjustments:** The bill includes adjustments to several line items to better reflect funding anticipated to be available from various cash and federal grants and the number of FTE supported by such funds.

**Transfer appropriation:** The bill transfers the appropriation related to the Institute Charter School Assistance Fund from the Assistance to Public Schools section of the Long Bill.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; legal services; administrative law judges; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for purchase of services from the computer center and multiuse network payments.

**Indirect cost assessment:** The bill increases the amount of indirect cost recoveries that is appropriated in lieu of General Fund by \$512,745. The bill also increases the amount of indirect cost recoveries that is included in the Office of Professional Services line item by \$118,233 to better reflect the indirect cost rate applied to the Educator Licensure Cash Fund.

**Annualize prior year funding:** The bill includes an increase of \$45,586 cash funds and 0.6 FTE for the general educational development (GED) program related to prior year budget action.

**CSAP funding:** The bill adjusts funding for the Colorado Student Assessment Program (CSAP) to reflect anticipated contract costs and fund sources.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items. The bill also reduces FTE levels to better reflect funded positions.

**General Fund reduction:** The bill includes a reduction of \$38,794 General Fund to certain line items.

**Other:** The bill includes other minor adjustments.

**Assistance to Public Schools:** This section includes all funding that is distributed to public schools or is used to directly support public schools. This section is comprised of the following subsections:

- (1) Public School Finance
- (2) Categorical Programs; and
- (3) Grant Programs, Distributions, and Other Assistance.

Assistance to Public Schools Summary Table	Total Funds	General Fund /1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,295,623,034	\$2,943,900,498	\$571,333,239	\$7,187,397	\$773,201,900	197.7
Long Bill Supplemental /2	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$4,295,623,034	\$2,943,900,498	\$571,333,239	\$7,187,397	\$773,201,900	197.7

<b>Assistance to Public Schools Summary Table</b>	<b>Total Funds</b>	<b>General Fund /1</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<i>Changes from FY 2010-11 Appropriation</i>						
Public School Finance	139,829,462	334,768,861	21,411,692	7,073	(216,358,164)	0.0
Categorical Programs	4,285,473	0	4,391,173	0	(105,700)	0.0
Grant Programs, Distributions, and Other Assistance	42,343,888	(3,520,988)	(1,935,140)	(31,163)	47,831,179	(0.1)
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$4,482,081,857</b>	<b>\$3,275,148,371</b>	<b>\$595,200,964</b>	<b>\$7,163,307</b>	<b>\$604,569,215</b>	<b>197.6</b>
\$ Change from prior year	\$186,458,823	\$331,247,873	\$23,867,725	(\$24,090)	(\$168,632,685)	(0.1)
% Change from prior year	4.3%	11.3%	4.2%	(0.3)%	(21.8)%	(0.1)%

/1 Includes General Fund Exempt. See Public School Finance subsection detail for information on General Fund Exempt appropriations.

/2 Includes an adjustment to General Fund and General Fund Exempt appropriations. See the Public School Finance subsection detail for information on General Fund Exempt appropriations.

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## Subsection Detail

*Public School Finance:* This subsection reflects appropriations related to the state share of funding required pursuant to the School Finance Act of 1994, as amended. The local share of funding is not reflected in the appropriation to the Department.

### Overview: FY 2011-12 Funding for Public School Finance

Pursuant to H.B. 10-1369 (Financing of public schools), the existing statutory public school finance formula includes a negative "state budget stabilization" factor for FY 2010-11 and FY 2011-12. This factor is designed to reduce school districts' total state and local funding (called "total program" funding) to a specified amount in each fiscal year (\$5.4 billion). This factor has the effect of reducing the funding attributed to the other formula factors that are related to individual district characteristics (i.e., cost of living, number and percent of at-risk students, and student enrollment).

Subsequently, through S.B. 11-157 (Modifications to school finance act), the General Assembly reduced state funding for school finance for FY 2010-11 by \$216.4 million based on the availability of \$216.4 million in federal moneys. While these federal moneys have been allocated to school districts based on the school finance formula, they were not technically distributed through the School Finance Act. Thus, the total program funding amount specified in statute was reduced by \$216.4 million for FY 2010-11. For FY 2011-12, total program funding returns to the \$5.4 billion level that was established in H.B. 10-1369 (Financing of public schools).

As a result of these statutory changes, the total amount of funding distributed to districts based on the school finance formula declined by \$146.2 million (2.6 percent) in FY 2010-11 compared to FY 2009-10, and the average amount of funds received per pupil declined by \$264 (3.7 percent).

For FY 2011-12, under current law, total program funding is required to increase by \$213.9 million – primarily to make up for the federal funds that will no longer be available. The state budget stabilization factor is projected to reduce districts' funding by \$548.0 million (9.2 percent) compared to the amount districts would otherwise receive under the school finance formula. The following table provides data related to school finance funding for fiscal years 2009-10 and 2010-11, as well as the appropriation for FY 2011-12.

School Finance: Total Program	FY 09-10 Actual	FY 10-11 Adjusted Appropriation	FY 11-12 Long Bill Approp.	Change (FY 10-11 to FY 11-12)
Funded Pupil Count	789,496.6	798,676.6	805,890.6	7,214.0
<i>Annual percent change</i>	<i>1.5%</i>	<i>1.2%</i>	<i>0.9%</i>	
Statewide <u>Base</u> Per-Pupil Funding a/	\$5,507.68	\$5,529.71	\$5,634.77	\$105.06
<i>Annual percent change</i>	<i>4.9%</i>	<i>0.4%</i>	<i>1.9%</i>	
Total Program Funding (Prior to Reversion or State Budget Stabilization Factor)	\$5,717,386,002	\$5,822,814,150	\$5,987,109,016	\$164,294,866
LESS: Reversion (FY 09-10) or State Budget Stabilization Factor reduction (FY 10-11 and FY 11-12)	<u>(129,620,699)</u>	<u>(597,569,265)</u>	<u>(547,983,762)</u>	<u>49,585,503</u>
<b>EQUALS: Adjusted Total Program Funding</b>	<b>\$5,587,765,303</b>	<b>\$5,225,244,885</b>	<b>\$5,439,125,254</b>	<b>\$213,880,369</b>
PLUS: Federal moneys made available	<u>0</u>	<u>216,358,164</u>	<u>0</u>	<u>(216,358,164)</u>
EQUALS: Total local, state, and federal moneys made available and distributed based on the school finance formula	\$5,587,765,303	\$5,441,603,049	\$5,439,125,254	(\$2,477,795)
<i>Annual percent change</i>	<i>4.5%</i>	<i>-2.6%</i>	<i>0.0%</i>	
<i>Reversion/ total funds reduction as percent of "full" funding</i>	<i>-2.3%</i>	<i>-6.5%</i>	<i>-9.2%</i>	
Statewide <u>Average</u> Per-Pupil Funding (including federal moneys made available in FY 2010-11)	\$7,077.63	\$6,813.27	\$6,749.21	(\$64.06)
<i>Annual Percent Change</i>	<i>3.0%</i>	<i>-3.7%</i>	<i>-0.9%</i>	
<b><u>Local Share</u> of Districts' Total Program Funding</b>	<b>\$2,068,895,672</b>	<b>\$2,018,856,003</b>	<b>\$1,876,349,509</b>	<b>(\$142,506,494)</b>
<i>Annual Percent Change</i>	<i>5.8%</i>	<i>-2.4%</i>	<i>-7.1%</i>	
<b><u>State Share</u> of Districts' Total Program Funding</b>	<b>\$3,518,869,631</b>	<b>\$3,206,388,882</b>	<b>\$3,562,775,745</b>	<b>\$356,386,863</b>
<i>Annual Percent Change</i>	<i>3.7%</i>	<i>-8.9%</i>	<i>11.1%</i>	
<i>State Share as % of Districts' Total Program</i>	<i>63.0%</i>	<i>61.4%</i>	<i>65.5%</i>	

a/ Pursuant to Section 17 (1) of Article IX of the State Constitution, base per pupil funding is required to increase by at least inflation plus one percent annually through FY 2010-11, and by at least inflation for FY 2011-12 and subsequent fiscal years. The 1.9 percent increase for FY 2011-12 is based on the actual change in the Denver-Boulder consumer price index in 2010.

Although *total state and local* funding is required to increase by \$213.9 million in FY 2011-12 under current law, it is anticipated that *local* property and specific ownership tax revenues will decrease by \$142.5 million (7.1 percent). The appropriation thus reflects a \$356.4 million (11.1 percent) increase in the *State's* share of funding for districts' total program funding to provide the total required increase. Despite this increase in state funding, the average amount of funding districts will receive per pupil is projected to decline by another \$64 (0.9 percent) due continued growth in student enrollment.

The following table compares appropriations related to school finance for FY 2010-11 to the appropriations for FY 2011-12.

Public School Finance Subsection	Total Funds	General Fund /1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,431,746,501	\$2,797,831,709	\$416,082,854	\$1,473,774	\$216,358,164	18.5
Long Bill Supplemental /2	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	<b>\$3,431,746,501</b>	<b>\$2,797,831,709</b>	<b>\$416,082,854</b>	<b>\$1,473,774</b>	<b>\$216,358,164</b>	<b>18.5</b>

Public School Finance Subsection	Total Funds	General Fund /1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Changes from FY 2010-11 Appropriation</b>						
State share of districts' total program funding	356,386,863	334,768,861	21,618,002	0	0	0.0
Restore one-time personal services reduction	27,999	0	0	27,999	0	0.0
Eliminate one-time funding	(216,410,164)	0	(52,000)	0	(216,358,164)	0.0
Reimbursements for juveniles in jail	(88,558)	0	(88,558)	0	0	0.0
Hold-harmless full-day kindergarten funding	(65,441)	0	(65,441)	0	0	0.0
Personal services base reduction	(21,237)	0	(311)	(20,926)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$3,571,575,963</b>	<b>\$3,132,600,570</b>	<b>\$437,494,546</b>	<b>\$1,480,847</b>	<b>\$0</b>	<b>18.5</b>
\$ Change from prior year	\$139,829,462	\$334,768,861	\$21,411,692	\$7,073	(\$216,358,164)	0.0
% Change from prior year	4.1%	12.0%	5.1%	0.5%	(100.0)%	0.0%

/1 Includes General Fund Exempt.

/2 Includes an adjustment to General Fund and General Fund Exempt appropriations, as detailed in the following table.

General Fund Summary	Total General Fund	General Fund	General Fund Exempt
<b>FY 2010-11 Appropriation</b>	\$2,797,831,709	\$2,636,387,224	\$161,444,485
Long Bill Supplemental	<u>0</u>	<u>(117,900,000)</u>	<u>117,900,000</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$2,797,831,709	\$2,518,487,224	\$279,344,485
Fund State share of districts' total program funding based on current law	334,768,861	334,768,861	0
Adjust General Fund Exempt amount based on the March 2011 Office of State Planning and Budgeting revenue forecast	<u>0</u>	<u>(4,830,932)</u>	<u>4,830,932</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$3,132,600,570</b>	<b>\$2,848,425,153</b>	<b>\$284,175,417</b>

## General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap<sup>1</sup>, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt that is appropriated for FY 2010-11 and FY 2011-12 from the General Fund Exempt Account for preschool through twelfth grade education pursuant to Sections 24-77-103.6 (2) (b) and 24-77-104.5 (3), C.R.S.

<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

## Issue Descriptions

**Long Bill Supplemental:** The bill contains a section that adjusts the FY 2010-11 appropriation for the State Share of Districts' Total Program Funding to accurately reflect the portion of the appropriation that is from the General Fund Exempt Account based on the Office of State Planning and Budgeting March 2011 revenue forecast.

**State share of districts' total program funding:** Section 17 (1) of Article IX of the State Constitution (Amendment 23) requires the General Assembly to increase the statewide base per pupil funding amount by inflation (i.e., the rate of change in the Denver-Boulder consumer price index) for FY 2011-12 and each fiscal year thereafter. Based on current law, the appropriation provides the required \$356.4 million (11.1 percent) increase in *state* funding for the School Finance Act, including:

- (a) a \$334.8 million increase (12.0 percent) in the General Fund appropriation;
- (b) a \$33.3 million increase (11.8 percent) in the State Education Fund appropriation; and
- (c) an \$11.7 million decrease (9.4 percent) from the State Public School Fund appropriation.

The cash funds appropriation from the State Public School Fund is based on fund revenues anticipated to be available for FY 2011-12, less appropriations from the fund to the Department for other purposes. The State Education Fund appropriation is projected to result in a fund balance at the end of FY 2011-12 of about \$50 million, which will provide a cushion to account for income tax revenue forecast error.

**Restore one-time personal services reductions** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate one-time funding:** The bill eliminates a total of \$216.4 million one-time federal funding for school districts, including \$156.3 million from the Education Jobs Fund Program and \$60.0 million from the State Fiscal Stabilization Fund pursuant to the federal American Recovery and Reinvestment Act (ARRA) of 2009. The bill also eliminates a one-time cash funds appropriation for a study concerning average daily membership.

**Reimbursements for juveniles in jail:** The bill reduces funding for reimbursing school districts for educational services provided to juveniles held in jails based on estimates of the number of youth receiving such services.

**Hold-harmless full-day kindergarten funding:** The bill decreases funding for certain districts for full-day kindergarten based on projected enrollment changes and changes in per pupil funding.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

.....  
*Categorical Programs:* This subsection includes appropriations for all "categorical programs", which are programs designed to serve particular groups of students (e.g., students with limited English proficiency) or particular student needs (e.g., transportation). With the passage of Amendment 23 in 2000, this group of programs is now defined in Section 17 (2) (a) of Article IX of the State Constitution.

Categorical Programs Subsection	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$401,792,109	\$141,765,474	\$89,798,909	\$101,812	\$170,125,914	73.6
<b>Changes from FY 2010-11 Appropriation</b>						
Increase state funding by 1.9 percent	4,391,173	0	4,391,173	0	0	0.0
Informational appropriation adjustments	(105,700)	0	0	0	(105,700)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$406,077,582	\$141,765,474	\$94,190,082	\$101,812	\$170,020,214	73.6
\$ Change from prior year	\$4,285,473	\$0	\$4,391,173	\$0	(\$105,700)	0.0
% Change from prior year	1.1%	0.0%	4.9%	0.0%	(0.1)%	0.0%

### Issue Descriptions

**Increase state funding by 1.9 percent:** As required by Amendment 23, the FY 2011-12 appropriation includes a \$4,391,173 (1.9 percent) increase in *state funding* for categorical programs (based on the actual percent change in the Denver-Boulder consumer price index in 2010). The full amount of the increase is from the State Education Fund. The following table details the allocation of the required funding increase among categorical programs.

Appropriations Increase in State Funding for Categorical Programs for FY 2011-12				
Long Bill Line Item	FY 2010-11 Appropriation of State Funds	Allocation of FY 2011-12 Increases in State Funds		FY 2011-12 Appropriation of State Funds
		\$ Change	% Change	
<b>District Programs Required by Statute:</b>				
Special education programs for children with disabilities	\$127,362,125	\$2,435,672	1.9%	\$129,797,797
English language proficiency programs	12,396,353	689,425	5.6%	13,085,778
<b>Other Categorical Programs:</b>				
Public school transportation	49,541,821	836,221	1.7%	50,378,042
Career and technical education programs	23,296,124	288,374	1.2%	23,584,498
Special education programs for gifted and talented children	9,059,625	141,481	1.6%	9,201,106
Expelled and at-risk student services grant program	7,493,560	0	0.0%	7,493,560
Small attendance center aid	959,379	0	0.0%	959,379
Comprehensive health education	1,005,396	0	0.0%	1,005,396
<b>Total</b>	<b>\$231,114,383</b>	<b>\$4,391,173</b>	<b>1.9%</b>	<b>\$235,505,556</b>

**Informational appropriation adjustments:** The bill includes adjustments to better reflect federal funding anticipated to be available.



*Grant Programs, Distributions, and Other Assistance:* This subsection includes funding for a variety of education-related grant programs and programs that distribute funds to public schools, other than those programs that are defined as categorical programs.

Grant Programs and Other Distributions Subsection	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$462,084,424	\$4,303,315	\$65,451,476	\$5,611,811	\$386,717,822	105.6
<i>Changes from FY 2010-11 Appropriation</i>						
Spending authority and informational appropriation adjustments	46,280,347	0	(1,437,000)	(4,871)	47,722,218	1.0
Lease payments	9,000,000	0	9,000,000	0	0	0.0
Restore one-time personal services reductions	157,944	2,632	21,769	14,462	119,081	0.0
Reduce or eliminate appropriations	(5,218,453)	(575,000)	(4,613,453)	(30,000)	0	(1.1)
Eliminate one-time funding	(2,946,551)	(2,946,551)	0	0	0	0.0
Facility schools	(1,904,077)	0	(1,904,077)	0	0	0.0
Read-to-Achieve Grant Program	(1,900,952)	0	(1,900,952)	0	0	0.0
Transfer appropriation	(875,636)	0	(875,636)	0	0	0.0
Financial assistance priority assessment	(231,207)	0	(231,207)	0	0	0.0
Personal services base reduction	(32,823)	(1,253)	(18,622)	(2,828)	(10,120)	0.0
General Fund reduction	(816)	(816)	0	0	0	0.0
Other	16,112	0	24,038	(7,926)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$504,428,312	\$782,327	\$63,516,336	\$5,580,648	\$434,549,001	105.5
\$ Change from prior year	\$42,343,888	(\$3,520,988)	(\$1,935,140)	(\$31,163)	\$47,831,179	(0.1)
% Change from prior year	9.2%	(81.8)%	(3.0)%	(0.6)%	12.4%	(0.1)%

## Issue Descriptions

**Spending authority and informational appropriation adjustments:** The bill includes adjustments to several line items to better reflect funding anticipated to be available from various grants and federal funds and the number of FTE supported by such funds.

**Lease payments:** The bill increases the cash funds spending authority from the Public School Capital Construction Assistance Fund by \$9.0 million (from \$20.0 million to \$29.0 million) for the purpose of making payments on lease-purchase agreements entered into by the State Treasurer.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Reduce or eliminate appropriations:** The bill reduces and eliminates the following appropriations due to a lack of funding to support the program or to reduce the magnitude of reductions to districts' total program funding:

- a reduction of \$2,498,500 cash funds (State Education Fund) and 0.2 FTE for the School Counselor Corps Grant Program;
- the elimination of \$1,800,000 cash funds (State Education Fund) for Closing the Achievement Gap;
- the elimination of \$500,000 General Fund for the School Breakfast (grant) program;
- the elimination of \$250,000 cash funds (gifts, grants, and donations) for the School Awards Program;
- the elimination of \$75,000 General Fund and 0.7 FTE for the School Leadership Academy Program;
- the elimination of \$50,000 cash funds (federal mineral lease revenues) for the Supplemental On-line Education Grant Program;
- the elimination of \$30,000 reappropriated funds (gifts, grants and donations credited to a cash fund) for the Family Literacy Education Grant Program; and
- the elimination of \$14,953 cash funds (gifts, grants, and donations) and 0.2 FTE for the Healthy Choices Dropout Prevention Pilot Program.

**Eliminate one-time funding:** The bill eliminates a one-time appropriation of General Fund to the Contingency Reserve Fund to assist certain school districts with cash flow needs.

**Facility schools:** The bill decreases funding for facility schools based on estimated student enrollment and state average per pupil revenues for FY 2011-12.

**Read-to-Achieve Grant Program:** The bill eliminates spending authority related to reserves in the Read-to-Achieve Cash Fund resulting in an appropriation of \$4,391,241 cash funds from the Read-to-Achieve Cash Fund for the grant program based on the anticipated transfers of tobacco settlement moneys.

**Transfer appropriation:** The bill reduces the cash funds appropriation from the Institute Charter School Assistance Fund from \$875,636 to \$550,000, and then transfers this appropriation to the State Charter School Institute section of the Long Bill.

**Financial assistance priority assessment:** The bill reduces the cash funds appropriation for the assessment required by H.B. 08-1335 (Building Excellent Schools Today Act) based on the amount of the original appropriation remaining.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$816 General Fund to certain line items.

**Other:** The bill includes other minor adjustments.

**Library Programs:** This section contains appropriations for all library-related programs. There are approximately 330 publicly-funded libraries in Colorado, including institutional libraries (e.g., nursing homes,

correctional institutions, etc.), as well as libraries operated by school districts, higher education institutions, and counties and municipalities. Library programs are primarily supported by General Fund and federal funds. Cash fund sources include grants and donations. Transfers from the Colorado Disabled Telephone Users Fund to support privately operated reading services for the blind are reflected as reappropriated funds.

Library Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$7,278,941	\$2,171,474	\$549,070	\$250,000	\$4,308,397	38.9
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	23,449	22,672	777	0	0	0.0
Spending authority and informational appropriation adjustments	(336,997)	0	163,427	0	(500,424)	3.7
Personal services base reduction	(10,759)	(10,759)	0	0	0	0.0
General Fund reduction	(7,010)	(7,010)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$6,947,624	\$2,176,377	\$713,274	\$250,000	\$3,807,973	42.6
\$ Change from prior year	(\$331,317)	\$4,903	\$164,204	\$0	(\$500,424)	3.7
% Change from prior year	(4.6)%	0.2%	29.9%	0.0%	(11.6)%	9.5%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Spending authority and informational appropriation adjustments:** The bill includes adjustments to several line items to better reflect funding anticipated to be available from various grants and federal funds and the number of FTE supported by such funds.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$7,010 General Fund to certain line items.

**School for the Deaf and the Blind:** The Colorado School for the Deaf and the Blind (CSDB) provides educational services for children throughout the state who are deaf, hearing impaired, blind, or visually impaired, and under the age of 21. In FY 2009-10, the School had a total enrollment of 560 children, including 347 infants and toddlers and 213 students who received services on campus.

School for the Deaf and the Blind	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$14,342,880	\$10,048,267	\$1,083,082	\$3,211,531	\$0	167.6
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	308,225	308,225	0	0	0	0.0

School for the Deaf and the Blind	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Fund source adjustment	0	(23,603)	0	23,603	0	0.0
Personal services base reduction	(153,204)	(153,204)	0	0	0	0.0
Spending authority adjustments	(117,257)	0	(8,082)	(109,175)	0	0.0
General Fund reduction	(80,952)	(80,952)	0	0	0	0.0
Centrally appropriated line items	(2,349)	(2,349)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$14,297,343	\$10,096,384	\$1,075,000	\$3,125,959	\$0	167.6
\$ Change from prior year	(\$45,537)	\$48,117	(\$8,082)	(\$85,572)	\$0	0.0
% Change from prior year	(0.3)%	0.5%	(0.7)%	(2.7)%	n/a	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill reflects an increase of funds transferred from the Facility Schools Funding line item and a commensurate decrease of General Fund.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Spending authority adjustments:** The bill includes adjustments to several line items to better reflect funding anticipated to be available from various grants, fees, and transfers from other line items in this Department.

**General Fund reduction:** The bill includes a reduction of \$80,952 General Fund to certain line items.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for shift differential and vehicle lease payments.

## Governor- Lieutenant Governor-State Planning and Budgeting

**Department Description:** The Department is comprised of the Office of the Governor, the Office of the Lieutenant Governor, the Office of State Planning and Budgeting, Economic Development Programs, and the Office of Information Technology.

Summary Table for Department of Governor - Lieutenant Governor - State Planning and Budgeting						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$203,027,868	\$11,930,349	\$26,204,006	\$131,397,401	\$33,496,112	1,048.9
<i>Changes from Adjusted FY 2010-11 Appropriation by Long Bill Division</i>						
Office of the Governor	(9,823,798)	(640,729)	66,034	306,211	(9,555,314)	(5.6)
Office of Lieutenant Governor	5,056	4,763	(111)	404	0	0.0
Office of State Planning and Budgeting	127,857	(25,000)	0	152,857	0	0.0
Economic Development Programs	(17,873,139)	6,147	(17,874,625)	1	(4,662)	(13.8)
Office of Information Technology	(7,201,548)	0	(672,534)	(6,464,014)	(65,000)	2.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$168,262,296	\$11,275,530	\$7,722,770	\$125,392,860	\$23,871,136	1,031.5
\$ Change from prior year	(\$34,765,572)	(\$654,819)	(\$18,481,236)	(\$6,004,541)	(\$9,624,976)	(17.4)
% Change from prior year	(17.1)%	(5.5)%	(70.5)%	(4.6)%	(28.7)%	(1.7)%

### Appropriation Highlights:

1. Decreases \$1.1 million total funds, including \$66,688 General Fund, for the 1.5 percent base-reduction for Personal Services line items.
2. Decreases \$17.9 million cash funds from limited gaming revenue and 18.8 FTE due to current law governing the distribution of gaming moneys. Note, S.B. 11-159 (Steadman/Ferrandino) amends the FY 2011-12 Long Bill appropriation of limited gaming moneys.
3. Decreases \$2.5 million reappropriated funds and 2.0 FTE from the Governor's Office of Information Technology that historically represented spending authority with no revenue source.
4. Increases \$1.7 million total funds, including \$126,742 General Fund, to restore one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.
5. Decreases \$5.9 million total funds, including \$0.7 million General Fund, and increases 3.4 FTE as a result of the annualization of prior year legislation and budget actions.
6. Decreases \$0.3 million total funds, including \$295,454 General Fund, for adjustments to line items appropriated for the purchase of services from the Governor's Office of Information Technology.

## Appropriation Detail by Long Bill Division

**Office of the Governor:** As the chief executive of the State of Colorado, the Governor is responsible for the overall operation of the executive branch. This office provides for coordination, direction, and planning of agency operations, as well as maintaining a liaison with local governments and the federal government.

Office of the Governor	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$46,998,698	\$5,478,281	\$541,660	\$10,008,637	\$30,970,120	76.1
<i>Changes from Adjusted FY 2010-11 Appropriation</i>						
Centrally appropriated line items	831,101	333,466	71,007	(18,606)	445,234	0.0
Restore one-time personal services reductions	151,468	59,668	3,375	5,967	82,458	0.0
Limited gaming revenue adjustment	0	0	0	0	0	(5.0)
Federal funds reduction	(9,972,714)	0	0	0	(9,972,714)	0.0
Annualize prior year funding	(408,336)	(688,527)	8,638	336,553	(65,000)	(0.6)
Statewide IT common policy adjustments	(312,767)	(295,454)	41	(17,412)	58	0.0
Personal services base reduction	(78,029)	(29,965)	(2,423)	(291)	(45,350)	0.0
General Fund reduction	(19,917)	(19,917)	0	0	0	0.0
Indirect cost assessment	(14,604)	0	(14,604)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$37,174,900</b>	<b>\$4,837,552</b>	<b>\$607,694</b>	<b>\$10,314,848</b>	<b>\$21,414,806</b>	<b>70.5</b>
\$ Change from prior year	(\$9,823,798)	(\$640,729)	\$66,034	\$306,211	(\$9,555,314)	(5.6)
% Change from prior year	(20.9)%	(11.7)%	12.2%	3.1%	(30.9)%	(7.4)%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Limited gaming revenue adjustment:** The bill aligns the appropriation with current law. Note, S.B. 11-159 (Steadman/Ferrandino) amends this bill's FY 2011-12 appropriation of limited gaming moneys.

**Federal funds reduction:** The bill includes a federal funds spending authority decrease of \$10.0 million due to a true-up of expenditures versus appropriations.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$19,917 General Fund to certain line items.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Office of the Lieutenant Governor:** Colorado's Constitution provides for the Lieutenant Governor to become Governor in the case of the death, impeachment, felony conviction, incapacitation, or resignation of the Governor. The Lieutenant Governor serves as chairperson of the Colorado Commission of Indian Affairs and handles additional responsibilities assigned by the Governor.

Office of the Lieutenant Governor	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$374,172	\$296,247	\$1,295	\$76,630	\$0	6.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	12,649	11,536	205	908	0	0.0
Personal services base reduction	(4,883)	(4,063)	(316)	(504)	0	0.0
General Fund reduction	(2,710)	(2,710)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$379,228	\$301,010	\$1,184	\$77,034	\$0	6.0
\$ Change from prior year	\$5,056	\$4,763	(\$111)	\$404	\$0	0.0
% Change from prior year	1.4%	1.6%	(8.6)%	0.5%	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$2,710 General Fund to certain line items.

**Office of State Planning and Budgeting:** The Office of State Planning and Budgeting is responsible for the development of executive budget requests, the review and analysis of departmental expenditures, and preparation of revenue and economic forecasts for the State.

Office of State Planning and Budgeting	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,343,424	\$25,000	\$0	\$1,318,424	\$0	19.5
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	132,923	(25,000)	0	157,923	0	0.0
Restore one-time personal services reduction	30,932	0	0	30,932	0	0.0
Personal services base reduction	(21,599)	0	0	(21,599)	0	0.0
Personal services reduction	(14,399)	0	0	(14,399)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,471,281	\$0	\$0	\$1,471,281	\$0	19.5
\$ Change from prior year	\$127,857	(\$25,000)	\$0	\$152,857	\$0	0.0
% Change from prior year	9.5%	(100.0)%	n/a	11.6%	n/a	0.0%

## Issue Descriptions

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Personal services reduction:** The bill includes a reduction of \$14,399 reappropriated funds to certain line items.

**Economic Development Programs:** The Office of Economic Development was formed in 1988 to centralize and coordinate the State's business assistance, retention, expansion, and recruitment programs. Other activities include providing international trade assistance and promoting Colorado tourism.

Economic Development Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$32,333,824	\$6,130,821	\$23,737,589	\$125,422	\$2,339,992	48.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	79,148	57,189	16,875	1,719	3,365	0.0
Limited gaming revenue adjustment	(17,890,899)	0	(17,890,899)	0	0	(13.8)
Personal services base reduction	(43,006)	(32,660)	(601)	(1,718)	(8,027)	0.0
General Fund reduction	(18,382)	(18,382)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$14,460,685	\$6,136,968	\$5,862,964	\$125,423	\$2,335,330	34.7
\$ Change from prior year	(\$17,873,139)	\$6,147	(\$17,874,625)	\$1	(\$4,662)	(13.8)
% Change from prior year	(55.3)%	0.1%	(75.3)%	0.0%	(0.2)%	(28.5)%



## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Limited gaming revenue adjustment:** The bill aligns the appropriation with current law. Note, S.B. 11-159 (Steadman/Ferrandino) amends this bill's FY 2011-12 appropriation of limited gaming moneys.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$18,382 General Fund to certain line items.

**Office of Information Technology:** The Office of Information Technology (OIT) was created in 1999. OIT's responsibilities were significantly increased by S.B. 08-155, which authorized the consolidation of executive branch IT activities into a single Office. On July 1, 2008, the chief information officers of the individual departments were transferred to OIT, as was the bulk of the Department of Personnel and Administration's Division of Information Technology staff. Beginning July 1, 2010, 756.3 FTE and \$66.6 million total funds were transferred to OIT from executive branch agencies. OIT bills participating agencies for the services it provides.

Office of Information Technology	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$121,977,750	\$0	\$1,923,462	\$119,868,288	\$186,000	898.8
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	1,378,302	0	0	1,378,302	0	0.0
HCPF CBMS-related changes	255,272	0	0	255,272	0	0.0
Indirect cost assessment	233,152	0	0	233,152	0	0.0
Non-state agency revenue adjustment	48,600	0	48,600	0	0	0.0
Legal services adjustment	60	0	0	60	0	0.0
Refinance Public Safety Trust Fund	0	0	(721,134)	721,134	0	0.0
Annualize prior year funding	(5,672,104)	0	0	(5,607,104)	(65,000)	4.0
Eliminate empty spending authority	(2,458,615)	0	0	(2,458,615)	0	(2.0)
Personal services base reduction	(986,215)	0	0	(986,215)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$114,776,202	\$0	\$1,250,928	\$113,404,274	\$121,000	900.8
\$ Change from prior year	(\$7,201,548)	\$0	(\$672,534)	(\$6,464,014)	(\$65,000)	2.0
% Change from prior year	(5.9)%	n/a	(35.0)%	(5.4)%	(34.9)%	0.2%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**HCPF CBMS-related changes:** The bill includes Colorado Benefits Management System (CBMS) changes to accommodate policy changes in programs administered by the Department of Health Care Policy and Financing (HCPF).

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Non-state agency revenue adjustment:** The bill includes an increase of \$48,600 cash funds collected by OIT from non-state agencies using the digital trunked radio system.

**Legal services adjustment:** The bill includes an adjustment to the legal services hourly rate.

**Refinance Public Safety Trust Fund:** The bill includes a decrease of \$721,134 cash funds from the Public Safety Trust Fund and an increase of \$721,134 reappropriated funds collected from state agencies.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Eliminate empty spending authority:** The bill includes the reduction of \$2.5 million reappropriated funds and 2.0 FTE from OIT that historically represented spending authority with no revenue source.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Health Care Policy and Financing

**Department Description:** The Department of Health Care Policy and Financing provides health care services to approximately 909,250 Colorado residents through four major health care programs: (1) the State's Medicaid medical and mental health programs; (2) the Colorado Indigent Care program (CICP); (3) the Children's Basic Health Plan (CBHP); and (4) the Old Age Pensioner Medical program. In addition to these programs, the Department also administers the Primary Care Fund program and the Comprehensive Primary and Preventive Care Grant program to increase access to health care services for medically under-served populations or areas.

The Medicaid, CICP, and CBHP programs are federal and state partnerships; therefore, the State receives approximately \$2.5 billion in federal matching funds for these programs. The Department also transfers approximately 12.0 percent of its appropriation to other state agencies that administer programs eligible for Medicaid funding, the majority of which goes to the Department of Human Services.

<b>Summary Table for Department of Health Care Policy and Financing</b>						
	<b>Total Funds</b>	<b>General Fund<sup>1</sup></b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$4,559,302,881	\$1,167,537,381	\$649,988,441	\$20,885,206	\$2,720,891,853	294.8
Long Bill Supplemental	281,940,925	32,126,193	86,410,898	(2,414,962)	165,818,796	0.0
Revised ARRA FMAP Estimate	<u>617,120</u>	<u>67,091,408</u>	<u>4,909,746</u>	<u>56,588</u>	<u>(71,440,622)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$4,841,860,926	\$1,266,754,982	\$741,309,085	\$18,526,832	\$2,815,270,027	294.8
<b><i>Changes from FY 2010-11 by Long Bill Division</i></b>						
Executive Director's Office	8,734,989	2,326,112	1,099,460	184,745	5,124,672	17.4
Medical Services Premiums	146,031,931	407,774,710	4,430,746	(4,312,619)	(261,860,906)	0.0
Medicaid Mental Health Community Programs	24,810,875	34,233,720	(1,141,409)	544	(8,281,980)	0.0
Indigent Care Program	30,261,320	29,743,015	15,724,954	(6,857,780)	(8,348,869)	0.0
Other Medical Services	20,022,235	8,047,910	614,648	0	11,359,677	0.0
Department of Human Services Medicaid-Funded Programs	(19,333,957)	32,375,050	(730,757)	(6,537)	(50,971,713)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$5,052,388,319	\$1,781,255,499	\$761,306,727	\$7,535,185	\$2,502,290,908	312.2
\$ Change from prior year	\$210,527,393	\$514,500,517	\$19,997,642	(\$10,991,647)	(\$312,979,119)	17.4
% Change from prior year	4.3%	40.6%	2.7%	(59.3)%	(11.1)%	5.9%

<sup>1</sup> This amount includes General Fund Exempt that is described in the sections that follow.

## **Appropriation Highlights:**

### *Changes to FY 2010-11 Appropriations*

1. Increases total fund appropriations by \$230.1 million (including \$88.9 million from the Hospital Provider Fee Cash Fund) to reflect the higher reimbursements available to hospitals through the Colorado Health Care Affordability Act. The hospital provider fee model must be approved by the Centers for Medicare and Medicaid Services (CMS) annually. The original appropriation did not include the most updated model information, since the model was not approved by CMS until December 2010.
2. Increases total fund appropriations by \$70.2 million (including \$25.2 million General Fund) to pay FY 2009-10 claims in the Medical Services Premiums program that were rolled over into FY 2010-11 when payments from the Medicaid Management Information System were suspended for the last two weeks in June 2010.
3. Increases state funds by \$72.1 million (including \$67.1 million General Fund) and reduces federal funds by \$71.4 million to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed a FMAP rate of 61.59 percent while the FMAP rate based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures.
4. Decreases total funds by \$40.7 million (including an increase of \$6.9 million General Fund) to adjust appropriations for updated caseload and expenditure estimates for the medical programs. This amount includes the following:
  - (a) An increase of \$40.6 million total funds (including \$16.2 million General Fund) for Medicaid programs administered by the Department of Human Services;
  - (b) A decrease of \$75.2 million total funds (including a decrease of \$8.5 million General Fund) for updated caseload and cost estimates for the Medicaid medical and mental health programs;
  - (c) A decrease of \$4.1 million total funds (no General Fund impact) to align expenditures in the Old Age Pension Medical program to anticipated expenditures;
  - (d) A decrease of \$1.2 million total funds (no General Fund impact) to align expenditures in the Children's Basic Health Plan (CBHP) program to anticipated expenditures; and
  - (e) A decrease of \$781,258 General Fund to align expenditures in the Medicare Modernization Act (MMA) State Contribution Payment to anticipated expenditures.

### *FY 2011-12 Appropriations:*

1. Increases total funds by \$17.7 million (including \$362.5 million General Fund) due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

2. Increases total funds by \$262.7 million (including \$97.2 million General Fund) for forecasted caseload and expenditures in the medical programs administered by the Department including:
  - (a) An increase of \$227.8 million total funds (including \$95.8 million General Fund) for caseload and cost estimates for the Medicaid medical and mental health programs;
  - (b) An increase of \$33.5 million total funds (no General Fund impact) for caseload and cost estimates for the CBHP program; and
  - (c) An increase of \$1.4 million General Fund for caseload and cost increases in the MMA State Contribution Payment.
3. Increases General Fund by \$66.9 million and decreases cash funds by \$66.9 million due to insufficient revenues in the Health Care Expansion Fund and in the Children's Basic Health Plan Trust to fund program expenditures.
4. Increases General Fund by \$44.4 million and decreases cash funds \$44.4 million cash funds to reverse one-time General Fund savings in FY 2010-11 that were achieved by using various cash funds to pay for Medicaid expenditures.
5. Decreases total funds by \$91.7 million (including \$42.3 million General Fund) for various program and appropriation adjustments including:
  - (a) A decrease of \$52.9 million total funds (including \$25.1 million General Fund) for benefit and reimbursement limits in the Medicaid medical and mental health programs;
  - (b) A decrease of \$19.4 million total funds (including \$12.0 million General Fund) to eliminate one-time appropriations into the CBHP Trust and for reimbursement and benefit limits in the CBHP program; and
  - (c) A decrease of \$19.3 million (including \$5.2 million General Fund) for reductions in programs administered by the Department of Human Services.
6. Includes an increase of 17.4 FTE to annualize the impacts of the Colorado Health Care Affordability Act (H.B. 09-1293). The additional FTE will provide administrative oversight such as auditing, rate setting, financial reviews, and customer support for the new Medicaid eligibility that is anticipated to be implemented in FY 2011-12.

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### **Appropriation Detail by Long Bill Division**

**Executive Director's Office:** This division contains the majority of administrative funding for the Department. Specifically, this division's funding supports the Department's personnel, operation of the Medicaid Management Information System, utilization reviews, provider audits, eligibility determinations and customer services.

<b>Executive Director's Office</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$130,087,549	\$35,993,244	\$14,873,898	\$1,845,327	\$77,375,080	294.8
Revised ARRA FMAP estimate	<u>0</u>	<u>0</u>	<u>0</u>	<u>56,588</u>	<u>(56,588)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$130,087,549	\$35,993,244	\$14,873,898	\$1,901,915	\$77,318,492	294.8
<b>Changes from FY 2010-11 Appropriation</b>						
Annualize Colorado Health Care Affordability Act of 2009	2,764,470	0	2,089,019	0	675,451	15.7
ARRA HITECH provider incentive payments	2,000,000	0	0	0	2,000,000	0.0
Expansion of Accountable Care Collaborative	1,293,241	641,747	0	0	651,494	0.0
Restore one-time personal services reductions	714,349	295,678	39,668	50,027	328,976	0.0
Centrally appropriated line items	665,468	204,814	66,843	(35,688)	429,499	0.0
Benefit reductions and limits	589,000	147,250	0	0	441,750	0.0
Statewide IT common policy adjustments	572,935	286,468	0	0	286,467	0.0
Annualize prior year budget actions	214,485	1,679	(171,956)	0	384,762	0.8
Reduce client overutilization	207,900	51,975	0	0	155,925	0.0
Implement national correct coding initiative	190,601	47,650	0	0	142,951	0.0
Nursing facility audit	24,840	0	12,420	0	12,420	0.0
Health Care Expansion Fund insolvency	0	958,131	(958,131)	0	0	0.0
Eliminate ARRA funding	0	0	0	292,271	(292,271)	0.0
Indirect cost assessment	0	(87,948)	55,014	(113,316)	146,250	0.0
Personal services base reduction	(412,186)	(141,110)	(33,417)	(8,549)	(229,110)	0.0
General Fund reduction	(79,443)	(79,443)	0	0	0	0.0
Reduction school-based health programs administrative funding	(9,114)	0	0	0	(9,114)	0.0
Transfer prenatal plus administration	(1,557)	(779)	0	0	(778)	0.9
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$138,822,538	\$38,319,356	\$15,973,358	\$2,086,660	\$82,443,164	312.2
\$ Change from prior year	\$8,734,989	\$2,326,112	\$1,099,460	\$184,745	\$5,124,672	17.4
% Change from prior year	6.7%	6.5%	7.4%	9.7%	6.6%	5.9%

## Issue Descriptions

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of State funds needed for Medicaid expenditures by \$56,588 and lowers the amount of federal funds available by \$56,588.

**Annualize Colorado Health Care Affordability Act of 2009:** The bill includes an increase of \$2.8 million total funds (including \$2.1 million from the Hospital Provider Fee Cash Fund) and 15.7 FTE to annualize the impacts from the Colorado Health Care Affordability Act of 2009 (H.B. 09-1293). The FTE increase includes 12.0 new FTE to provide program oversight for new Medicaid eligibility expansions in FY 2011-12 and 3.7 FTE to annualize positions partially funded in FY 2010-11. The bill also eliminates one-time costs for capital outlay and computer system changes; increases funding for eligibility determinations and client service functions; and increases funding for utilization reviews. The table below summarizes the funding.

<b>Colorado Health Care Affordability Act of 2009 Administrative Costs Annualized</b>	<b>Cash Funds</b>	<b>Federal Funds</b>	<b>Total Funds</b>
Employees and Related Expenses (15.7 FTE)	\$503,410	\$503,409	\$1,006,819
Operating and General Administration	25,768	25,769	51,537
Consulting and Actuary Services	75,000	75,000	150,000
Changes to the Medicaid Management Information System	(666,659)	(2,382,490)	(3,049,149)
Eligibility Determinations	2,106,753	2,372,536	4,479,289
Client Services	15,857	15,857	31,714
Utilization Reviews	<u>28,890</u>	<u>65,370</u>	<u>94,260</u>
<b>Total Appropriation</b>	<b>\$2,089,019</b>	<b>\$675,451</b>	<b>\$2,764,470</b>

**ARRA HITECH provider incentive payments:** The bill includes an increase of \$2.0 million federal funds to implement the Health Information Technology for Economic and Clinical Health (HITECH) program authorized by ARRA. Section 4201 of ARRA established incentive payments to eligible medical professionals, hospitals, and managed care organizations to promote the adoption of health information technology. Under the HITECH program, the Department receives a 90 percent federal match for expenditures related to promoting and developing health information technologies and a 100 percent federal match for any incentive payments to qualified medical providers. The bill adjusts the Department's funding to reflect the enhanced FMAP available for these activities.

**Expansion of Accountable Care Collaborative:** The bill includes an increase of \$1.3 million total funds (including \$641,747 General Fund) for the administrative costs associated with implementing and expanding the Accountable Care Collaborative managed care pilot program. These administrative costs are offset by projected medical care savings in the Medical Services Premiums section.

**Restore one-time personal services reductions:** The bill restores \$714,349 total funds (including \$295,678 General Fund) for one-time personal services reductions for FY 2010-11, including 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes an increase of \$665,468 total funds (including \$204,814 General Fund) for adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; legal services; administrative law judges; payments to risk management and property funds; and Capitol complex leased space.

**Benefit reductions and limits:** The bill includes an increase of \$589,000 total funds (including \$147,250 General Fund) for administrative costs associated with implementing Medicaid and Children's Basic Health Plan benefit reductions described in the Medical Services Premiums and Indigent Care Program sections. These administrative costs will be offset by projected savings in medical costs for these programs.

**Statewide IT common policy adjustments:** The bill includes an increase of \$572,935 total funds (including \$286,468 General Fund) for adjustments to line items appropriated for: purchase of services from the computer center; multi-use network payments; and management and administration of the Governor's Office of Information Technology.

**Annualize prior year budget actions:** The bill includes an increase of \$214,485 total funds (including \$1,679 General Fund) and 0.8 FTE to annualize various prior year legislation and budget actions.

**Reduce client overutilization:** The bill includes an increase of \$207,900 total funds (including \$51,975 General Fund) for changes to the Medicaid Management Information System (MMIS) to lock certain clients with high utilization patterns into one primary care physician and pharmacy. The General Fund increase is anticipated to be offset by cost savings in the Medical Services Premiums section.

**Implement national correct coding initiative:** The bill includes an increase of \$190,601 total funds (including \$47,650 General Fund) to make system changes to the MMIS in order to comply with the National Correct Coding Initiative. This federal initiative requires states to reduce the amount of improper coding that leads to incorrect payments in the fee-for-service Medicaid programs. This increase is anticipated to be offset by eventual savings in the Medical Services Premiums section once all system edits are made to the MMIS.

**Nursing facility audit:** The bill includes an increase of \$24,840 total funds (including \$12,420 from the Nursing Facility Cash Fund) to audit supplemental payments made to nursing facilities through the H.B. 08-1114 Nursing Facility Provider Fee program. The supplemental payments and provider fees are calculated on non-Medicare days reported by nursing facilities. Currently, this data is unaudited. This appropriation will provide additional resources to audit this data and is anticipated to be offset by savings in the Medical Services Premiums section.

**Health Care Expansion Fund insolvency:** The bill includes an increase of \$958,131 General Fund and a corresponding decrease of \$958,131 cash funds due to insufficient revenues in the Health Care Expansion Fund to support the fund's program requirements in Section 24-22-117 (2) (a) (II), C.R.S.

**Eliminate ARRA funding:** The bill reflects an increase of \$292,271 reappropriated funds and a corresponding decrease of \$292,271 federal funds due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

**Indirect cost assessment:** The bill includes a net zero total fund change (including a \$87,948 General Fund decrease) for indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items. This results in savings of \$408,794 total funds (including \$141,110 General Fund).

**General Fund reduction:** The bill includes a reduction of \$79,443 General Fund to various line items.



**Reduce school-based health programs administrative funding:** The bill reflects a decrease of \$9,114 federal funds resulting from reductions made in both the Department of Health Care Policy and Financing and Department of Education's administrative costs for the Public School Health Services program.

**Transfer prenatal plus administration:** The bill includes a decrease of \$1,557 total funds (including \$779 General Fund) and an increase of 0.9 FTE to transfer the administration of the Prenatal Plus program from the Department of Public Health and Environment (DPHE) to the Department of Health Care Policy and Financing (HCPF). The funding reflects the difference between the amount HCPF currently transfers to the DPHE and the amount HCPF will retain in their budget to perform these activities.

**Medical Services Premiums:** This division provides the health care funding for an estimated 613,148 Medicaid clients in FY 2011-12. Clients are determined eligible based on 11 different eligibility categories. Medical services provided include acute care services (*i.e.* physician visits, prescription drugs, hospitalization) and long-term care services (*i.e.* nursing home care and community-based services).

Medical Services Premiums	Total Funds	General Fund <sup>1</sup>	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,106,858,127	\$811,050,907	\$390,633,220	\$7,595,243	\$1,897,578,757	0.0
Long Bill Supplemental	234,275,907	14,448,308	82,814,944	(180,916)	137,193,571	0.0
Revised ARRA FMAP estimate	<u>0</u>	<u>53,119,493</u>	<u>2,151,422</u>	<u>0</u>	<u>(55,270,915)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$3,341,134,034	\$878,618,708	\$475,599,586	\$7,414,327	\$1,979,501,413	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
<i>Base Issues</i>						
Medicaid Forecast	198,746,375	89,726,404	48,805,860	177,816	60,036,295	0.0
Eliminate ARRA funding	0	283,146,100	12,318,999	0	(295,465,099)	0.0
Adjustment for one-time savings	0	44,363,250	(39,872,815)	(4,490,435)	0	0.0
Health Care Expansion Fund insolvency	0	16,000,000	(16,000,000)	0	0	0.0
<i>Policy Issues</i>						
Reallocate Medicaid funding for youth corrections	372,956	186,478	0	0	186,478	0.0
Benefit reductions and limits	(34,184,652)	(17,016,406)	(75,920)	0	(17,092,326)	0.0
Provider reimbursement reductions	(13,972,404)	(6,178,364)	(732,958)	0	(7,061,082)	0.0
Expansion of Accountable Care Collaborative	(4,768,904)	(2,384,452)	0	0	(2,384,452)	0.0
Reduce client overutilization	(136,600)	(68,300)	0	0	(68,300)	0.0
Nursing facility audit	(24,840)	0	(12,420)	0	(12,420)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,487,165,965	\$1,286,393,418	\$480,030,332	\$3,101,708	\$1,717,640,507	0.0
\$ Change from prior year	\$146,031,931	\$407,774,710	\$4,430,746	(\$4,312,619)	(\$261,860,906)	0.0
% Change from prior year	4.4%	46.4%	0.9%	(58.2)%	(13.2)%	n/a

<sup>1</sup> This amount includes a General Fund Exempt appropriation.

General Fund Summary	Total General Fund	General Fund	General Fund Exempt
<b>FY 2010-11 Appropriation</b>	\$811,050,907	\$649,606,422	\$161,444,485
Long Bill supplemental	\$67,567,801	(\$50,332,199)	\$117,900,000
<b>FY 2010-11 Adjusted Appropriation</b>	\$878,618,708	\$599,274,223	\$279,344,485
Program General Fund Issues	<u>407,774,710</u>	<u>402,943,778</u>	<u>4,830,932</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,286,393,418	\$1,002,218,001	\$284,175,417

## General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allowed the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap,<sup>1</sup> for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt that is appropriated for FY 2010-11 and FY 2011-12 from the General Fund Exempt Account for the purposes of funding health care for Colorado's elderly, low-income, and disabled populations pursuant to Sections 24-77-103.6 (2) (a) and 24-77-104.5 (2) (a) (I), C.R.S.

## Issue Descriptions

**Long Bill Supplemental:** The FY 2011-12 Long Bill contains sections to adjust the FY 2010-11 appropriation for the Medicaid medical and long-term care programs based on current caseload and cost forecasts. Included in this amount are the following items:

- (1) adjustments to the Medicaid caseload and cost forecast;
- (2) an increase for higher than anticipated hospital reimbursements under the Colorado Health Care Affordability Act (HCAA) based on an updated model approved by the Centers for Medicare and Medicaid Services in December 2010 (retroactive to October 2010);
- (3) an increase for costs that resulted when two weeks of Medicaid payments were delayed in FY 2009-10 until FY 2010-11; and
- (4) an increase related to reflecting the amount of anticipated recoupments and recoveries within the appropriation instead of off-budget, based on a recommendation from the State Auditor's Office.

These changes are summarized in the table below.

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<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

Summary of Long Bill Supplemental /1	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Caseload and cost forecast	(\$76,205,277)	(\$10,731,285)	(\$26,047,280)	(\$180,916)	(\$39,245,796)
Increase in hospital reimbursements	217,961,589	0	84,735,528	0	133,226,061
FY 2009-10 two week payment delay	70,232,486	25,179,593	1,839,587	0	43,213,306
Anticipated recoupment and recovery revenues	<u>22,287,109</u>	<u>0</u>	<u>22,287,109</u>	<u>0</u>	<u>0</u>
Total Appropriation	\$234,275,907	\$14,448,308	\$82,814,944	(\$180,916)	\$137,193,571

/1 Excludes adjustment for the revised ARRA FMAP -- see issue below.

For more detail on the FY 2010-11 caseload and costs assumptions, see the FY 2011-12 issue describing the Medicaid forecast below.

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of State funds needed for Medicaid expenditures by \$55.3 million and lowers the amount of federal funds available by \$55.3 million.

**Medicaid Forecast:** The FY 2011-12 appropriation supports medical services for an estimated 613,148 Medicaid clients. The FY 2011-12 caseload forecast reflects an increase of 54,841 clients (9.8 percent) from the final appropriated FY 2010-11 caseload forecast. The majority of the caseload increase is anticipated in the low-income categorical eligible adults and children. Table 1 shows the projected caseload growth from the final estimate for FY 2010-11 to FY 2011-12.

Eligibility Category	FY 2010-11	FY 2011-12	# Change	%
<i>Elderly Caseloads</i>				
Adults 65 Years of Age and Older	38,942	39,556	614	1.6%
<i>Disabled Caseload</i>				
Disabled Adults 60 to 64 Years of Age	7,706	8,098	392	5.1%
Disabled Individuals up to 59 Years of Age	56,032	57,841	1,809	3.2%
HCAA Medicaid Buy-In Program	0	4,329	4,329	n/a
<i>Low-Income Adults</i>				
Categorical Eligible Adults up to 34% of Federal Poverty Level (FPL)	60,881	64,432	3,551	5.8%
Pregnant Adults up to 133% FPL	7,867	7,657	(210)	(2.7)%
Expansion Adults up to 60% FPL	20,095	23,628	3,533	17.6%
HCAA Expansion Adults between 61% and 100% FPL	26,941	34,050	7,109	26.4%

<b>Eligibility Category</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b># Change</b>	<b>%</b>
HCAA Adults without dependent children up to 100% FPL	0	16,400	16,400	n/a
Breast and Cervical Cancer Treatment and Prevention Program	524	595	71	13.6%
<b>Children</b>				
Categorical Eligible Children	300,625	316,392	15,767	5.2%
Foster Children	18,502	18,878	376	2.0%
<b>Other</b>				
Qualified Medicare clients (Partial Dual Eligibles)	17,094	18,210	1,116	6.5%
Non-Citizens (emergency care)	<u>3,098</u>	<u>3,082</u>	<u>(16)</u>	<u>(0.5)%</u>
<b>Total Caseload Forecast</b>	<b>558,307</b>	<b>613,148</b>	<b>54,841</b>	<b>9.8%</b>

After the caseload forecast is established, the base service costs are calculated. The base service costs are the amount of funding needed for the Medicaid program under current law before any policy issues are added. The base service costs are a function of both the caseload forecast and the forecast for the cost of medical services based on prior year utilization patterns and rates. The base service costs include the following major groupings of medical services: (1) the cost of medical care, community long-term care, institutional long-term care, supplemental insurance, and medical administrative costs; (2) the mix of services used by the different caseload aid categories described above; and (3) the acuity level of the caseload using the various services.

Table 2 compares the FY 2010-11 estimated costs (including the FY 2010-11 Long Bill supplemental) with the FY 2011-12 base service cost appropriation for each service category. The table also reflects eliminating one-time FY 2010-11 costs associated with the FY 2009-10 two-week payment delay.

<b>Service Category</b>	<b>FY 2010-11</b>	<b>FY 2011-12<sup>1</sup></b>	<b>\$ Change</b>	<b>%</b>
Medical Care Services	\$1,671,099,247	\$1,833,425,574	\$162,326,327	9.7%
Community Long-Term Care Services	313,542,788	347,254,664	33,711,876	10.8%
Long-Term Care	576,157,489	606,274,757	30,117,268	5.2%
Insurance Premiums (Medicare & Buy-In)	118,964,577	134,641,576	15,676,999	13.2%
Medical Administrative Costs	33,411,741	48,272,565	14,860,824	44.5%
Supplemental Payments	557,725,706	570,011,273	12,285,567	2.2%
Total Service Costs	\$3,270,901,548	\$3,539,880,409	\$268,978,861	8.2%
FY 2009-10 Payment Delay	\$70,232,486	\$0	(\$70,232,486)	(100.0)%
<b>TOTAL</b>	<b>\$3,341,134,034</b>	<b>\$3,539,880,409</b>	<b>\$198,746,375</b>	<b>5.9%</b>

<sup>1</sup> The FY 2011-12 amount does not include any policy changes. Those items are discussed as separate issues.

Table 3 provides the estimate for how much of the base FY 2011-12 Medicaid cost is the result of caseload increases and how much is the result of service cost changes.

Table 3: Analysis of Cost Drivers for FY 2011-12 <u>BASE</u> Increase						
Eligibility Category (shortened titles from Table 1)	Caseload Change	<u>Net</u> Cost Per Client Change	Cost Associated with Higher Caseload Estimate	Cost Associated with Change to Per Client Cost	Compounding Effect	Total Costs
Adults 65+	614	(\$799.61)	\$13,335,091	(\$31,138,424)	(\$490,645)	(\$18,293,978)
Disabled Adults 60 to 64	392	(\$534.32)	6,370,581	(4,117,630)	(209,276)	2,043,675
Disabled Individuals < 60	1,809	\$86.52	13,494,994	5,004,294	548,185	19,047,473
HCAA Medicaid Buy-In	4,329	\$16,799.16	72,723,564	0	0	72,723,564
Categorical Eligible Adults	3,551	(\$82.27)	12,982,720	(5,008,711)	(292,102)	7,681,907
Pregnant Adults 133% FPL	(210)	\$195.92	(1,898,260)	1,541,227	(41,169)	(398,202)
Expansion Adults 60% FPL	3,533	\$106.71	4,817,748	2,521,268	1,449,561	8,788,576
HCAA Expansion Adults	7,109	\$106.71	9,694,132	3,633,365	2,088,943	15,416,441
HCAA Adults w/o children	16,400	\$2,227.31	36,527,884	0	0	36,527,884
BCCTP Program	71	(\$1,468.33)	1,340,364	(768,757)	(104,381)	467,226
Eligible Children	15,767	(\$1.40)	25,810,492	(422,200)	(22,143)	25,366,149
Foster Children	376	\$104.55	1,447,695	1,934,332	39,372	3,421,399
Partial Dual Eligibles	1,116	\$80.13	\$1,510,285	\$1,369,697	\$89,468	\$2,969,450
Non-Citizens	(16)	\$2,320.96	(\$263,068)	\$7,190,115	(\$37,991)	\$6,889,056
<b>Total</b>	<b>54,841</b>	<b>n/a</b>	<b>\$197,894,222</b>	<b>(\$18,261,424)</b>	<b>\$3,017,822</b>	<b>\$182,650,620</b>
Deduct FY 2009-10 Payment Delay From FY 2011-12 Costs						(\$70,232,486)
Increase to Supplemental Payments						\$86,328,241
<b>TOTAL FY 2011-12 BASE INCREASE</b>						<b>\$198,746,375</b>

**Eliminate ARRA funding:** The bill reflects an increase of \$295.5 million State funds (including \$283.1 million General Fund) and a corresponding decrease of \$295.5 million federal funds due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

**Adjustment for one-time savings:** The bill reverses one-time savings contained in budget balancing legislation passed by the General Assembly in 2010 as shown in the table below.

Table 4: Reverse FY 2010-11 One-time Budget Balancing Legislation	Total Funds	General Fund	Cash Funds	Reappropriated Funds
Reverse savings from HB 10-1324 (Medicaid Nursing Facility Per Diem Rates)	\$0	\$4,021,832	(\$4,021,832)	\$0
Reverse savings from HB 10-1378 (2010 Transfers for Health Care Services)	0	12,800,000	(12,800,000)	0

<b>Table 4: Reverse FY 2010-11 One-time Budget Balancing Legislation</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>
Reverse savings from HB 10-1380 (Use Supplemental Old Age Pension Health Fund for Medicaid)	0	1,850,000	(1,850,000)	0
Reverse savings from HB 10-1381 (Tobacco Revenues Offset Medical Services)	<u>0</u>	<u>25,691,418</u>	<u>(21,200,983)</u>	<u>(4,490,435)</u>
<b>Total one-time legislation impacts reversed</b>	<b>\$0</b>	<b>\$44,363,250</b>	<b>(\$39,872,815)</b>	<b>(\$4,490,435)</b>

/1 This table reflects only legislation with one-time cash fund offsets to the General Fund that are reversed in FY 2011-12 (SB 10-169 is included in the Eliminate ARRA issue and the impacts of HB 10-1379 are included in the Medicaid forecast issue).

**Health Care Expansion Fund insolvency:** The bill includes an increase of \$16.0 million General Fund and a corresponding decrease of \$16.0 million cash funds due to insufficient revenues in the Health Care Expansion Fund to support the program requirements in Section 24-22-117 (2) (a) (II), C.R.S.

After making the base adjustments above, the funding sources for the Medical Services Premiums line item are calculated. Certain populations and programs are funded through different funding sources (*e.g.* some adults and children on Medicaid can be funded from the Health Care Expansion Fund or Hospital Provider Fee Cash Fund). Table 5 shows the funding sources for the Medical Services Premiums line item for FY 2010-11 compared to FY 2011-12 (before policy changes).

<b>Table 5: Fund Splits for FY 2011-12 JBC Medical Services Premiums</b>			
<b>Fund</b>	<b>FY 2010-11 Appropriation</b>	<b>FY 2011-12 Appropriation /1</b>	<b>Difference</b>
General Fund and General Fund Exempt	\$878,618,708	\$1,295,854,462	\$417,235,754
CF - Hospital Provider Fee	250,807,067	339,887,416	89,080,349
CF - Health Care Expansion Fund	112,966,384	84,840,305	(28,126,079)
CF - Nursing Facility Cash Fund	29,831,870	27,439,629	(2,392,241)
CF - Recoupments and Recoveries	22,287,109	23,401,465	1,114,356
CF - Certified Funds	17,254,496	7,629,150	(9,625,346)
CF - Primary Care Fund	12,800,000	0	(12,800,000)
CF - Old Age Pension Supplemental Health and Medical Fund	4,850,000	3,000,000	(1,850,000)
CF - Breast and Cervical Cancer Fund	2,632,530	2,765,909	133,379
CF - Autism Fund	719,148	878,625	159,477
CF - Coordinated Care For People with Disabilities	200,335	200,335	0
CF - Home Health Telemedicine Fund	49,665	170,575	120,910
CF - Various Cash Funds used to Offset General Fund	21,200,983	0	(21,200,983)
CF - Medicaid Buy-In Cash Fund	0	6,638,222	6,638,222
RF - Transfer from DPHE	7,414,327	3,101,708	(4,312,619)
Federal Funds	<u>\$1,979,501,413</u>	<u>\$1,744,072,609</u>	<u>(\$235,428,804)</u>
<b>TOTAL FUNDS</b>	<b>\$3,341,134,035</b>	<b>\$3,539,880,410</b>	<b>\$198,746,375</b>

<sup>1</sup> FY 2011-12 reflects only the Long Bill estimates for the base calculations before policy changes. These amounts do not include impacts from separate legislation.

FY 2011-12 -- Policy Issues

**Reallocate Medicaid funding for youth corrections:** The bill transfers appropriations for Medicaid medical and mental health services for youth at the Ridge View youth corrections facility from the Department of Human Services Medicaid-funded Programs section to the Medicaid Premiums and Medicaid Mental Health Capitation line items. This change has no impact on total department appropriations.

**Benefit reductions and limits:** The bill includes a decrease of \$29.5 million total funds (\$14.7 million General Fund) for Medicaid program benefit and reimbursement limits. Table 6 describes the reductions associated with this issue.

Table 6: FY 2011-12 Benefit Reductions and Reimbursement Limits		
Issue	Total Fund Amount	Description
Limit Fluoride Application	(\$33,798)	The bill limits fluoride applications to three applications per year.
Limit Dental Cleaning Benefit	(176,658)	The bill limits dental cleaning to no more than two times a year.
Eliminate Oral Hygiene Instruction Reimbursement	(4,626,574)	The bill eliminates reimbursement for time spent providing clients with dental hygiene instruction.
Limit Physical and Occupational Therapies	(504,744)	The bill limits the number of outpatient physical and occupational therapy visits for adults to no more than 48 total without prior authorization.
Home Health Billing Changes	(2,739,756)	The bill changes billing practices to more accurately match the amount of services provided.
Pharmacy State Maximum	(1,833,334)	The bill increases the number of drugs that are included under the State's Maximum Allowable Cost (SMAC) pricing program.
Reduce reimbursement rate for certain diabetes supplies	(919,340)	The bill reduces the reimbursement for blood glucose/reagent strips from \$31.80 per box of 50 strips to approximately \$18.00 per box.
Reduce payments for uncomplicated cesarean section deliveries	(6,846,550)	The bill reduces uncomplicated cesarean section delivery reimbursement to the same amount that the Medicaid program pays for complicated vaginal deliveries.
Reduce payments for inpatient renal dialysis	(2,366,947)	The bill reduces reimbursement for inpatient renal dialysis to 1.2 inpatient days instead of 3.2 days based on actual length of stay rather than the amount assumed under the current diagnostic related group code.
Deny reimbursement for hospital readmission within 48 hours	(2,700,456)	Under the provisions of the bill, the Medicaid program will no longer make a separate payment to hospitals for clients who are readmitted within 48 hours to the same hospital for a related condition. The current policy is to deny new payment for readmission within 24 hours.
Prior authorize certain radiology services at outpatient hospitals	(672,136)	The bill assumes savings from requiring prior authorizations for certain MRI, CT scans, PET scans and SPECT scans. Prior authorization would not be required for emergency circumstances.
Cap consumer directed attendant support services wage rates	(1,549,846)	The bill would cap wages paid for personal care, homemaker and health maintenance in the consumer directed care waiver to the same wages paid under the Home and Community-based Services - Elderly, Blind and Disabled waiver.

**Table 6: FY 2011-12 Benefit Reductions and Reimbursement Limits**

<b>Issue</b>	<b>Total Fund Amount</b>	<b>Description</b>
Enforce home health acute services limits	(1,234,424)	The bill will require prior authorization for any clients needing acute home health services after a 60-day limit.
Money follows the clients program expansion	(625,704)	The bill assumes savings from expanded efforts to relocate clients in nursing facility care to community settings.
Restrict Oral Nutrition Benefit	(3,315,512)	The bill assumes savings from additional prior authorization requirements for oral nutritional supplements for any clients five years of age or older.
Reduce Reimbursements for any Procedure Code above 95% of the Medicare Rate	(958,192)	The bill will set all procedure code reimbursement rates at or below 95 percent of the Medicare rate. This item will primarily affect physician services, injectable drugs, and durable medical equipment.
Eliminate circumcision as a covered benefit	(373,000)	The bill will eliminate circumcision as a covered benefit.
Managed Care Impact	<u>(2,707,681)</u>	The above benefit and reimbursement changes will also impact the rates paid to managed care organizations as reflected in the reduction.
<b>TOTAL</b>	<b>(\$34,184,652)</b>	
<b>General Fund</b>	<b>(\$17,016,406)</b>	
<b>Cash Funds</b>	<b>(\$75,920)</b>	
<b>Federal Funds</b>	<b>(\$17,092,326)</b>	

**Provider reimbursement reductions:** The bill includes a decrease of \$14.0 million total funds (\$6.2 million General Fund) to reduce provider rates in addition to the 5.5 percent reimbursement reductions that have already been enacted since the economic downturn began. The rate reductions are as follows:

- (1) \$11.7 million total funds savings (including \$5.1 million General Fund) from a 0.75 percent reimbursement reduction for most Medicaid providers; and
- (2) \$2.3 million total funds (including \$1.1 million General Fund) from a 0.5 percent reimbursement reduction to home and community-based long-term care waiver services.

**Expansion Accountable Care Collaborative:** The bill includes a reduction of \$4.8 million total funds (including \$2.4 million General Fund) from anticipated savings from increasing the number of clients eligible to participate in the Accountable Care Collaborative (ACC) pilot program. These savings are partially offset by increased administrative costs in the Executive Director's Office section. Under the ACC pilot program, seven Regional Care Coordination Organizations throughout the state will be responsible for managing and coordinating the care of clients assigned in their geographical area. The pilot program is an attempt to reduce Medicaid costs related to: duplicated outpatient services, pharmacy utilization, and emergency room utilization for conditions that can be treated in an outpatient setting.

**Reduce client overutilization:** The bill includes savings of \$136,600 total funds (including \$68,300 General Fund) based on increasing the number of clients in the Department's overutilization program. Because of administrative costs in the Executive Director's Office section for this issue, the net General Fund savings for this initiative is anticipated to be \$16,325. The overutilization program identifies patterns of misuse and



overuse by Medicaid clients. Clients in the program are "locked-in" with one primary care physician, pharmacy, or managed care organization in order to better manage and monitor their medical use and care.

**Nursing facility audit:** The bill includes a reduction of \$24,840 total funds (\$12,420 cash funds from the Nursing Facility Cash Fund) from savings that are anticipated due to auditing the number Medicare bed days provided at nursing facilities. Medicare bed days are the basis for the supplemental payment distributions that are made pursuant to H.B. 08-1114.

**Medicaid Mental Health Community Programs:** This Division provides for mental health care through the purchase of services from five regional behavioral health organizations (BHOs), which manage mental health services for eligible Medicaid recipients in a capitated, risk-based model. This division also contains funding for Medicaid mental health fee-for-service expenditures. Funding for FY 2011-12 reflects funding for 591,857 Medicaid clients who are eligible for mental health services.

Medicaid Mental Health Community Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$250,582,216	\$87,070,304	\$9,555,600	\$12,046	\$153,944,266	0.0
Long Bill Supplemental	1,007,893	2,211,992	1,713,088	954	(2,918,141)	0.0
Revised ARRA FMAP estimate	<u>0</u>	<u>4,261,706</u>	<u>382,944</u>	<u>0</u>	<u>(4,644,650)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$251,590,109	\$93,544,002	\$11,651,632	\$13,000	\$146,381,475	0.0
<i>Changes from FY 2010-11 Adjusted Appropriation</i>						
Medicaid mental health capitation forecast	30,410,016	4,334,274	7,194,077	820	18,880,845	0.0
Reallocate Medicaid funding for youth corrections	616,044	308,022	0	0	308,022	0.0
Medicaid mental health fee-for-service forecast	439,689	269,813	0	0	169,876	0.0
Eliminate ARRA funding	0	22,190,680	1,996,437	0	(24,187,117)	0.0
Health Care Expansion Fund insolvency	0	9,915,080	(9,915,080)	0	0	0.0
Benefit reductions and limits	(5,570,619)	(2,367,687)	(416,843)	(276)	(2,785,813)	0.0
Recoupments	(1,084,255)	(416,462)	0	0	(667,793)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$276,400,984	\$127,777,722	\$10,510,223	\$13,544	\$138,099,495	0.0
\$ Change from prior year	\$24,810,875	\$34,233,720	(\$1,141,409)	\$544	(\$8,281,980)	0.0
% Change from prior year	9.9%	36.6%	(9.8)%	4.2%	(5.7)%	n/a

## Issue Descriptions

**Long Bill Supplemental:** The bill increases the FY 2010-11 appropriation \$2.7 million total funds for increases in caseload. This is partially offset by a decrease of \$1.8 million total funds that result from additional recoupments from Behavioral Health Organizations (BHOs). The supplemental also makes various other technical changes.

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of State funds needed for Medicaid expenditures by \$4.6 million and lowers the amount of federal funds available by \$4.6 million.

**Medicaid mental health capitation forecast:** The bill includes a total fund increase of \$28.1 million (\$5.6 million General Fund) for FY 2011-12 in order to fund the Medicaid mental health program's forecasted caseload and capitation costs. Table 1 compares the projected costs for the mental health program by aid category in FY 2010-11 to the estimates for FY 2011-12.

<b>Eligible Medicaid Mental Health Caseload -- ONLY</b>	<b>FY 2010-11 Caseload</b>	<b>FY 2010-11 Est. Capitation Rate for Aid Category</b>	<b>FY 2010-11 Cost Estimate</b>	<b>FY 2011-12 Caseload</b>	<b>FY 2011-12 Capitation Rate for Aid Category</b>	<b>FY 2011-12 Cost Estimate</b>	<b>Cost Difference</b>
Adults 65+	38,942	\$154.89	\$6,031,723	39,556	\$159.42	\$6,305,918	\$274,195
Disabled Adults 60-64	7,706	\$1,768.35	\$13,626,885	8,098	\$1,960.02	\$15,872,275	\$2,245,390
All Disabled Individuals < 60	56,033	\$1,766.37	\$98,975,199	62,171	\$1,822.91	\$113,331,855	\$14,356,656
Categorical Eligible Adults	60,881	\$266.11	\$16,200,959	64,431	\$282.33	\$18,190,550	\$1,989,591
All Expansion Adults	47,036	\$266.08	\$12,515,200	74,078	\$220.13	\$16,306,688	\$3,791,488
Pregnant Adults	7,867	\$265.84	\$2,091,377	7,657	\$282.31	\$2,161,613	\$70,236
Breast and Cervical Cancer Treatment Adults	524	\$265.31	\$139,024	595	\$282.04	\$167,815	\$28,791
Eligible Children	300,625	\$188.37	\$56,630,173	316,392	\$199.06	\$62,981,849	\$6,351,676
Foster Children	18,502	\$2,362.14	\$43,704,223	18,879	\$2,288.91	\$43,212,424	(\$491,799)
<b>Total Capitation Base</b>	<b>538,116</b>	<b>n/a</b>	<b>\$249,914,763</b>	<b>591,857</b>	<b>n/a</b>	<b>\$278,530,987</b>	<b>\$28,616,224</b>
<b>FY 2010-11 Other Adjustments /1</b>			<b>(\$1,793,792)</b>			<b>\$0</b>	<b>\$1,793,792</b>
<b>Total Capitation Base</b>			<b>\$248,120,971</b>			<b>\$278,530,987</b>	<b>\$30,410,016</b>

<sup>/1</sup> The FY 2011-12 amount does not include any policy changes. Those items are discussed as separate issues below.

**Reallocate Medicaid funding for youth corrections:** The bill transfers appropriations for Medicaid medical and mental health services for youth at the Ridge View youth corrections facility from the Department of Human Services Medicaid-funded Programs section to the Medicaid Premiums and Medicaid Mental Health Capitation line items. This change has no impact on total department appropriations.

**Medicaid mental health fee-for-service forecast:** Certain Medicaid mental health costs are excluded from the Behavioral Health Organization's capitation contracts and are paid for on a fee-for-service basis. The bill includes an increase of \$943,069 (including \$471,535 General Fund) for the increase for these services based primarily on the estimated increase in the Medicaid caseload.

**Eliminate ARRA funding:** The bill reflects an increase of \$24.2 million State funds (including \$22.2 million General Fund) and a corresponding decrease of \$24.2 million federal funds due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

**Health Care Expansion Fund insolvency:** The bill includes an increase of \$9.9 million General Fund and a corresponding decrease of \$9.9 million cash funds due to insufficient revenues in the Health Care Expansion Fund to support the program requirements in Section 24-22-117 (2) (a) (II), C.R.S.

**Benefit reductions and limits:** The bill includes a decrease of \$5.6 million total funds (including \$2.4 million General Fund) based on the Department implementing a benefit or service reduction plan in January 2011 that will continue in FY 2011-12. Pursuant to federal and state law, capitation rates paid to the managed care organizations must be actuarially sound.

**Recoupments:** The bill includes a decrease in mental health capitation payments to account for recoupments derived from capitated payments made for clients later found to be ineligible for Medicaid.

**Indigent Care Program:** This division contains funding for the following programs:

*Indigent Care Program* -- This program provides partial reimbursement to participating hospitals and clinics that serve uninsured or under-insured clients. To be eligible for this program, clients must have income or assets equal to or lower than 250 percent of the federal poverty level (FPL) and may not qualify for assistance through the Medicaid program. This program served approximately 217,900 clients in FY 2009-10 (the last fiscal year available with data).

*Children's Basic Health Plan* -- This program provides health insurance to otherwise uninsured children from families at or below 250 percent of the FPL. The program also provides health insurance to eligible adult women between 133 percent and 250 percent of FPL. The Children's Basic Health Plan (CBHP) will provide health insurance to an estimated 75,811 children and an average monthly caseload of 2,391 adult pregnant women in FY 2011-12.

Indigent Care Program	Total Funds	General Fund <sup>1</sup>	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$539,315,572	\$17,148,210	\$203,726,571	\$7,303,880	\$311,136,911	0.0
Long Bill Supplemental	10,937,120	0	3,731,349	0	7,205,771	0.0
Revised ARRA FMAP estimate	<u>(1,450,510)</u>	<u>393,704</u>	<u>2,354,767</u>	<u>0</u>	<u>(4,198,981)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$548,802,182	\$17,541,914	\$209,812,687	\$7,303,880	\$314,143,701	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Children's Basic Health Plan (CBHP) forecast	33,532,290	0	11,736,301	0	21,795,989	0.0
Maximize upper payment limit for Safety Net Provider payments	15,896,239	0	7,948,120	0	7,948,119	0.0

<b>Indigent Care Program</b>	<b>Total Funds</b>	<b>General Fund<sup>1</sup></b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Annualize Colorado Health Care Affordability Act	4,044,632	0	2,021,581	0	2,023,051	0.0
Comprehensive Primary and Preventative Care Grant program	2,706,995	0	2,706,995	0	0	0.0
Health Care Expansion Fund insolvency	0	27,163,239	(27,163,239)	0	0	0.0
CBHP Trust insolvency	0	13,296,169	(6,439,289)	(6,856,880)	0	0.0
Eliminate ARRA funding	0	2,033,445	16,954,212	0	(18,987,657)	0.0
Eliminate one-time appropriations into the CBHP Trust	(10,911,482)	(9,411,482)	(1,500,000)	0	0	0.0
CBHP reductions	(8,527,297)	(2,580,428)	(404,126)	0	(5,542,743)	0.0
Annualize health clinic funding	(4,942,145)	0	9,875,427	0	(14,817,572)	0.0
Pediatric specialty hospital reduction	(1,514,056)	(757,028)	0	0	(757,028)	0.0
Tobacco funding revenue adjustments	(23,856)	(900)	(11,028)	(900)	(11,028)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$579,063,502</b>	<b>\$47,284,929</b>	<b>\$225,537,641</b>	<b>\$446,100</b>	<b>\$305,794,832</b>	<b>0.0</b>
\$ Change from prior year	\$30,261,320	\$29,743,015	\$15,724,954	(\$6,857,780)	(\$8,348,869)	0.0
% Change from prior year	5.5%	169.6%	7.5%	(93.9)%	(2.7)%	n/a

<sup>1</sup> This amount includes a General Fund Exempt appropriation.

<b>General Fund Summary</b>	<b>Total General Fund</b>	<b>General Fund</b>	<b>General Fund Exempt</b>
<b>FY 2010-11 Appropriation</b>	\$17,148,210	\$16,701,210	\$447,000
Long Bill supplemental	\$393,704	\$393,704	\$0
<b>FY 2010-11 Adjusted Appropriation</b>	<b>\$17,541,914</b>	<b>\$17,094,914</b>	<b>\$447,000</b>
Program General Fund Issues	29,743,915	29,743,915	0
Tobacco Tax Revenue adjustment	<u>(900)</u>	<u>0</u>	<u>(900)</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$47,284,929</b>	<b>\$46,838,829</b>	<b>\$446,100</b>

## General Fund Exempt

In November 2004, the Colorado voters passed Amendment 35 to the Colorado Constitution. Amendment 35 requires that 3.0 percent of the new tobacco tax be appropriated to the General Fund and the Old Age Pension Fund, and be distributed to the counties and cities. Because Amendment 35 moneys are exempt from the TABOR limit, the General Fund appropriations of these moneys are General Fund Exempt. House Bill 05-1262 required that beginning in FY 2006-07, 50.0 percent of the tobacco tax revenues appropriated to the General Fund be appropriated to the Pediatric Specialty Hospital Fund pursuant to Section 24-22-117 (1) (c) (I) (B), C.R.S.

## Issue Descriptions

**Long Bill Supplemental:** The bill includes a FY 2010-11 supplemental increase of \$10.9 million total funds (no General Fund impact) for the following issues:

- (1) An increase of \$12.1 million total funds (including \$4.1 million from the Hospital Provider Fee Cash Fund) for higher than anticipated hospital reimbursements under the Colorado Health Care Affordability Act (HCAA) based on an updated model approved by the Centers for Medicare and Medicaid Services in December 2010 (retroactive to October 2010); and
- (2) A decrease of \$1.2 million total funds (including \$413,718 from various cash funds) to adjust the caseload and cost estimates for the Children's Basic Health Plan program.

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of State funds needed for Medicaid expenditures by \$2.7 million and lowers the amount of federal funds available by \$4.2 million. In this section, the federal funds are reduced in the Health Care Services program but no increase to the State appropriations were made because the state funds are capped in statute.

**Children's Basic Health Plan (CBHP) forecast:** The bill includes a total funds increase of \$33.5 million for the forecasted caseload and per-capita-cost increases for the Children's Basic Health Plan program. The cost changes for the CBHP program are based on the following assumptions: (1) an overall increase to the children's caseload of 7,363 or 10.8 percent; (2) an increase in the adult prenatal program caseload of 358 clients or 17.6 percent; (3) an increase in the per capita rate for the children's medical program of \$123.21 or 5.7 percent; (4) an increase in the adult prenatal program's per capita costs of \$626.78 or 4.4 percent; and (5) an increase in the per capita rate for the children's dental program of \$6.58 or 4.0 percent. The per capita rate changes result from an actuary recommendation based on current health care trends in the community and for the program.

Table 1 below shows the FY 2010-11 caseload assumptions and per-capita costs compared to the final caseload and per-capita costs for FY 2011-12.

Eligible Caseload	FY 2010-11 Caseload	FY 2010-11 Est. Capitation Rate for Aid Category	FY 2010-11 Cost Estimate	FY 2011-12 Caseload	FY 2011-12 Capitation Rate for Aid Category	FY 2011-12 Cost Estimate	Cost Difference
Children - Medical	68,448	\$2,165.00	\$148,189,921	75,811	\$2,288.21	\$173,471,487	\$25,281,566
Children - Dental	68,488	\$164.46	\$11,256,958	75,811	\$171.04	\$12,966,713	\$1,709,755
Adult Prenatal - Medical	2,033	\$14,084.74	\$28,634,276	2,391	\$14,711.52	\$35,175,244	\$6,540,968
<b>Total Caseload Impacts</b>	<b>70,481</b>	<b>n/a</b>	<b>\$188,081,156</b>	<b>78,202</b>	<b>n/a</b>	<b>\$221,613,445</b>	<b>\$33,532,290</b>

**Maximize upper payment limit for Safety Net Provider payments:** The bill includes an increase of \$15.9 million total funds (including \$7.9 million from certified public expenditures at public hospitals) to increase reimbursements to public hospitals participating in the Indigent Care Program. Because the Medicaid program does not reimbursement hospitals at the maximum allowed under federal law (Upper Payment Limit), the State can certify expenditures at public hospitals in order to draw down additional federal funding. The additional federal funding can then be used to make supplemental payments to providers that participate in the Medicaid and Indigent Care Program to help reimburse the providers for uncompensated costs for caring for uninsured and under insured patients.

**Annualize Colorado Health Care Affordability Act:** The bill includes an increase of \$4.0 million total funds (\$2.0 million from the Hospital Provider Fee Cash Fund) to increase payments to hospitals pursuant the provisions in the Colorado Health Care Affordability Act (H.B. 09-1293). Under the reimbursement model currently approved by the Centers for Medicare and Medicaid Services (CMS), in FY 2011-12 the Department will make the following supplemental payments to hospitals participating in the Colorado Indigent Care Program (CICP):

- (1) For qualifying hospitals participating in the CICP program, the sum of supplemental payments will equal CICP write-off costs multiplied by 90.0 percent for most hospitals. High Volume Medicaid and CICP hospitals will receive 75.0 percent and rural and Critical Access Hospitals will receive 100.0 percent of their write-off costs.
- (2) For qualifying hospitals participating under the Disproportionate Share Hospital (DSH) program, the supplemental payments will equal uncompensated charity costs multiplied by 42.7 percent.

**Comprehensive Primary and Preventative Care Grant program:** The bill includes an increase of \$2.7 million cash funds for the Comprehensive Primary and Preventative Care Grant program. Pursuant to H.B. 10-1323 the Comprehensive Primary and Preventative Care Grant program was suspended in FY 2009-10 and FY 2010-11, and the funding for this program was transferred to the General Fund. Under current law, this program will be reinstated in FY 2011-12, and the bill makes the appropriation required under current law.

**Health Care Expansion Fund insolvency:** The bill includes an increase of \$27.2 million General Fund and a corresponding decrease of \$27.2 million cash funds due to insufficient revenues in the Health Care Expansion Fund to support the program requirements in Section 24-22-117 (2) (a) (II), Colorado Revised Statutes.

**CBHP Trust insolvency:** The bill includes an increase of \$13.3 million General Fund and a corresponding decrease of \$13.3 million cash funds due to insufficient revenues in the Children's Basic Health Plan Trust to support the program expenditures.

**Eliminate ARRA funding:** The bill reflects an increase of \$19.0 million State funds (including \$2.0 million General Fund) and a corresponding decrease of \$19.0 million federal funds due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

**Eliminate one-time appropriations into the CBHP Trust:** The bill reflects a decrease of \$10.9 million total funds (including \$9.4 million General Fund) to eliminate one-time revenue transfers into the Children's Basic Health Plan Trust. Rather than appropriate moneys into the CBHP Trust and then reappropriate moneys into

the CBHP program line items, the bill appropriates funding directly into the program lines. This will reduce the amount of reappropriated funds.

**CBHP reductions:** The bill includes a decrease of \$8.5 million total funds (including \$2.6 million General Fund) for CBHP benefit and reimbursement reductions. The table below describes the reductions associated with this issue.

<b>FY 2011-12 Benefit and Reimbursement Reductions for the Children's Basic Health Plan</b>		
<b>Issue</b>	<b>Total Fund Amount</b>	<b>Description</b>
Eliminate Reinsurance	(\$1,094,850)	In order to manage the risk in the State's self-funded managed care network (SMCN), the Department has purchased reinsurance to mitigate any extraordinary claims. However, based on recent changes to the program, the State is no longer receiving a positive return on investment from purchasing reinsurance. Therefore, the bill includes eliminating the reinsurance contract and managing risk internally.
3% Reimbursement Reduction to the HMO Rates	(2,734,447)	The bill includes a 3.0 percent provider rate reduction for the HMO program.
Other benefit changes	<u>(4,698,000)</u>	The bill includes savings from (1) eliminating out-of-network reimbursement without prior authorization for the SMCN; (2) shortening the amount of time children are enrolled in the SMCN before being assigned to an HMO plan; and (3) eliminating the inpatient coverage for CBHP adult pregnant women for the presumptive eligibility time period. If the woman is later found eligible, the claims will be paid.
<b>TOTAL</b>	<b>(\$8,527,297)</b>	
<b>General Fund</b>	<b>(\$2,580,428)</b>	
<b>Cash Funds</b>	<b>(\$404,126)</b>	
<b>Federal Funds</b>	<b>(\$5,542,743)</b>	

**Annualize health clinic funding:** Pursuant to the passage of a resolution declaring a fiscal emergency in FY 2010-11, the General Assembly transferred funding from the Primary Care Fund into the Health Care Services Fund and Primary Care Special Distribution Fund in order to reduce General Fund expenditures to maximize the amount of federal funding available health care clinics (H.B. 10-1378). However, because a fiscal emergency can only be declared for one fiscal year at time, this practice cannot continue in FY 2011-12 unless the General Assembly declares another fiscal emergency. Therefore, The bill reinstates and eliminates the following programs as required under current law. In addition, to the impacts in this division, the General Fund savings in the Medical Services Premiums line item of \$12.8 million had to be reinstated with the expiration of the fiscal emergency.

<b>Funding Adjustments Due to H.B. 10-1378 Expiring in FY 2011-12</b>			
	<b>Total Funds</b>	<b>Cash Funds</b>	<b>Federal Funds</b>
Health Care Services Fund Program	(29,635,145)	(14,817,573)	(14,817,572)
Primary Care Fund Program	28,253,000	28,253,000	0
Special Distribution from the Primary Care Fund	<u>(3,560,000)</u>	<u>(3,560,000)</u>	<u>0</u>

**Funding Adjustments Due to H.B. 10-1378 Expiring in FY 2011-12**

	<b>Total Funds</b>	<b>Cash Funds</b>	<b>Federal Funds</b>
<b>Total Department</b>	<b>(\$4,942,145)</b>	<b>\$9,875,427</b>	<b>(\$14,817,572)</b>

**Pediatric specialty hospital reduction:** The bill includes a decrease of \$1.5 million total funds (including \$757,028 General Fund) to reduce supplemental payments made to The Children's Hospital. These are optional payments that are used to mitigate the financial burden the hospital experiences as a high volume Medicaid and CBHP provider.

**Tobacco funding revenue adjustments:** The bill includes a decrease of \$23,856 total funds (including \$900 from the General Fund) to reflect lower revenue estimates for the tobacco taxes collected pursuant to Article X, Section 21 of the State Constitution and for the tobacco Master Settlement Agreement.

**Other Medical Services:** This division contains the funding for programs not administered by the Department through the Medicaid or Indigent Care Programs. Six of the line items receive Medicaid funding but are administered by other state departments, commissions, or hospitals. Two of the line items relate to the Old Age Pension State-Only Medical Program. Finally, one program relates to the State Contribution Payment for the Medicare Part D Benefit.

<b>Other Medical Services</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$122,603,094	\$58,660,534	\$30,474,490	\$2,235,000	\$31,233,070	0.0
Revised ARRA FMAP estimate	2,067,630	2,147,481	0	0	(79,851)	0.0
Long Bill Supplemental	<u>(4,864,741)</u>	<u>(781,258)</u>	<u>(1,848,483)</u>	<u>(2,235,000)</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$119,805,983	\$60,026,757	\$28,626,007	\$0	\$31,153,219	0.0
<b>Changes from FY 2010-11 Appropriation</b>						
Eliminate ARRA funding	17,749,767	18,162,183	0	0	(412,416)	0.0
Medicare Modernization Act State Contribution Payment	1,420,410	1,420,410	0	0	0	0.0
Public school health services	1,247,799	0	619,148	0	628,651	0.0
Estimated Children's Health Insurance Program Reauthorization Act bonus payment	0	(11,339,062)	0	0	11,339,062	0.0
Family medicine residency program reductions	(391,241)	(195,621)	0	0	(195,620)	0.0
Tobacco funding revenue adjustment	(4,500)	0	(4,500)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$139,828,218	\$68,074,667	\$29,240,655	\$0	\$42,512,896	0.0
\$ Change from prior year	\$20,022,235	\$8,047,910	\$614,648	\$0	\$11,359,677	0.0
% Change from prior year	16.7%	13.4%	2.1%	n/a	36.5%	n/a



## Issue Descriptions

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of State funds needed for Medicaid expenditures by \$2.1 million and lowers the amount of federal funds available by \$79,851. In this section, the General Fund appropriation for the Medicare Modernization Act State (MMA) Contribution Payment is increased without a corresponding increase in federal funds because the federal funds for this program are provided through the federal Medicare program.

**Long Bill Supplemental:** The bill includes a FY 2010-11 supplemental decrease of \$4.9 million total funds (including \$781,258 General Fund) for the following issues:

- (1) A decrease of \$4.1 million cash and reappropriated funds in the Old Age Pension State Medical program to align the current appropriation with anticipated expenditures from the program. Currently, the program is appropriated \$15.0 million total funds but is only anticipated to expend \$11.0 million total funds in FY 2010-11.
- (2) A decrease of \$781,258 General Fund to adjust appropriations for the MMA State Contribution Payment to forecasted expenditures in FY 2010-11.

**Eliminate ARRA funding:** The bill reflects an increase of \$17.7 million total funds (including \$18.2 million General Fund) due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011. The increase is mainly in the MMA State Contribution Payment and, therefore, there is no corresponding decrease in federal funds.

**Medicare Modernization Act State Contribution Payment:** The bill includes a General Fund increase of \$1.4 million for caseload and cost increases associated with the MMA State Contribution Payment. The MMA State Contribution Payment is the State's contribution to the Medicare Part D benefit (prescription drugs) for Medicaid clients who are eligible for both the Medicaid and Medicare programs. The total payment is anticipated to be \$91.2 million in FY 2011-12.

**Public school health services:** The bill includes an increase of \$1.2 million total funds (including \$619,148 in public expenditures from school districts) for increased reimbursement to school districts participating in the Public School Health Services program. Under this program, school districts are able to bill Medicaid for health care services that the districts provide to Medicaid eligible children. In FY 2011-12, school districts are anticipated to receive a total of \$14.4 million in federal funds (\$628,651 more than the amount anticipated for FY 2010-11) to use for the Public School Health Services program.

**Estimated Children's Health Insurance Program Reauthorization Act bonus payment:** The bill includes a decrease of \$11.3 million General Fund and a corresponding increase of \$11.3 million federal funds to reflect the anticipated bonus payment from the Children's Health Insurance Program Reauthorization Act (CHIPR). The \$11.3 million increase to the CHIPR bonus reflects the difference between the \$13.7 million the State received in FY 2010-11 and the \$25.0 million the State is anticipated to receive in FY 2011-12. The CHIPR bonus payment is based on projected caseload for children eligible for the Medicaid program. The CHIPR

bonus is appropriated in the MMA State Contribution Payment line item in order to reduce the required General Fund expenditures for that program.

**Family medicine residency program reductions:** The bill includes a decrease of \$391,241 total funds (including \$195,621 General Fund) to the Commission on Family Medicine Residency Training Programs line item. With this change and previous year reductions, the family medicine residency programs will have had state appropriations reduced by 30.0 percent since the economic downturn began.

**Tobacco funding revenue adjustment:** The bill includes a decrease of \$4,500 cash funds to reflect lower revenue estimates for the tobacco taxes collected pursuant to Article X, Section 21 of the State Constitution.

**Department of Human Services Medicaid-Funded Programs:** This division contains funding for programs administered by the Department of Human Services that are eligible for Medicaid funding. The funds appropriated in this division are transferred to the Department of Human Services as reappropriated funds. Detail about the programs funded with these dollars can be found in the Department of Human Services section.

Department of Human Services Medicaid-Funded Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$409,856,323	\$157,614,182	\$724,662	\$1,893,710	\$249,623,769	0.0
Long Bill Supplemental	40,584,746	16,247,151	0	0	24,337,595	0.0
Revised ARRA FMAP estimate	<u>0</u>	<u>7,169,024</u>	<u>20,613</u>	<u>0</u>	<u>(7,189,637)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$450,441,069	\$181,030,357	\$745,275	\$1,893,710	\$266,771,727	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Health Care Expansion Fund insolvency	1	554,082	(554,081)	0	0	0.0
Eliminate ARRA funding	0	37,014,060	106,462	0	(37,120,522)	0.0
Program changes in the Department of Human Services with Medicaid impacts	(19,333,958)	(5,193,092)	(283,138)	(6,537)	(13,851,191)	0.0
<b>Total FY 2011-12 JBC Long Bill Appropriation</b>	\$431,107,112	\$213,405,407	\$14,518	\$1,887,173	\$215,800,014	0.0
\$ Change from prior year	(\$19,333,957)	\$32,375,050	(\$730,757)	(\$6,537)	(\$50,971,713)	0.0
% Change from prior year	(4.3)%	17.9%	(98.1)%	(0.3)%	(19.1)%	n/a

## Issue Descriptions

**Long Bill Supplemental:** Please see the Department of Human Services for detail on this and other Medicaid-funded program changes in the Department of Human Services. The majority of this adjustment is associated with for Services for People with Disabilities.

**Revised ARRA FMAP estimate:** The bill adjusts the FY 2010-11 Medicaid appropriations to reflect a lower Federal Medical Assistance Program (FMAP) rate available through the American Recovery and Reinvestment Act (ARRA) than originally assumed. The original appropriation assumed an FMAP of 61.59 percent while the FMAP based on final Congressional action is estimated at 59.71 percent of qualified Medicaid expenditures. A lower FMAP increases the amount of state funds needed for Medicaid expenditures by \$7.2 million and lowers the amount of federal funds available by a corresponding \$7.2 million.

**Health Care Expansion Fund insolvency:** The bill includes an increase of \$554,082 General Fund and a corresponding decrease of \$554,082 cash funds due to insufficient revenues in the Health Care Expansion Fund to support the program requirements in Section 24-22-117 (2) (a) (II), C.R.S.

**Eliminate ARRA funding:** The bill reflects an increase of \$37.1 million total funds (including \$37.1 million General Fund) due to the end of the enhanced FMAP rate available under ARRA. The enhanced FMAP expires on June 30, 2011.

**Program changes in the Department of Human Services with Medicaid impacts:** Please see the Department of Human Services for detail on Medicaid-funded program changes in the Department of Human Services. The majority of this adjustment is associated with for Services for People with Disabilities.

## Department of Higher Education

**Department Description:** This department is responsible for higher education and vocational training programs in the state. The Colorado Commission on Higher Education (CCHE) serves as the central policy and coordinating board for the Department. Financial aid programs also fall under the purview of CCHE.

Summary Table for Department of Higher Education						
	Total Funds	General Fund <sup>1</sup>	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,002,643,257	\$705,145,512	\$1,604,272,229	\$643,769,858	\$49,455,658	21,397.5
Long Bill supplemental	<u>10,458,138</u>	<u>0</u>	<u>10,458,138</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$3,013,101,395	\$705,145,512	\$1,614,730,367	\$643,769,858	\$49,455,658	21,397.5
<i>Changes from Adjusted FY 2010-11 Appropriation by Long Bill Division</i>						
Department Administrative Office	63,188	0	22,696	1,617	38,875	0.0
Colorado Commission on Higher Education	(21,320,454)	0	(20,985,902)	(343,080)	8,528	(2.0)
Colorado Commission on Higher Education Financial Aid	(956,679)	15,371,641	(15,400,000)	371,680	(1,300,000)	0.0
College Opportunity Fund Program	(104,451,711)	(104,451,711)	0	0	0	0.0
Governing Boards	(3,575,347)	11,020,202	117,845,733	(104,451,711)	(27,989,571)	85.7
Local District Junior Colleges	(2,961,305)	(2,057,784)	(239,866)	0	(663,655)	0.0
Division of Occupational Education	(1,011,516)	(785,630)	0	288,374	(514,260)	0.0
Auraria Higher Education Center	0	0	0	0	0	6.6
State Historical Society	1,269,417	0	1,264,717	0	4,700	2.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,880,156,988	\$624,242,230	\$1,697,237,745	\$539,636,738	\$19,040,275	21,489.8
\$ Change from prior year	(\$132,944,407)	(\$80,903,282)	\$82,507,378	(\$104,133,120)	(\$30,415,383)	92.3
% Change from prior year	(4.4)%	(11.5)%	5.1%	(16.2)%	(61.5)%	0.4%

<sup>1</sup> This amount includes a General Fund Exempt appropriation. See the division detail for more information on General Fund Exempt appropriations.

### Appropriation Highlights:

#### *Changes to FY 2010-11 Appropriations:*

- The bill increases the stipends for students attending state-operated institutions by \$1.4 million General Fund to reflect a projected increase in the eligible population over the appropriated level, and reduces the General Fund for fee-for-service contracts by a like amount to offset the increased cost of the stipends. Also, the bill provides an additional \$11.6 million spending authority for academic fees and reduces tuition spending authority by a net \$1.1 million based on a more recent projection of revenue. Finally, the bill increases the General Fund Exempt appropriation by \$117.9 million and reduces the General Fund appropriation by the same amount.

*FY 2011-12 Appropriations:*

1. Reduces state and federal support for the higher education institutions by \$125.4 million (\$96.3 million General Fund), or 19.5 percent, distributed according to a three-part formula developed by the Colorado Commission on Higher Education that considers each institution's share of total funding (including tuition), each institution's share of state and federal funding, and enrollment increases since FY 2005-06.
2. Provides \$15.4 million General Fund to replace one-time cash funds for need based aid, and reallocates money between financial aid programs to reflect the end of a federal grant program that required a state match and increased costs for Native American tuition waivers at Fort Lewis College.
3. Includes \$114.1 million additional cash funds for tuition to reflect projected revenue with a 9.0 percent increase in Colorado resident tuition rates and a 5.0 percent increase in nonresident tuition rates, and changes in the enrollment forecast. Pursuant to S.B. 10-003, higher education governing boards may increase resident undergraduate tuition rates by up to 9.0 percent without legislative review or approval and may increase resident undergraduate tuition rates by more than 9.0 percent if the Colorado Commission on Higher Education approves a financial accountability plan submitted by the governing board ensuring access and accountability.
4. Increases cash funds spending authority for academic fees by \$6.8 million based on projected enrollment and scheduled escalators in facility fees.
5. Converts the fee-for-service contract with the Colorado School of Mines to a direct grant, pursuant to S.B. 10-003, resulting in a net reduction of \$11.0 million reappropriated funds.
6. Reflects, for informational purposes, the estimate by each governing board and the Auraria Higher Education Center of current year FTE.
7. Provides cash funds spending authority for 2.0 FTE, contract services, supplies, and utilities for maintenance of the new History Colorado Center in Denver at Broadway and 12th Avenue.

**Appropriation Detail by Long Bill Division**

**Department Administrative Office:** This division includes funding for centrally appropriated items for the Colorado Commission on Higher Education, the Division of Private Occupational Schools, and the Historical Society. These centrally appropriated items include salary survey, risk management, leased space, health benefits, and other miscellaneous expenses. These expenses are not appropriated centrally for the other divisions within the Department.

Department Administrative Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,278,617	\$0	\$1,424,654	\$722,007	\$131,956	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	63,188	0	22,696	1,617	38,875	0.0

Department Administrative Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,341,805	\$0	\$1,447,350	\$723,624	\$170,831	0.0
\$ Change from prior year	\$63,188	\$0	\$22,696	\$1,617	\$38,875	0.0
% Change from prior year	2.8%	n/a	1.6%	0.2%	29.5%	n/a

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally-appropriated line items for insurance, retirement benefits, and legal and administrative law judge services.

**Colorado Commission on Higher Education:** This division includes funding for the Commission's staff, the Division of Private Occupational Schools, and special purpose initiatives of the Department. The sources of cash funds include indirect cost recoveries and fees paid to the Division of Private Occupational Schools. The sources of reappropriated funds include indirect cost recoveries.

Colorado Commission on Higher Education	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$26,596,578	\$0	\$23,328,130	\$2,892,390	\$376,058	39.3
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	57,467	0	9,090	39,849	8,528	0.0
Fund source adjustment	0	0	12,009	(12,009)	0	0.0
Enrollment contingency	(20,000,000)	0	(20,000,000)	0	0	0.0
Technology grants	(1,000,000)	0	(1,000,000)	0	0	0.0
15 percent from administration	(343,321)	0	0	(343,321)	0	(2.0)
Personal services base reduction	(34,600)	0	(7,001)	(27,599)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$5,276,124	\$0	\$2,342,228	\$2,549,310	\$384,586	37.3
\$ Change from prior year	(\$21,320,454)	\$0	(\$20,985,902)	(\$343,080)	\$8,528	(2.0)
% Change from prior year	(80.2)%	n/a	(90.0)%	(11.9)%	2.3%	(5.1)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill changes fund sources to match statewide indirect cost recoveries paid as cash funds by CollegeInvest and College Access versus reappropriated funds from the higher education institutions and other agencies in the Department.

**Enrollment contingency:** The bill eliminates a line item that provided spending authority that the Department could transfer to any of the governing boards in the event that enrollment increased above projected levels, resulting in greater revenue than expected. The line item is no longer necessary with the delegation of tuition setting authority to the higher education governing boards pursuant to S.B. 10-003.

**Technology grants:** The bill reflects discontinuation of a one-time distribution from limited gaming funds for technology grants pursuant to H.B. 10-1383. For FY 2011-12, S.B. 11-159 establishes a new distribution for limited gaming funds that includes money for technology grants.

**15 percent from administration:** The bill reduces 15 percent of the indirect cost recoveries for the Department's administration and 2.0 FTE and reallocates the funding to need based grants.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Colorado Commission on Higher Education Financial Aid:** This division includes the state funded financial aid programs administered by CCHE.

Colorado Commission on Higher Education Financial Aid	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$106,139,746	\$88,548,595	\$15,400,000	\$291,151	\$1,900,000	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Native American students	1,354,631	1,326,272	0	28,359	0	0.0
Need based grants	371,719	15,771,719	(15,400,000)	0	0	0.0
Transfer from administration	343,321	0	0	343,321	0	0.0
Leveraging Educational Assistance Program	(3,026,350)	(1,726,350)	0	0	(1,300,000)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$105,183,067	\$103,920,236	\$0	\$662,831	\$600,000	0.0
\$ Change from prior year	(\$956,679)	\$15,371,641	(\$15,400,000)	\$371,680	(\$1,300,000)	0.0
% Change from prior year	(0.9)%	17.4%	(100.0)%	127.7%	(68.4)%	n/a

### Issue Descriptions

**Native American students:** The bill increases payments to Fort Lewis College for Native American student tuition waivers provided in FY 2010-11, pursuant to Section 23-52-105, C.R.S. It also adjusts the source of funds based on available indirect cost recoveries to offset the need for General Fund.

**Need based grants:** The bill refinances need based grants with General Fund due to the end of one-time cash funds from the CollegeInvest Scholarship Trust Fund and applies a portion of the savings from the end of the Leveraging Educational Assistance Program to increase need based grants.

**Transfer from administration:** The bill adds to need based grants the savings from reducing 15.0 percent of the indirect cost recoveries for the Department's administration.

**Leveraging Educational Assistance Program:** The bill reallocates General Fund previously used to match the discontinued federal Leveraging Educational Assistance Program to need based grants and Native American tuition waivers.

**College Opportunity Fund Program:** This section includes General Fund for student stipend payments for students attending state-operated higher education institutions and students attending private institutions, and for fee-for-service contracts between CCHE and the institutions.

College Opportunity Fund Program	Total Funds	General Fund <sup>1</sup>	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$593,976,181	\$593,976,181	\$0	\$0	\$0	0.0
Long Bill Supplemental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$593,976,181	\$593,976,181	\$0	\$0	\$0	0.0
<i>Changes from Adjusted FY 2010-11 Appropriation</i>						
Stipends State-operated institutions	4,724,400	4,724,400	0	0	0	0.0
Fee-for-service contracts	(98,155,909)	(98,155,909)	0	0	0	0.0
Convert fee-for-service contract with Mines to a direct appropriation	(11,020,202)	(11,020,202)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$489,524,470	\$489,524,470	\$0	\$0	\$0	0.0
\$ Change from prior year	(\$104,451,711)	(\$104,451,711)	\$0	\$0	\$0	0.0
% Change from prior year	(17.6)%	(17.6)%	n/a	n/a	n/a	n/a

<sup>1</sup> This amount includes a General Fund Exempt appropriation.

General Fund Summary	Total General Fund	General Fund	General Fund Exempt
<b>FY 2010-11 Appropriation</b>	<b>\$593,976,181</b>	<b>\$492,709,514</b>	<b>\$101,266,667</b>
Fee-for-service contracts	<u>0</u>	<u>(117,900,000)</u>	<u>117,900,000</u>
<b>FY 2010-11 Adjusted Appropriation</b>	<b>\$593,976,181</b>	<b>\$374,809,514</b>	<b>\$219,166,667</b>
Stipend payments	4,724,400	(7,604,503)	12,328,903
Fee-for-service contracts	<u>(109,176,111)</u>	<u>(104,413,874)</u>	<u>(4,762,237)</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$489,524,470</b>	<b>\$262,791,137</b>	<b>\$226,733,333</b>



## General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap<sup>1</sup>, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt that must be appropriated from the General Fund Exempt Account for higher education pursuant to Sections 24-77-103.6 (2) (b) and 24-77-104.5 (1) (b) (III), Colorado Revised Statutes.

### Issue Descriptions

**Long Bill supplemental:** The bill increases the stipends for students attending state-operated institutions by \$1,437,532 General Fund to reflect a projected increase in the eligible population over the appropriated level, and reduces the General Fund for fee-for-service contracts by a like amount to offset the increased cost of the stipends. The bill also increases the General Fund Exempt appropriation by \$117.9 million and reduces the General Fund appropriation by the same amount.

**Stipends State-operated institutions:** The bill provides funding for a projected 1.8 percent increase in the stipend-eligible student FTE (from 144,794 FTE to 147,334 FTE). For more detail of the impact by institution, see the Governing Boards section below.

**Fee-for-service contracts:** The bill reduces state and federal funding for the higher education institutions (including the Governing Boards, Local District Junior Colleges, and Area Vocational Schools) by \$125.4 million, or 19.5 percent. The reduction is distributed according to a three-part formula developed by the Colorado Commission on Higher Education that considers each institution's share of total funding (including tuition), each institution's share of state and federal funding, and enrollment increases since FY 2005-06. The amount for fee-for-service contracts represents the difference between the total targeted state and federal funds in the CCHE distribution formula for each governing and the projected stipends for each governing board. For more detail of the impact by institution, see the Governing Boards section.

**Convert fee-for-service contract with Mines to a direct appropriation:** The bill converts the fee-for-service contract with the Colorado School of Mines to a direct appropriation pursuant to S.B. 10-003. This moves the General Fund from the College Opportunity Fund Program division to the Governing Boards division, with no net change in the total General Fund, and eliminates a reappropriated funds appropriation in the Governing Boards division.

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**Governing Boards:** This division includes cash funds spending authority for tuition, academic and academic facility fees, and tobacco revenues. It also includes reappropriated funds spending authority for the state-operated higher education institutions from student stipend payments, fee-for-service contracts, and appropriated grants.

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<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

Governing Boards	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,159,244,468	\$0	\$1,535,981,985	\$595,272,912	\$27,989,571	21,034.0
Long Bill supplemental	<u>10,458,138</u>	<u>0</u>	<u>10,458,138</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$2,169,702,606	\$0	\$1,546,440,123	\$595,272,912	\$27,989,571	21,034.0
<b>Changes from Adjusted FY 2010-11 Appropriation</b>						
Tuition	114,104,371	0	114,104,371	0	0	0.0
Academic fees	6,786,099	0	6,786,099	0	0	0.0
Convert fee-for-service contract with Mines to a direct appropriation	0	11,020,202	0	(11,020,202)	0	0.0
FTE Adjustment	0	0	0	0	0	85.7
State and federal support	(121,421,080)	0	0	(93,431,509)	(27,989,571)	0.0
Limited gaming	(1,586,979)	0	(1,586,979)	0	0	0.0
Tobacco	(1,457,758)	0	(1,457,758)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,166,127,259	\$11,020,202	\$1,664,285,856	\$490,821,201	\$0	21,119.7
\$ Change from prior year	(\$3,575,347)	\$11,020,202	\$117,845,733	(\$104,451,711)	(\$27,989,571)	85.7
% Change from prior year	(0.2)%	n/a	7.6%	(17.5)%	(100.0)%	0.4%

## Issue Descriptions

**Long Bill supplemental:** The bill increases the stipends for students attending state-operated institutions by \$1,437,532 General Fund to reflect a projected increase in the eligible population over the appropriated level, and reduces the General Fund for fee-for-service contracts by a like amount to offset the increased cost of the stipends. Also, the bill provides an additional \$11.6 million spending authority for academic fees and reduces tuition spending authority by a net \$1.1 million based on a more recent projection of revenue.

**Tuition:** The bill reflects the projected tuition if institutions increase Colorado resident tuition rates 9.0 percent and nonresident rates 5.0 percent. Pursuant to S.B. 10-003, higher education governing boards may increase resident undergraduate tuition rates by up to 9.0 percent without legislative review or approval, and may increase resident undergraduate tuition rates by more than 9.0 percent if the Colorado Commission on Higher Education approves a financial accountability plan submitted by the governing board ensuring access and accountability. There are no statutory limits on graduate and nonresident tuition rate increases.

	Tuition Spending Authority			FY 2010-11 Colorado Resident Undergraduate Full-time (30 credits)		
	FY 2010-11 Appropriation*	Projected Increases	FY 2011-12 Appropriation	Tuition	Mandatory Fees	Tuition & Fees
Adams	\$14,090,680	\$1,814,211	\$15,904,891	\$2,952	\$2,019	\$4,971
Mesa	41,740,399	4,906,667	46,647,066	\$5,480	\$768	\$6,248
Metro	69,381,161	7,244,365	76,625,526	\$3,107	\$986	\$4,093
Western	9,929,989	722,228	10,652,217	\$3,422	\$1,354	\$4,776
CSU System	247,683,295	19,673,697	267,356,992	\$5,256	\$1,729	\$6,985
Fort Lewis	29,487,811	1,294,753	30,782,564	\$3,380	\$1,544	\$4,924
CU Regents	635,490,952	42,749,949	678,240,901	\$7,018	\$1,493	\$8,511

Tuition Spending Authority				FY 2010-11 Colorado Resident Undergraduate Full-time (30 credits)		
	FY 2010-11 Appropriation*	Projected Increases	FY 2011-12 Appropriation	Tuition	Mandatory Fees	Tuition & Fees
Mines	75,801,539	6,721,847	82,523,386	\$11,550	\$1,854	\$13,404
UNC	68,411,531	5,122,474	73,534,005	\$4,680	\$1,317	\$5,997
Community Colleges	231,530,059	23,854,180	255,384,239	\$2,888	\$333	\$3,221
<b>TOTAL</b>	<b>\$1,423,547,416</b>	<b>\$114,104,371</b>	<b>\$1,537,651,787</b>			

\* As adjusted by the supplemental add-on.

**Academic fees:** The bill reflects projected academic fees. Academic fees and academic facility fees are a small subset of total fees charged by campuses. These fees directly support the academic mission of the institutions. Fees for auxiliary programs like housing, food services, parking, and student government are not appropriated in the Long Bill. The fee projections for Adams State College and Metropolitan State College of Denver and for the Community College of Denver within the Community College system reflect scheduled escalators on facility bond fees implemented in prior years. The remainder of the projected increases are attributable to enrollment.

Academic Fees				
	FY 2010-11 Appropriation*	FY 2011-12 Appropriation	Change	Percent
Adams	\$2,210,000	\$2,951,165	\$741,165	33.5%
Mesa	610,831	632,210	21,379	3.5%
Metro	13,082,847	17,511,694	4,428,847	33.9%
Western	1,268,153	1,231,492	(36,661)	-2.9%
CSU System	16,612,733	16,753,193	140,460	0.8%
Fort Lewis	1,085,955	1,096,815	10,860	1.0%
CU Regents	44,800,859	45,000,000	199,141	0.4%
Mines	3,875,013	4,203,414	328,401	8.5%
UNC	5,074,400	5,117,140	42,740	0.8%
Community Colleges	10,742,639	11,652,406	909,767	8.5%
<b>TOTAL</b>	<b>\$99,363,430</b>	<b>\$106,149,529</b>	<b>\$6,786,099</b>	<b>6.8%</b>

\* As adjusted by the supplemental add-on.

**Convert fee-for-service contract with Mines to a direct appropriation:** The bill converts the fee-for-service contract with the Colorado School of Mines to a direct appropriation pursuant to S.B. 10-003. This moves the General Fund from the College Opportunity Fund Program division to the Governing Boards division, with no net change in the total General Fund, and eliminates a reappropriated funds appropriation in the Governing Boards division.

**FTE adjustment:** The FTE for the higher education institutions are included in the Long Bill for informational purposes only. Pursuant to statute, each governing board retains control over the number of employees hired. Historically, projections submitted by the schools of employment in the current year have been used in the Long Bill. Thus, the FTE reported lags funding decisions.

FTE				
	FY 2010-11	FY 2011-12		
	Appropriation	Estimate	Change	Percent
Adams	274.0	294.7	20.7	7.6%
Mesa	519.2	534.5	15.3	2.9%
Metro	1,266.1	1,299.0	32.9	2.6%
Western	243.2	231.9	(11.3)	-4.6%
CSU System	4,136.9	4,037.8	(99.1)	-2.4%
Fort Lewis	418.2	417.8	(0.4)	-0.1%
CU Regents	6,920.9	6,797.7	(123.2)	-1.8%
Mines	684.2	766.6	82.4	12.0%
UNC	986.9	1,003.1	16.2	1.6%
Community Colleges	5,584.0	5,736.6	152.6	2.7%
<b>TOTAL</b>	<b>21,033.6</b>	<b>21,119.7</b>	<b>86.1</b>	<b>0.4%</b>

**State and federal support:** The bill reduces state and federal funding for the higher education institutions (including the Governing Boards, Local District Junior Colleges, and Area Vocational Schools) by \$125.4 million, or 19.5 percent. The reduction is distributed according to a three-part formula developed by the Colorado Commission on Higher Education that considers each institution's share of total funding (including tuition), each institution's share of state and federal funding, and enrollment increases since FY 2005-06.

State and Federal Support				
Institution	FY 2010-11*	FY 2011-12	Difference	Percent
<b>Adams</b>	<b><u>\$13,447,945</u></b>	<b><u>\$11,190,415</u></b>	<b><u>(\$2,257,530)</u></b>	<b><u>-16.8%</u></b>
Stipends	2,894,160	2,944,380	50,220	1.7%
Fee-for-service	10,129,120	8,246,035	(1,883,085)	-18.6%
Federal ARRA	424,665	0	(424,665)	-100.0%
<b>Mesa</b>	<b><u>22,087,052</u></b>	<b><u>18,500,575</u></b>	<b><u>(3,586,477)</u></b>	<b><u>-16.2%</u></b>
Stipends	11,130,240	11,437,140	306,900	2.8%
Fee-for-service	10,237,825	7,063,435	(3,174,390)	-31.0%
Federal ARRA	718,987	0	(718,987)	-100.0%
<b>Metro</b>	<b><u>44,067,731</u></b>	<b><u>36,961,479</u></b>	<b><u>(7,106,252)</u></b>	<b><u>-16.1%</u></b>
Stipends	32,949,900	33,515,340	565,440	1.7%
Fee-for-service	9,715,226	3,446,139	(6,269,087)	-64.5%
Federal ARRA	1,402,605	0	(1,402,605)	-100.0%
<b>Western</b>	<b><u>11,208,881</u></b>	<b><u>9,344,247</u></b>	<b><u>(1,864,634)</u></b>	<b><u>-16.6%</u></b>
Stipends	2,414,280	2,497,980	83,700	3.5%
Fee-for-service	8,364,014	6,846,267	(1,517,747)	-18.1%
Federal ARRA	430,587	0	(430,587)	-100.0%
<b>CSU System</b>	<b><u>132,060,260</u></b>	<b><u>106,476,533</u></b>	<b><u>(25,583,727)</u></b>	<b><u>-19.4%</u></b>
Stipends	38,634,060	39,089,760	455,700	1.2%
Fee-for-service	87,396,034	67,386,773	(20,009,261)	-22.9%
Federal ARRA	6,030,166	0	(6,030,166)	-100.0%
<b>Fort Lewis</b>	<b><u>11,503,271</u></b>	<b><u>9,323,117</u></b>	<b><u>(2,180,154)</u></b>	<b><u>-19.0%</u></b>
Stipends	4,274,280	4,283,580	9,300	0.2%
Fee-for-service	6,331,198	5,039,537	(1,291,661)	-20.4%
Federal ARRA	897,793	0	(897,793)	-100.0%

<b>State and Federal Support</b>				
Institution	FY 2010-11*	FY 2011-12	Difference	Percent
<b>CU Regents</b>	<b><u>192,465,520</u></b>	<b><u>145,775,732</u></b>	<b><u>(46,689,788)</u></b>	<b><u>-24.3%</u></b>
Stipends	51,549,900	53,164,380	1,614,480	3.1%
Fee-for-service	130,006,017	92,611,352	(37,394,665)	-28.8%
Federal ARRA	10,909,603	0	(10,909,603)	-100.0%
<b>Mines</b>	<b><u>21,456,245</u></b>	<b><u>16,254,242</u></b>	<b><u>(5,202,003)</u></b>	<b><u>-24.2%</u></b>
Stipends	5,254,500	5,234,040	(20,460)	-0.4%
Fee-for-service	15,331,038	11,020,202	(4,310,836)	-28.1%
Federal ARRA	870,707	0	(870,707)	-100.0%
<b>UNC</b>	<b><u>40,624,090</u></b>	<b><u>32,806,606</u></b>	<b><u>(7,817,484)</u></b>	<b><u>-19.2%</u></b>
Stipends	14,987,880	14,935,800	(52,080)	-0.3%
Fee-for-service	23,854,910	17,870,806	(5,984,104)	-25.1%
Federal ARRA	1,781,300	0	(1,781,300)	-100.0%
<b>Community Colleges</b>	<b><u>131,965,957</u></b>	<b><u>112,832,926</u></b>	<b><u>(19,133,031)</u></b>	<b><u>-14.5%</u></b>
Stipends	105,227,640	106,938,840	1,711,200	1.6%
Fee-for-service	22,215,159	5,894,086	(16,321,073)	-73.5%
Federal ARRA	4,523,158	0	(4,523,158)	-100.0%
<b>Governing Boards</b>	<b><u>\$620,886,952</u></b>	<b><u>\$499,465,872</u></b>	<b><u>(\$121,421,080)</u></b>	<b><u>-19.6%</u></b>
Stipends	269,316,840	274,041,240	4,724,400	1.8%
Fee-for-service	323,580,541	225,424,632	(98,155,909)	-30.3%
Federal ARRA	27,989,571	0	(27,989,571)	-100.0%
<b>Local District Junior Colleges</b>	<b><u>\$14,631,390</u></b>	<b><u>\$11,909,951</u></b>	<b><u>(\$2,721,439)</u></b>	<b><u>-18.6%</u></b>
Direct grants	13,967,735	11,909,951	(2,057,784)	-14.7%
Federal ARRA	663,655	0	(663,655)	-100.0%
<b>Area Vocational Schools</b>	<b><u>\$8,964,761</u></b>	<b><u>\$7,664,871</u></b>	<b><u>(\$1,299,890)</u></b>	<b><u>-14.5%</u></b>
Direct grants	8,450,501	7,664,871	(785,630)	-9.3%
Federal ARRA	514,260	0	(514,260)	-100.0%
<b>Higher Education Institutions</b>	<b><u>\$644,483,103</u></b>	<b><u>\$519,040,694</u></b>	<b><u>(\$125,442,409)</u></b>	<b><u>-19.5%</u></b>
Stipends	269,316,840	274,041,240	4,724,400	1.8%
Fee-for-service/direct grants	345,998,777	244,999,454	(100,999,323)	-29.2%
Federal ARRA	29,167,486	0	(29,167,486)	-100.0%

\* As adjusted by the supplemental add-on.

**Limited gaming:** The bill includes an estimate of the limited gaming funds that will be distributed to higher education institutions with a 2-year mission pursuant to 12-47.1-701.5 (3) (c) (I), C.R.S.

<b>Estimated Allocation of Amendment 50 Moneys by Governing Board</b>			
Institution	Estimated Eligible FTE	Percentage of Total	FY11-12 Projected Allocation
Arapahoe	5,660.1	8.3%	543,751
Colorado Northwestern	758.6	1.1%	72,877
Aurora	4,223.8	6.2%	405,770
Denver	7,972.7	11.7%	765,917
Front Range	13,173.2	19.4%	1,265,515
Lamar	682.1	1.0%	65,528
Morgan	1,294.5	1.9%	124,359
Northeastern	1,483.1	2.2%	142,478
Otero	1,193.3	1.8%	114,637
Pikes Peak	10,286.6	15.1%	988,207
Pueblo	4,922.2	7.2%	472,863
Red Rocks	6,269.5	9.2%	602,295
Trinidad State	1,446.2	2.1%	138,933
<b>Community Colleges</b>	<b>59,365.9</b>	<b>87.3%</b>	<b>5,703,130</b>

Estimated Allocation of Amendment 50 Moneys by Governing Board			
Institution	Estimated Eligible FTE	Percentage of Total	FY 11-12 Projected Allocation
Aims	3,492.9	5.1%	335,554
Colorado Mountain College	2,716.0	4.0%	260,919
<b>Local District Total</b>	<b>6,208.9</b>	<b>9.1%</b>	<b>596,473</b>
Adams State College	248.7	0.4%	23,892
Mesa State College	2,194.2	3.2%	210,791
<b>Total</b>	<b>68,017.7</b>	<b>100.0%</b>	<b>6,534,284</b>

**Tobacco:** The bill reflects the projection of tobacco revenues distributed by statute to the University of Colorado Health Sciences Center.

**Local District Junior Colleges:** This section subsidizes the operations of the state's two local district junior colleges: Aims Community College and Colorado Mountain College. Institutions that are set up as local district junior colleges have special property tax districts that also support their operations and governing boards that are independent from the rest of the community college system. Students from the special property tax districts pay discounted tuition rates.

Local District Junior Colleges	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$15,467,729	\$13,967,735	\$836,339	\$0	\$663,655	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
State and federal support	(2,721,439)	(2,057,784)	0	0	(663,655)	0.0
Limited gaming	(239,866)	0	(239,866)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$12,506,424	\$11,909,951	\$596,473	\$0	\$0	0.0
\$ Change from prior year	(\$2,961,305)	(\$2,057,784)	(\$239,866)	\$0	(\$663,655)	0.0
% Change from prior year	(19.1)%	(14.7)%	(28.7)%	n/a	(100.0)%	n/a

## Issue Descriptions

**State and federal support:** The bill reduces state and federal funding for the higher education institutions (including the Governing Boards, Local District Junior Colleges, and Area Vocational Schools) by \$125.4 million, or 19.5 percent. The reduction is distributed according to a three-part formula developed by the Colorado Commission on Higher Education that considers each institution's share of total funding (including tuition), each institution's share of state and federal funding, and enrollment increases since FY 2005-06. For more detail of the impact by institution, see the Governing Boards section.

**Limited gaming:** The bill includes an estimate of the limited gaming funds that will be distributed to higher education institutions with a 2-year mission pursuant to 12-47.1-701.5 (3) (c) (I), C.R.S.

**Division of Occupational Education:** This division supervises and administers the occupational education programs of the state and approves the allocation and distribution of state and federal vocational education funds to the community colleges, local district junior colleges, area vocational schools, secondary school districts, and any other appropriate state and local educational agencies or institutions. This division also coordinates resources available for the promotion of job development, job training, and job retraining in the state.

Division of Occupational Education	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$52,843,669	\$8,450,501	\$0	\$26,921,146	\$17,472,022	32.0
<i>Changes from FY 2010-11 Appropriation</i>						
Career and Technical Education	288,374	0	0	288,374	0	0.0
State and federal support	(1,299,890)	(785,630)	0	0	(514,260)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$51,832,153	\$7,664,871	\$0	\$27,209,520	\$16,957,762	32.0
\$ Change from prior year	(\$1,011,516)	(\$785,630)	\$0	\$288,374	(\$514,260)	0.0
% Change from prior year	(1.9)%	(9.3)%	n/a	1.1%	(2.9)%	0.0%

## Issue Descriptions

**Career and Technical Education:** The bill includes a \$288,374, or 1.2 percent, increase in the transfer from the Department of Education to secondary career and technical education programs. The reappropriated funds originate as General Fund or State Education Funds in the Department of Education.

**State and federal support:** The bill reduces state and federal funding for the higher education institutions (including the Governing Boards, Local District Junior Colleges, and Area Vocational Schools) by \$125.4 million, or 19.5 percent. The reduction is distributed according to a three-part formula developed by the Colorado Commission on Higher Education that considers each institution's share of total funding (including tuition), each institution's share of state and federal funding, and enrollment increases since FY 2005-06. For more detail of the impact by institution, see the Governing Boards section.

**Auraria Higher Education Center:** Established by statute in 1974, the Auraria Higher Education Center (AHEC) is governed by a Board of Directors who oversee the centralized operations of the campus located in Denver. AHEC houses and provides common services to the Community College of Denver, Metropolitan State College of Denver, and the University of Colorado at Denver and Health Sciences Center.

Auraria Higher Education Center	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$17,670,252	\$0	\$0	\$17,670,252	\$0	166.3
<i>Changes from FY 2010-11 Appropriation</i>						
FTE adjustment	0	0	0	0	0	6.6

<b>Auraria Higher Education Center</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$17,670,252	\$0	\$0	\$17,670,252	\$0	172.9
\$ Change from prior year	\$0	\$0	\$0	\$0	\$0	6.6
% Change from prior year	0.0%	n/a	n/a	0.0%	n/a	4.0%

### Issue Descriptions

**FTE adjustment:** The FTE for the higher education institutions are included in the Long Bill for informational purposes only. Pursuant to statute, each governing board retains control over the number of employees hired. Historically, projections submitted by the schools of employment in the current year have been used in the Long Bill. Thus, the FTE reported lags funding decisions.

**State Historical Society:** The State Historical Society, founded in 1879, is an educational institution of the State and acts as trustee for the State in collecting, preserving, exhibiting and interpreting collections and properties of state historical significance. The Society maintains museums and historical sites throughout Colorado and provides assistance to local and regional historical societies and museums. It also distributes gaming revenue to gaming cities and through a state-wide grant program for historic preservation.

<b>State Historical Society</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$28,426,017	\$202,500	\$27,301,121	\$0	\$922,396	125.9
<i>Changes from FY 2010-11 Appropriation</i>						
Maintenance for new museum	716,553	0	716,553	0	0	2.0
Statewide preservation grant program	371,631	0	371,631	0	0	0.0
Gaming cities distribution	144,332	0	144,332	0	0	0.0
Restore one-time personal services reduction	128,104	0	114,919	0	13,185	0.0
Personal services base reduction	(91,203)	0	(82,718)	0	(8,485)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$29,695,434	\$202,500	\$28,565,838	\$0	\$927,096	127.9
\$ Change from prior year	\$1,269,417	\$0	\$1,264,717	\$0	\$4,700	2.0
% Change from prior year	4.5%	0.0%	4.6%	n/a	0.5%	1.6%

### Issue Descriptions

**Maintenance for new museum:** The bill provides cash funds spending authority for 2.0 FTE, contract services, supplies, and utilities for maintenance of the new History Colorado Center in Denver at Broadway and 12th Avenue. Of the total, \$380,251 will come from increased admission fees and projected event revenue, and \$336,262 will come from limited gaming funds deposited in the State Historical Fund for statewide historic preservation.



**Statewide preservation grant program:** The bill reflects anticipated statewide preservation grants based on projected gaming revenues that will be deposited in the State Historical Fund through the constitutional formula, less costs for the Society Museum and Preservation Operations appropriated pursuant to Section 12-47.1-1202 (5), C.R.S.

**Gaming cities distribution:** The bill reflects anticipated distributions to gaming cities for historic preservation based on projected gaming revenues and the constitutional distribution formula.

**Restore one-time personal services reduction:** The bill restores one-time personal reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Human Services

**Department Description:** The Department of Human Services is charged with the administration and supervision of all non-medical public assistance and welfare activities of the State, including assistance payments, food assistance, child welfare services, rehabilitation programs, alcohol and drug treatment programs, and programs for the aging. The Department is also responsible for inspecting and licensing child care facilities and for the care and treatment of the state's dependent citizens who are mentally ill, developmentally disabled, or juvenile offenders. The Department operates two Mental Health Institutes, three Regional Centers for people with developmental disabilities, and ten institutions for delinquent youth. The Department supervises counties, which administer child welfare services for abused and neglected children and many public assistance programs. The Department also provides funding for community-based services for indigent mentally ill people and people with developmental disabilities and contracts for the supervision and treatment of delinquent juveniles.

<b>Summary Table for Department of Human Services</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$2,117,268,496	\$636,162,453	\$347,500,356	\$429,404,980	\$704,200,707	5,182.7
Assumed Cash Funds Transfer Bill	(3,250,000)	0	(3,250,000)	0	0	0.0
Long Bill Supplemental	<u>24,557,837</u>	<u>(12,965,604)</u>	<u>(2,868,254)</u>	<u>40,584,746</u>	<u>(193,051)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$2,138,576,333	\$623,196,849	\$341,382,102	\$469,989,726	\$704,007,656	5,182.7
<b><i>Changes from Adjusted FY 2010-11 by Long Bill Division</i></b>						
Executive Director's Office	4,190,497	2,833,293	(301,231)	1,098,327	560,108	(9.5)
Office of Information Technology Services	(4,613,926)	(619,768)	(35,076)	(1,827,452)	(2,131,630)	0.0
Office of Operations	(124,752)	(223,627)	132,411	124,290	(157,826)	(13.9)
County Administration	3,437,243	(184,250)	1,263,853	0	2,357,640	0.0
Division of Child Welfare	(2,385,814)	(2,013,623)	345,202	(189,614)	(527,779)	0.0
Division of Child Care	(1,302,685)	(486,010)	3,427	0	(820,102)	0.0
Office of Self Sufficiency	(12,084,553)	(42,943)	1,780,805	(489)	(13,821,926)	(10.0)
Mental Health and ADAD Services	738,949	1,301,178	(679,218)	129,704	(12,715)	(58.5)
Services for People with Disabilities	(29,199,629)	1,712,459	(13,545,530)	(17,159,293)	(207,265)	(202.4)
Adult Assistance Programs	1,904,063	86,214	1,045,590	(67)	772,326	0.0
Division of Youth Corrections	(8,175,191)	(6,795,274)	392	(1,197,586)	(182,723)	(4.6)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,090,960,535	\$618,764,498	\$331,392,727	\$450,967,546	\$689,835,764	4,883.8
\$ Change from prior year	(\$47,615,798)	(\$4,432,351)	(\$9,989,375)	(\$19,022,180)	(\$14,171,892)	(298.9)
% Change from prior year	(2.2)%	(0.7)%	(2.9)%	(4.0)%	(2.0)%	(5.8)%

## **Appropriation Highlights:**

### *Changes to FY 2010-11 Appropriations:*

1. Adds \$35.5 million total funds, including \$11.4 million net General Fund, for projected increases in Medicaid expenditures for community-based services for people with developmental disabilities.
2. Reduces \$8.6 million total funds, including \$8.2 million General Fund, for the Division of Youth Corrections based on the December 2010 Legislative Council Staff caseload forecast for committed youth. The bill is based on the assumption that state-operated facilities will operate for nine months of FY 2010-11 at 100 percent of capacity and three months at 110 percent of capacity. The bill includes the addition of a footnote that provides the Division with flexibility between appropriations for state-operated and contracted placements.
3. Reduces \$3.25 million cash funds for the impact of an assumed cash funds transfer bill that will eliminate funding from the Operational Account of the Severance Tax Trust Fund for the Low Income Energy Assistance Program.

### *FY 2011-12 Appropriations:*

#### Executive Director's Office, Office of Information Technology Services, Office of Operations

1. Adds \$4.7 million total funds, including \$3.0 million General Fund, for centrally-appropriated line items in the Executive Director's Office and the Office of Operations including appropriations for employee benefits. Also adds \$1.0 million total funds, including \$0.5 million General Fund, for statewide information technology common policy.
2. Reduces \$5.9 million total funds, including \$1.0 million General Fund, for the annualization of prior year legislation and budget actions in the Office of Information Technology Services. Among other adjustments, this includes a reduction of \$6.4 million total funds, including \$1.0 million General Fund, to eliminate one-time FY 2010-11 appropriations for changes to the Colorado Benefits Management System (CBMS).
3. Eliminates \$0.2 million total funds (\$0.1 million General Fund) and 5.0 FTE for FTE base reductions in the Executive Director's Office, including eliminating 3.0 FTE human resources, 1.0 FTE field services, and 1.0 FTE administrative review positions.
4. Eliminates 5.0 FTE unused FTE authority for Employment and Regulatory Affairs with no associated funding reduction.

#### County Administration

5. Adds \$4.7 million total funds, including \$1.4 million General Fund, for county administration of the Supplemental Nutrition Assistance Program (Food Stamps) due to caseload increases.
6. Reduces \$1.6 million General Fund for County Tax Base Relief, a program that assists counties with relatively high human services costs and a low property tax base.

### Division of Child Welfare

7. Refinances \$4.0 million General Fund in the Division of Child Welfare with Temporary Assistance for Needy Families (TANF) federal funds. This change is feasible due to eliminating a TANF appropriation in the Office of Self Sufficiency for the Statewide Strategic Uses Fund.
8. Refinances \$2.0 million General Fund in the Division of Child Welfare with federal funds, based on projected receipt of Title IV-E federal funds.
9. Reduces funding for Child Welfare Services by \$2.0 million total funds due to the end of the enhanced federal match rate (FMAP) for the Title IV-E foster care and adoption programs. The net change includes a federal and cash funds reduction of \$5.9 million, partially offset by a General Fund increase of \$3.9 million. The enhanced FMAP was available in FY 2008-09, FY 2009-10, and FY 2010-11 pursuant to the federal American Recovery and Reinvestment Act of 2009 (ARRA).
10. Reduces \$0.4 million, including \$0.2 million General Fund, for the Child Welfare Training Academy, based on offering caseworker pre-employment training every three weeks, rather than every two weeks.

### Office of Self Sufficiency and Division of Child Care

11. Reduces \$7.3 million cash and federal funds for the Low Income Energy Assistance Program (LEAP), based on funds anticipated to be available. This includes a reduction of \$9.4 million in federal Low Income Home Energy Assistance block grant funds and a reduction of \$1.1 million in cash funds from Energy Outreach Colorado. These reductions are partially offset by an increase of \$3.25 million cash funds to reflect funding from the Operational Account of the Severance Tax Trust Fund.
12. Eliminates the \$4.0 million TANF federal funds appropriation for the Colorado Works Statewide Strategic Uses Fund. This facilitates refinancing \$4.0 million General Fund in the Division of Child Welfare.
13. Reduces \$0.5 million General Fund for Early Childhood Councils.
14. Eliminates 5.0 FTE unused FTE authority for Disability Determination Services with no associated funding reduction.

### Mental Health and Alcohol and Drug Abuse Services

15. Increases \$1.0 million General Fund and 26.7 FTE to annualize staff-to-patient increases at the Colorado Mental Health Institutes begun in FY 2010-11.
16. Reduces \$1.7 million total funds (including \$0.8 million General Fund) and 29.6 FTE as part of the closure of the "Mountain Star" Therapeutic Residential Child Care Facility (TRCCF) at the Colorado Mental Health Institute at Fort Logan. This 20-bed treatment division currently provides inpatient mental health services to adolescents in the custody of county departments of social services or the Department of Human Services' Division of Youth Corrections.
17. Reduces \$1.0 million General Fund and 14.5 FTE as part of the closure of the Circle treatment division at the Colorado Mental Health Institute at Pueblo. This 20-bed treatment division currently provides 90-day, inpatient treatment services to adults with co-occurring mental health and substance use disorder issues.

18. Eliminates 37.0 FTE unused FTE authority with no associated funding reduction. This includes reductions of 5.0 FTE for Federal Programs and Grants, 20.0 FTE for the Mental Health Institute at Fort Logan, and 12.0 FTE for the Mental Health Institute at Pueblo.

#### Services for People with Disabilities

19. Adds \$3.3 million General Fund for a projected increase in the eligible population for Early Intervention services for children under age 3 displaying developmental delays. The bill also restates the informational appropriation estimating private insurance funds available from the Early Intervention Services Trust Fund to reflect expected annual expenditures, rather than revenue, and based on more recent available data. And, the bill reflects discontinuation of one-time federal funds from ARRA that supplemented annual federal grants for Early Intervention services.
20. Adds \$3.2 million total funds, including \$1.6 million net General Fund, for 131 new community-based services for people with developmental disabilities to serve 66 youth transitioning from foster care, 35 youth transitioning from Children's Extensive Support, and 30 emergencies.
21. Reduces \$15.7 million total funds, including \$8.3 million net General Fund, for changes to the fee structure for community-based services for people with developmental disabilities that will be implemented by the Department to address issues that contributed to the projected increase in FY 2010-11 Medicaid expenditures.
22. Reduces \$6.3 million total funds and 142.4 FTE to reflect a more recent projection of expenditures by the State and Veterans Nursing Homes. The change is largely attributable to the sale of the Trinidad State Nursing Home.
23. Eliminates 60.0 FTE unused FTE authority with no associated funding reduction. This includes reductions of 40.0 FTE for the Regional Centers and 20.0 FTE for the Division of Vocational Rehabilitation.

#### Division of Youth Corrections

24. Reduces \$5.2 million total funds, including \$4.8 million General Fund, based on a decline in the projected FY 2011-12 youth commitment caseload. The caseload estimate (983.7 average daily population) is based on the average of the Legislative Council Staff and Department of Public Safety, Division of Criminal Justice December 2010 youth corrections commitment forecasts and the assumption that state-operated facilities will operate at 110.0 percent of capacity as they have historically. The bill includes a footnote that provides the Division with flexibility between appropriations for state-operated and contracted placements.
25. Reduces \$1.2 million General Fund for Parole Program Services based on declines in the youth corrections commitment and parole populations and statewide budget constraints.
26. Reduces funding for the S.B. 91-94 program by \$1.0 million General Fund in light of declines in the number of youth arrested and detained.
27. Reduces \$0.7 million General Fund and 9.6 FTE client managers, based on declines in the youth corrections commitment and parole populations.

## Appropriation Detail by Long Bill Division

**Executive Director's Office:** This office is responsible for the management and administration of the Department, performing such functions as budgeting, human resources, quality control, as well as some program supervision, coordination, and evaluation. This section includes centrally appropriated line items, such as workers' compensation, legal services, administrative law judge services, and payments related to risk management. In addition, this office includes funding for the following programs: (1) the Juvenile Parole Board; (2) the Developmental Disabilities Council; (3) funding for the state to comply with the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA); (4) the child welfare administrative review unit; (5) functions related to maintaining records and reports of child abuse and neglect and using such records to conduct employment/background screenings; and (6) the Child Welfare Ombudsman.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$61,749,045	\$33,714,491	\$2,957,930	\$14,913,018	\$10,163,606	150.0
<i>Changes from FY 2010-11 Adjusted Appropriation</i>						
Centrally appropriated line items	4,687,005	2,958,717	(90,555)	1,159,918	658,925	0.0
Restore one-time personal services reductions	274,519	134,562	12,894	41,140	85,923	0.0
Annualize S.B. 10-171	195,000	195,000	0	0	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(5.0)
Personal services base reduction	(219,671)	(105,800)	(13,297)	(36,199)	(64,375)	0.0
Eliminate one-time funding	(200,000)	0	(200,000)	0	0	0.0
Close CMHI Ft. Logan TRCCF unit	(192,201)	(192,201)	0	0	0	0.0
Reduce Human Resources FTE	(140,587)	(53,320)	(6,517)	(21,499)	(59,251)	(3.0)
Reduce Field Services FTE	(72,491)	(23,534)	(3,714)	(11,270)	(33,973)	(1.0)
Reduce Administrative Review FTE	(69,295)	(45,042)	0	0	(24,253)	(1.0)
Reduce HIPAA Security Remediation operating expenses	(47,279)	(35,089)	(42)	(9,260)	(2,888)	0.0
Commission for Deaf FTE	(24,503)	0	0	(24,503)	0	0.5
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$65,939,542	\$36,547,784	\$2,656,699	\$16,011,345	\$10,723,714	140.5
\$ Change from prior year	\$4,190,497	\$2,833,293	(\$301,231)	\$1,098,327	\$560,108	(9.5)
% Change from prior year	6.8%	8.4%	(10.2)%	7.4%	5.5%	(6.3)%

Note: The Reappropriated Funds amounts reflected in this section of the budget include Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF). Most of these funds are appropriated as 50 percent General Fund and 50 percent federal funds in HCPF.

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; workers' compensation; legal services; administrative law judges; and payments to risk management and property funds.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Annualize S.B. 10-171 (Ombudsman):** The bill annualizes the new Child Protection Ombudsman program created in S.B. 10-171.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Employment and Regulatory Affairs line item.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Eliminate one-time funding:** The bill eliminates one-time funding for the Older Coloradans Study (H.B. 10-1053).

**Close CMHI Ft. Logan TRCCF unit:** The bill reduces funding for centrally-appropriated line items associated with the closure of the Therapeutic Residential Child Care Facility (TRCCF) at the Colorado Mental Health Institute (CMHI) at Fort Logan.

**Reduce Human Resources FTE:** The bill eliminates 3.0 FTE human resources positions due to department downsizing.

**Reduce Field Services FTE:** The bill eliminates 1.0 FTE vacant Field Services position.

**Reduce Administrative Review FTE:** The bill eliminates 1.0 FTE Administrative Review position.

**Reduce HIPAA Security Remediation operating expenses:** The bill includes a reduction for operating expenditures for the subprogram.

**Commission for Deaf FTE:** The bill includes a reduction in funding and an increase of 0.5 FTE associated with converting contractual services to FTE for the Telecommunications Equipment Distribution Program.

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**Office of Information Technology Services:** This section includes funding for expenses associated with departmental information systems, including systems that support public benefits programs administered through the State's 64 counties and other local entities. Appropriations in this section include operating funds that support information systems used by over 8,800 Department and county staff. Major systems funded in

this section include the Colorado Benefits Management System (CBMS), the Colorado Financial Management System (CFMS), and the Colorado Trails information system.

Office of Information Technology Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$58,363,510	\$21,604,217	\$1,579,616	\$11,823,329	\$23,356,348	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide IT common policy adjustments	1,035,060	545,780	50,991	(16,752)	455,041	0.0
HCPF CBMS-related changes	255,272	9,955	1,880	230,104	13,333	0.0
CBMS refinance	0	(177,704)	186,415	(247,916)	239,205	0.0
Annualize prior year funding	(5,854,654)	(963,261)	(273,965)	(1,788,032)	(2,829,396)	0.0
Operating adjustments	(41,050)	(32,439)	0	(1,687)	(6,924)	0.0
Personal services base reduction	(8,554)	(2,099)	(397)	(3,169)	(2,889)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$53,749,584	\$20,984,449	\$1,544,540	\$9,995,877	\$21,224,718	0.0
\$ Change from prior year	(\$4,613,926)	(\$619,768)	(\$35,076)	(\$1,827,452)	(\$2,131,630)	0.0
% Change from prior year	(7.9)%	(2.9)%	(2.2)%	(15.5)%	(9.1)%	n/a

Note: The Reappropriated Funds amounts reflected in this section of the budget include Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

### Issue Descriptions

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**HCPF CBMS-related changes:** The bill includes CBMS changes to accommodate policy changes in programs administered by HCPF.

**CBMS refinance:** The bill includes funding source adjustments based on updated CBMS usage data.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Operating adjustments:** The bill includes a decrease for central operating expenses.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Office of Operations:** This section contains appropriations for various central departmental functions including accounting, auditing, contracting, purchasing, vehicle leases, and facilities management. This includes housekeeping and maintenance for direct-service facilities such as the mental health institutes, regional centers for persons with developmental disabilities, and youth corrections facilities.



Office of Operations	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$39,952,307	\$23,089,538	\$2,535,504	\$9,557,719	\$4,769,546	456.3
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	654,754	352,594	41,991	222,658	37,511	0.0
Centrally appropriated line items	41,836	(25,380)	47,145	93,124	(73,053)	0.0
Eliminate unused FTE authority	0	0	0	0	0	(13.0)
Fund source adjustments	0	(50,000)	71,327	(21,327)	0	0.0
Personal services base reduction	(488,296)	(305,604)	(27,205)	(125,951)	(29,536)	0.0
Eliminate temporary operating expenses increase	(164,250)	(164,250)	0	0	0	0.0
Reduce leased space appropriation	(126,890)	(30,987)	(847)	(2,308)	(92,748)	0.0
Close CMHI Ft. Logan TRCCF unit	(41,906)	0	0	(41,906)	0	(0.9)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$39,827,555	\$22,865,911	\$2,667,915	\$9,682,009	\$4,611,720	442.4
\$ Change from prior year	(\$124,752)	(\$223,627)	\$132,411	\$124,290	(\$157,826)	(13.9)
% Change from prior year	(0.3)%	(1.0)%	5.2%	1.3%	(3.3)%	(3.0)%

Note: The reappropriated funds amounts reflected in this section of the budget include Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for vehicle lease payments and Capitol complex leased space.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage.

**Fund source adjustments:** The bill applies \$50,000 cash funds from the Buildings and Grounds Cash Fund to offset General Fund otherwise required for utility costs. It also includes a technical adjustment to reclassify \$21,237 reappropriated funds as cash funds.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Eliminate temporary operating expenses increase:** The bill eliminates a temporary increase in operating expense funding added for two years in FY 2009-10.

**Reduce leased space appropriation:** The bill reduces the appropriation for leased space based on recent actual expenditures and declining market rates.

**Close CMHI Ft. Logan TRCCF unit:** The bill eliminates housekeeping, maintenance, and utility appropriations associated with the closure of the Therapeutic Residential Child Care Facility (TRCCF) at the Colorado Mental Health Institute (CMHI) at Fort Logan.

**County Administration:** This section contains appropriations for 64 county departments of social services to administer several programs including: the Supplemental Nutrition Assistance Program (Food Stamps), Adult Cash Assistance Programs (except Old Age Pension), Adult Protection, Low Income Energy Assistance, and Child Support Enforcement. Administration for the Colorado Works program, child welfare, child care, and Old Age Pension programs are included in the respective sections for these programs.

County Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$61,422,230	\$22,524,068	\$17,798,893	\$0	\$21,099,269	0.0
Long Bill Supplemental	(101,854)	(101,854)	0	0	0	0.0
<b>FY 2010-11 Adjusted Appropriation</b>	\$61,320,376	\$22,422,214	\$17,798,893	\$0	\$21,099,269	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Food Assistance Administration	4,715,280	1,414,584	943,056	0	2,357,640	0.0
Restore county incentive payments	320,797	0	320,797	0	0	0.0
Reduce County Tax Base Relief	(1,598,834)	(1,598,834)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$64,757,619	\$22,237,964	\$19,062,746	\$0	\$23,456,909	0.0
\$ Change from prior year	\$3,437,243	(\$184,250)	\$1,263,853	\$0	\$2,357,640	0.0
% Change from prior year	5.6%	(0.8)%	7.1%	n/a	11.2%	n/a

### Issue Descriptions

**Long Bill Supplemental:** The bill includes a reduction to County Tax Base Relief to align with projected expenditures for "Tier I" (highest need) counties. Under current law, only Tier I counties are eligible for funding for FY 2009-10, FY 2010-11, and FY 2011-12.

**Food Assistance Administration:** The bill includes an increase for county administration of the Supplemental Nutrition Assistance Program (Food Stamps) based on caseload increases for the program. The additional funding is anticipated to be required through FY 2012-13.

**Restore county incentive payments:** The bill restores incentive payments to counties for child support enforcement. Funds had been temporarily redirected to statewide child support enforcement initiatives.

**Reduce County Tax Base Relief:** The bill reduces County Tax Base Relief (assistance to counties with the highest human services costs and lowest property tax bases).

**Division of Child Welfare:** This section provides funding and state staff associated with the state supervision and county administration of programs that protect children from harm and assist families in caring for and protecting their children.

Division of Child Welfare	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$406,706,603	\$193,427,448	\$73,767,696	\$14,425,899	\$125,085,560	57.0
Long Bill Supplemental	<u>(2,642,342)</u>	<u>0</u>	<u>(2,868,254)</u>	<u>225,912</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$404,064,261	\$193,427,448	\$70,899,442	\$14,651,811	\$125,085,560	57.0
<i>Changes from FY 2010-11 Appropriation</i>						
Leap year adjustment	492,709	297,338	74,334	35,266	85,771	0.0
Restore one-time personal services reductions	110,656	76,500	0	4,304	29,852	0.0
Reflect federal CAPTA funds	50,027	0	0	0	50,027	0.0
Refinance Family and Children's Programs General Fund with TANF	0	(4,000,000)	0	0	4,000,000	0.0
Title IV-E- fund source adjustment	0	(2,000,000)	1,000,000	0	1,000,000	0.0
Eliminate Recovery Act enhanced federal match rate (FMAP)	(1,983,503)	3,911,137	(398,301)	0	(5,496,339)	0.0
Reduce Training Academy courses	(411,350)	(230,356)	0	0	(180,994)	0.0
Collaborative Management Incentives	(330,831)	0	(330,831)	0	0	0.0
Eliminate one-time funding	(225,912)	0	0	(225,912)	0	0.0
Personal services base reduction	(87,610)	(68,242)	0	(3,272)	(16,096)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$401,678,447	\$191,413,825	\$71,244,644	\$14,462,197	\$124,557,781	57.0
\$ Change from prior year	(\$2,385,814)	(\$2,013,623)	\$345,202	(\$189,614)	(\$527,779)	0.0
% Change from prior year	(0.6)%	(1.0)%	0.5%	(1.3)%	(0.4)%	0.0%

Note: Reappropriated Funds amounts reflected in this section of the budget are Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

### Issue Descriptions

**Long Bill Supplemental:** The bill includes a technical adjustment to more accurately reflect the local county share of funding required for child welfare services. This results in a reduction of \$2,868,254 cash funds in The bill, but does not change amounts actually received by counties. The bill also includes an increase of \$225,912 reappropriated funds associated with the two-week delay of Medicaid payments in FY 2009-10 and the resulting increase in payments in FY 2010-11.

**Leap year adjustment:** The bill includes an increase for costs associated with an additional one day of services in FY 2011-12 due to the leap year.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Reflect federal CAPTA funds:** The bill reflects an increase in federal funds anticipated to be received for the Child Abuse Protection and Treatment Act Grant.

**Refinance Family and Children's Programs General Fund with TANF:** The bill reduces General Fund appropriations for Family and Children's Programs and increases funding from the federal Temporary Assistance for Needy Families (TANF) block grant by the same amount. This is feasible due to the elimination of the Statewide Strategic Uses Fund TANF appropriation in the Office of Self Sufficiency.

**Title IV-E fund source adjustment:** The bill reduces the General Fund appropriation for Child Welfare Services by \$1.0 million and increases the federal funds appropriation by the same amount. It also eliminates the \$1.0 million General Fund appropriation for Federal Title IV-E Related County Administrative Functions and replaces this with a \$1.0 million cash funds appropriation for Excess Federal Title IV-E Distributions for Related County Administrative Functions.

**Eliminate Recovery Act enhanced federal match rate (FMAP):** The bill eliminates temporary funding available in FY 2008-09, FY 2009-10, and FY 2010-11 under the federal American Recovery and Reinvestment Act of 2009.

**Reduce Training Academy courses:** The bill reduces child welfare caseworker training to reflect an expectation that child welfare training academy pre-employment training will be offered every three weeks, rather than every two weeks.

**Collaborative Management Incentives:** The bill reduces Performance-based Collaborative Management Incentives based on the revenue projection for the cash fund and the expectation that remaining reserves will be spent-down during FY 2011-12 and FY 2012-13.

**Eliminate one-time funding:** The bill eliminates one-time funding associated with the two-week delay of Medicaid payments in FY 2009-10.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

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**Division of Child Care:** This section provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP), through which counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this section provides funding and state staff for the administration of various child care grant programs, and for licensing and monitoring child care facilities. Cash funds appropriations reflect expenditures by counties and fees and fines associated with the licensing of child care facilities. Federal funds primarily reflect Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law.

Division of Child Care	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$89,536,665	\$16,836,239	\$9,950,708	\$0	\$62,749,718	66.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	110,155	63,690	12,755	0	33,710	0.0
Move to ITS for Child Care Automated Tracking System	(825,980)	0	0	0	(825,980)	0.0
Reduce Early Childhood Councils	(500,000)	(500,000)	0	0	0	0.0
Personal services base reduction	(86,860)	(49,700)	(9,328)	0	(27,832)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$88,233,980	\$16,350,229	\$9,954,135	\$0	\$61,929,616	66.0
\$ Change from prior year	(\$1,302,685)	(\$486,010)	\$3,427	\$0	(\$820,102)	0.0
% Change from prior year	(1.5)%	(2.9)%	0.0%	n/a	(1.3)%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Move to ITS for Child Care Automated Tracking System:** The bill reflects funding adjustments due to the roll-out of a new Child Care Automated Tracking System in December 2010. The bill reduces funding for the Child Care Assistance Program and transfers these amounts to the Office of Information Technology Services (ITS) for ongoing support of the computer system.

**Reduce Early Childhood Councils:** The bill reduces the federal Child Care Development Fund appropriation for Child Care Councils by \$500,000 and uses this federal amount to offset General Fund otherwise required for the Colorado Child Care Assistance Program.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Office of Self Sufficiency:** This section includes appropriations for various public assistance programs, including Colorado Works, Low-income Energy Assistance Program (LEAP), child support enforcement, and disability determination programs, among others.

Office of Self Sufficiency	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$351,426,502	\$5,794,725	\$32,369,420	\$34,440	\$313,227,917	256.2
Assumed Cash Funds Transfer Bill	<u>(3,250,000)</u>	<u>0</u>	<u>(3,250,000)</u>	<u>0</u>	<u>0</u>	0.0
<b>FY 2010-11 Adjusted Appropriation</b>	\$348,176,502	\$5,794,725	\$29,119,420	\$34,440	\$313,227,917	256.2

Office of Self Sufficiency	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<i>Changes from FY 2010-11 Appropriation</i>						
Administration	6,028	20,781	0	0	(14,753)	0.0
Colorado Works Program	(5,793,836)	(54,222)	821	0	(5,740,435)	0.0
Special Purpose Welfare Programs	(5,500,107)	1,973	2,100,781	(489)	(7,602,372)	0.0
Child Support Enforcement	(977,270)	(11,475)	(320,797)	0	(644,998)	0.0
Disability Determination Services	180,632	0	0	0	180,632	(10.0)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$336,091,949	\$5,751,782	\$30,900,225	\$33,951	\$299,405,991	246.2
\$ Change from prior year	(\$12,084,553)	(\$42,943)	\$1,780,805	(\$489)	(\$13,821,926)	(10.0)
% Change from prior year	(3.5)%	(0.7)%	6.1%	(1.4)%	(4.4)%	(3.9)%

### Subsection Detail

*Administration:* This subsection of the Office of Self Sufficiency includes the State's share of administrative funding for self sufficiency programs.

<i>Administration</i>	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,764,304	\$757,378	\$0	\$0	\$1,006,926	22.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	39,396	39,396	0	0	0	0.0
Personal services base reduction	(33,368)	(18,615)	0	0	(14,753)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,770,332	\$778,159	\$0	\$0	\$992,173	22.0
\$ Change from prior year	\$6,028	\$20,781	\$0	\$0	(\$14,753)	0.0
% Change from prior year	0.3%	2.7%	n/a	n/a	(1.5)%	0.0%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Colorado Works Program:* This subsection of the Office of Self Sufficiency provides funding and spending authority associated with the Colorado Works Program, through which counties provide cash and other benefits and services intended to promote sustainable employment for low income families with children.

<i>Colorado Works Program</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$224,290,217	\$72,222	\$23,993,966	\$0	\$200,224,029	23.7
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	38,020	0	3,333	0	34,687	0.0
Eliminate Statewide Strategic Uses Fund	(4,000,000)	0	0	0	(4,000,000)	0.0
Fatherhood Grant reduction	(1,549,459)	(54,222)	0	0	(1,495,237)	0.0
Reduce Works Program Evaluation	(255,007)	0	0	0	(255,007)	0.0
Personal services base reduction	(27,390)	0	(2,512)	0	(24,878)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$218,496,381	\$18,000	\$23,994,787	\$0	\$194,483,594	23.7
\$ Change from prior year	(\$5,793,836)	(\$54,222)	\$821	\$0	(\$5,740,435)	0.0
% Change from prior year	(2.6)%	(75.1)%	0.0%	n/a	(2.9)%	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate Statewide Strategic Uses Fund:** The bill eliminates the appropriation for the Colorado Works Statewide Strategic Use Fund to allow for a refinance of \$4.0 million General Fund in the Division of Child Welfare.

**Fatherhood Grant reduction:** The bill reduces funding for the Promoting Responsible Fatherhood Grant, based on the end of the federal grant during FY 2011-12.

**Reduce Works Program Evaluation:** The bill reduces the appropriation for study and evaluation of the Colorado Works program.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Special Purpose Welfare Programs:* This subsection of the Office of Self Sufficiency contains appropriations for cash assistance programs for specific purposes, such as energy assistance, food stamp job search, food distribution, telephone assistance, income tax offset, and refugee assistance. This section also contains funding for Systematic Alien Verification for Eligibility (SAVE) system and the electronic benefits transfer service (EBTS).

<i>Special Purpose Welfare Programs</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$95,189,171	\$1,301,051	\$7,180,718	\$34,440	\$86,672,962	37.4
Assumed Cash Funds Transfer Bill	<u>(3,250,000)</u>	<u>0</u>	<u>(3,250,000)</u>	<u>0</u>	<u>0</u>	0.0

<i>Special Purpose Welfare Programs</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Adjusted Appropriation</b>	\$91,939,171	\$1,301,051	\$3,930,718	\$34,440	\$86,672,962	37.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time LEAP reduction	3,250,000	0	3,250,000	0	0	0.0
Reflect federal funds increase for refugee services	1,735,122	0	0	0	1,735,122	0.0
Restore one-time personal services reductions	44,111	12,610	5,514	326	25,661	0.0
Reflect federal and cash funds reduction for LEAP	(10,501,802)	0	(1,149,832)	0	(9,351,970)	0.0
Personal services base reduction	(27,538)	(10,637)	(4,901)	(815)	(11,185)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$86,439,064	\$1,303,024	\$6,031,499	\$33,951	\$79,070,590	37.4
\$ Change from prior year	(\$5,500,107)	\$1,973	\$2,100,781	(\$489)	(\$7,602,372)	0.0
% Change from prior year	(6.0)%	0.2%	53.4%	(1.4)%	(8.8)%	0.0%

### Issue Descriptions

**Restore one-time LEAP reduction:** The bill restores a one-time cash funds reduction for the Low Income Energy Assistance Program (LEAP). This amount reflects funding from the Operational Account of the Severance Tax Trust Fund.

**Reflect federal funds increase for refugee services:** The bill includes an increase to more accurately reflect funds anticipated to be received from the federal Office of Refugee Resettlement. The adjustment for FY 2011-12 is based on federal funds anticipated to be received for FY 2010-11.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Reflect federal and cash funds reduction for LEAP:** The bill includes a decrease to more accurately reflect funding available for the Low Income Energy Assistance Program (LEAP). The adjustment for FY 2011-12 is based on federal Low-income Home Energy Assistance federal block grant funds and Energy Outreach Colorado cash funds anticipated to be received for FY 2010-11.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

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*Child Support Enforcement:* This subsection of the Office of Self Sufficiency contains appropriations for the computer system used by county staff to establish paternity, locate absent parents, manage child support enforcement caseloads, and track collection efforts. It also includes appropriations for related state administrative activities.



<i>Child Support Enforcement</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$13,461,304	\$3,664,074	\$1,194,736	\$0	\$8,602,494	41.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	182,638	62,098	0	0	120,540	0.0
Eliminate one-time funding	(943,521)	0	(320,797)	0	(622,724)	0.0
Personal services base reduction	(216,387)	(73,573)	0	0	(142,814)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$12,484,034	\$3,652,599	\$873,939	\$0	\$7,957,496	41.4
\$ Change from prior year	(\$977,270)	(\$11,475)	(\$320,797)	\$0	(\$644,998)	0.0
% Change from prior year	(7.3)%	(0.3)%	(26.9)%	n/a	(7.5)%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate one-time funding:** The bill eliminates a one-time increase in FY 2010-11 that was based on redirecting a portion of the state share of child support recoveries from the county administration section to the state child support enforcement program and drawing down matching federal funds.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Disability Determination Services:* This subsection of the Office of Self Sufficiency provides the federal Social Security Administration with medical disability decisions for Colorado residents applying for Social Security Disability Insurance and Supplemental Security Income Programs.

<i>Disability Determination Services</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$16,721,506	\$0	\$0	\$0	\$16,721,506	131.7
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	180,632	0	0	0	180,632	0.0
Eliminate unused FTE authority	0	0	0	0	0	(10.0)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$16,902,138	\$0	\$0	\$0	\$16,902,138	121.7
\$ Change from prior year	\$180,632	\$0	\$0	\$0	\$180,632	(10.0)
% Change from prior year	1.1%	n/a	n/a	n/a	1.1%	(7.6)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a one-time personal services reduction for FY 2010-11 for a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage.

**Mental Health and Alcohol and Drug Abuse Services:** This section includes mental health community programs, the mental health institutes, alcohol and drug abuse programs, and funds for the central administration of these programs.

Mental Health and Alcohol and Drug Abuse Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$216,000,777	\$129,409,393	\$17,580,405	\$11,229,314	\$57,781,665	1,274.1
Long Bill Supplemental	<u>348,250</u>	<u>0</u>	<u>0</u>	<u>348,250</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$216,349,027	\$129,409,393	\$17,580,405	\$11,577,564	\$57,781,665	1,274.1
<i>Changes from FY 2010-11 Appropriation</i>						
Administration	3,174,537	294,962	125,763	499,980	2,253,832	25.8
Mental Health Community Programs	(553,156)	0	(553,156)	0	0	0.0
Mental Health Institutes	(1,302,930)	584,539	(568,100)	(1,319,369)	0	(53.5)
Alcohol and Drug Abuse Division	(2,695,275)	(244,096)	316,275	(500,907)	(2,266,547)	(30.8)
Co-occurring Behavioral Health Services	2,115,773	665,773	0	1,450,000	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$217,087,976	\$130,710,571	\$16,901,187	\$11,707,268	\$57,768,950	1,215.6
\$ Change from prior year	\$738,949	\$1,301,178	(\$679,218)	\$129,704	(\$12,715)	(58.5)
% Change from prior year	0.3%	1.0%	(3.9)%	1.1%	0.0%	(4.6)%

## Subsection Detail

*Administration:* This subsection contains appropriations for the central administration of mental health services, alcohol and drug abuse services for adults and children, and federal housing programs for low-income and indigent persons who require specialized care.

Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$24,904,420	\$950,775	\$232,909	\$333,568	\$23,387,168	55.1
<i>Changes from FY 2010-11 Appropriation</i>						
Administrative functions consolidation	3,179,055	283,226	156,859	493,459	2,245,511	30.8
Restore one-time personal services reductions	102,869	44,453	0	14,963	43,453	0.0

<i>Administration</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Eliminate unused FTE authority	0	0	0	0	0	(5.0)
Personal services base reduction	(70,811)	(24,235)	(3,002)	(8,442)	(35,132)	0.0
Annualize prior year funding	(28,094)	0	(28,094)	0	0	0.0
Operating adjustments	(8,482)	(8,482)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$28,078,957</b>	<b>\$1,245,737</b>	<b>\$358,672</b>	<b>\$833,548</b>	<b>\$25,641,000</b>	<b>80.9</b>
\$ Change from prior year	\$3,174,537	\$294,962	\$125,763	\$499,980	\$2,253,832	25.8
% Change from prior year	12.7%	31.0%	54.0%	149.9%	9.6%	46.8%

## Issue Descriptions

**Administrative functions consolidation:** The bill consolidates the personal services and operating expenses of the Alcohol and Drug Abuse Division and the Office of Behavioral Health and Housing.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Federal Programs and Grants line item.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Operating adjustments:** The bill includes a decrease for operating expenses.

*Mental Health Community Programs:* This subsection includes funds for mental health services for the medically indigent population (those who are not eligible for Medicaid). The programs are primarily delivered through the state's 17 community mental health centers.

<i>Mental Health Community Programs</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$51,445,623	\$39,979,488	\$4,953,817	\$278,749	\$6,233,569	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Decrease in tobacco litigation settlement revenue	(357,002)	0	(357,002)	0	0	0.0
Annualize prior year funding	(196,154)	0	(196,154)	0	0	0.0

<i>Mental Health Community Programs</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$50,892,467	\$39,979,488	\$4,400,661	\$278,749	\$6,233,569	0.0
\$ Change from prior year	(\$553,156)	\$0	(\$553,156)	\$0	\$0	0.0
% Change from prior year	(1.1)%	0.0%	(11.2)%	0.0%	0.0%	n/a

## Issue Descriptions

**Decrease in tobacco litigation settlement revenue:** The bill reflects a decrease in the amount of tobacco litigation settlement dollars that the state is anticipated to receive for FY 2011-12.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

*Mental Health Institutes:* The state provides inpatient mental health services at two mental health institutes, one located in Pueblo and one at Fort Logan in Denver. There are a total of 568 beds between the two institutes. The Institutes subsection also includes funds for the State's Institute for Forensic Psychology, which treats individuals who are considered to be incompetent to proceed at trial or who have been adjudicated not guilty by reason of insanity.

<i>Mental Health Institutes</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$89,134,919	\$73,383,747	\$8,250,161	\$7,501,011	\$0	1,188.2
Long Bill Supplemental	<u>348,250</u>	<u>0</u>	<u>0</u>	<u>348,250</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$89,483,169	\$73,383,747	\$8,250,161	\$7,849,261	\$0	1,188.2
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	1,711,371	1,707,042	0	4,329	0	0.0
Annualize prior year funding	628,346	958,915	0	(330,569)	0	26.7
Eliminate unused FTE authority	0	0	0	0	0	(32.0)
Therapeutic Residential Child Care Facility closure	(1,480,998)	(551,660)	(528,825)	(400,513)	0	(28.7)
Circle program closure	(1,000,000)	(1,000,000)	0	0	0	(14.5)
Personal services base reduction	(612,884)	(529,758)	(39,275)	(43,851)	0	0.0
Transfer Sol Vista FTE	(548,765)	0	0	(548,765)	0	(5.0)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$88,180,239	\$73,968,286	\$7,682,061	\$6,529,892	\$0	1,134.7
\$ Change from prior year	(\$1,302,930)	\$584,539	(\$568,100)	(\$1,319,369)	\$0	(53.5)
% Change from prior year	(1.5)%	0.8%	(6.9)%	(16.8)%	n/a	(4.5)%

## Issue Descriptions

**Long Bill Supplemental:** The bill also includes an increase associated with the two-week delay of Medicaid payments in FY 2009-10 and the resulting increase in payments in FY 2010-11.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage. The bill includes a reduction of 20.0 FTE for the Mental Health Institute at Fort Logan and a reduction of 12.0 FTE for the Mental Health Institute at Pueblo.

**Therapeutic Residential Child Care Facility closure:** The bill includes the closure of the "Mountain Star" Therapeutic Residential Child Care Facility (TRCCF) at the Colorado Mental Health Institute at Fort Logan. This 20-bed treatment division currently provides inpatient mental health services to adolescents in the custody of county departments of social services or the Department of Human Services' Division of Youth Corrections.

**Circle program closure:** The bill includes the closure of the Circle treatment division at the Colorado Mental Health Institute at Pueblo. This 20-bed treatment division currently provides 90-day, inpatient treatment services to adults with co-occurring mental health and substance use disorder issues.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items for non-essential employees, a 0.2 percent reduction for Personal Services line items for essential employees, and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Transfer Sol Vista FTE:** The bill transfers 5.0 FTE and associated expenses to the Division of Youth Corrections.

*Alcohol and Drug Abuse Division:* This subsection contains appropriations for alcohol and drug abuse prevention, intervention, and treatment services. Treatment, prevention, and intervention services are provided primarily through four managed service organizations, each of which is responsible for managing the services delivery in six single state planning areas across the state.

<i>Alcohol and Drug Abuse Division</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$50,181,588	\$14,761,156	\$4,143,518	\$3,115,986	\$28,160,928	30.8
<i>Changes from FY 2010-11 Appropriation</i>						
Persistent drunk driver funding	564,188	0	564,188	0	0	0.0
Restore one-time personal services reductions	46,923	46,392	0	531	0	0.0
Administrative functions consolidation	(3,179,055)	(283,226)	(156,859)	(493,459)	(2,245,511)	(30.8)

<i>Alcohol and Drug Abuse Division</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Decrease in tobacco litigation settlement revenue	(89,250)	0	(89,250)	0	0	0.0
Personal services base reduction	(38,081)	(7,262)	(1,804)	(7,979)	(21,036)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$47,486,313	\$14,517,060	\$4,459,793	\$2,615,079	\$25,894,381	0.0
\$ Change from prior year	(\$2,695,275)	(\$244,096)	\$316,275	(\$500,907)	(\$2,266,547)	(30.8)
% Change from prior year	(5.4)%	(1.7)%	7.6%	(16.1)%	(8.0)%	(100.0)%

## Issue Descriptions

**Persistent drunk driver funding:** The bill includes an increase in cash fund spending authority in the Department of Human Services and an offsetting decrease in cash fund spending authority in the Judicial Department.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Administrative functions consolidation:** The bill consolidates the personal services personal services and operating expenses of the Alcohol and Drug Abuse Division and the Office of Behavioral Health and Housing.

**Decrease in tobacco litigation settlement revenue:** The bill reflects a decrease in the amount of tobacco litigation settlement dollars that the state is anticipated to receive for FY 2011-12.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Co-occurring Behavioral Health Services:* This subsection contains appropriations for individuals requiring treatment services for co-occurring mental health and substance use disorders.

<i>Co-occurring Behavioral Health Services</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$334,227	\$334,227	\$0	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	1,450,000	0	0	1,450,000		0.0
Revenue adjustment	665,773	665,773	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,450,000	\$1,000,000	\$0	\$1,450,000	\$0	0.0
\$ Change from prior year	\$2,115,773	\$665,773	\$0	\$1,450,000	\$0	0.0
% Change from prior year	633.0%	199.2%	n/a	n/a	n/a	n/a

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Revenue adjustment:** The bill reflects an increase in the amount of medical marijuana tax revenue the state is anticipated to receive for FY 2011-12 that is dedicated to co-occurring behavioral health services.

**Services for People with Disabilities:** This section includes funding for Community Services for People with Developmental Disabilities, Regional Centers for People with Developmental Disabilities, the Work Therapy Program, the Division of Vocational Rehabilitation, and Homelake Domiciliary and the State and Veterans Nursing Homes.

Services for People with Disabilities	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$555,570,362	\$39,849,853	\$87,727,807	\$362,876,317	\$65,116,385	1,896.2
Long Bill Supplemental	<u>35,506,950</u>	<u>(4,708,322)</u>	<u>0</u>	<u>40,215,272</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$591,077,312	\$35,141,531	\$87,727,807	\$403,091,589	\$65,116,385	1,896.2
<i>Changes from FY 2010-11 Appropriation</i>						
Community Services for People with Developmental Disabilities	(21,442,140)	1,693,500	(4,347,131)	(17,975,654)	(812,855)	0.0
Regional Centers for People with Developmental Disabilities	872,658	581	0	872,077	0	(40.0)
Work Therapy Program	0	0	0	0	0	0.0
Division of Vocational Rehabilitation	(2,321,153)	18,378	(2,767)	(55,716)	(2,281,048)	(20.0)
Homelake Domiciliary and State and Veterans Nursing Homes	(6,308,994)	0	(9,195,632)	0	2,886,638	(142.4)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$561,877,683	\$36,853,990	\$74,182,277	\$385,932,296	\$64,909,120	1,693.8
\$ Change from prior year	(\$29,199,629)	\$1,712,459	(\$13,545,530)	(\$17,159,293)	(\$207,265)	(202.4)
% Change from prior year	(4.9)%	4.9%	(15.4)%	(4.3)%	(0.3)%	(10.7)%

### Subsection Detail

*Community Services for People with Developmental Disabilities:* This subsection includes all funding associated with community-based services available to adults and children with developmental disabilities. Twenty Community Centered Boards (CCBs) located throughout the state provide case management and much of the direct services for about 12,000 Coloradans with developmental disabilities.

This includes "comprehensive" (24-hour residential care), and supported living services (day-time care and employment support) for adults with developmental disabilities, early intervention services for infants and toddlers, children's extensive support services for children with intensive in-home supervision needs, and family support services (flexible assistance to families caring for a child with a developmental disability). The majority of funding supports adult residential care.

<i>Community Services for People with Developmental Disabilities</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$389,938,014	\$33,219,852	\$38,658,366	\$309,396,749	\$8,663,047	42.5
Long Bill Supplemental	<u>35,506,950</u>	<u>(4,708,322)</u>	<u>0</u>	<u>40,215,272</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$425,444,964	\$28,511,530	\$38,658,366	\$349,612,021	\$8,663,047	42.5
<b>Changes from FY 2010-11 Appropriation</b>						
State funding for early intervention	3,270,663	3,094,635	0	176,028	0	0.0
New resources for emergencies and transitions	3,248,006	0	0	3,248,006	0	0.0
Leap year adjustment	707,335	0	0	707,335	0	0.0
Annualize FY 10-11 changes in funded resources	388,265	(502,333)	0	890,598	0	0.0
Restore one-time personal services reductions	88,883	8,205	1,826	78,852	0	0.0
Cost containment measures	(15,655,510)	(901,129)	0	(14,754,381)	0	0.0
Insurance and federal grants for early intervention	(5,160,589)	0	(4,347,734)	0	(812,855)	0.0
Eliminate one-time funding	(4,745,219)	0	0	(4,745,219)	0	0.0
One-time catch-up payments for changes in provider billing habits	(3,500,000)	0	0	(3,500,000)	0	0.0
Personal services base reduction	(74,311)	(5,878)	(1,223)	(67,210)	0	0.0
Needs assessments	(9,663)	0	0	(9,663)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$404,002,824	\$30,205,030	\$34,311,235	\$331,636,367	\$7,850,192	42.5
\$ Change from prior year	(\$21,442,140)	\$1,693,500	(\$4,347,131)	(\$17,975,654)	(\$812,855)	0.0
% Change from prior year	(5.0)%	5.9%	(11.2)%	(5.1)%	(9.4)%	0.0%

Note: Most reappropriated funds amounts reflected in this section of the budget are Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

## Issue Descriptions

**Long Bill supplemental:** The bill includes a net increase for:

- A projected \$39.5 million increase in Medicaid expenditures for Adult Comprehensive Services and Children's Extensive Support Services, attributable primarily to higher than expected needs assessments and lower than expected vacancies;
- A projected \$5.1 million increase in Medicaid expenditures for Case Management, due in part to more billed units for Early Intervention clients;
- A \$4.7 million increase associated with the two-week delay of Medicaid payments in FY 2009-10 and the resulting increase in payments in FY 2010-11;
- A projected \$9.6 million reduction in Medicaid expenditures for Supported Living Services, due to lower than expected utilization of services within authorization limits;



- A reduction of \$3.1 million General Fund for Family Support Services to mitigate a portion of the cost of the projected Medicaid overexpenditures for Adult Comprehensive Services and Case Management;
- A net reduction of \$844,000 for eliminating 66 General Fund resources in the Adult Comprehensive Services program, effective October 2010, and increasing 16 Medicaid-funded resources for the same program, as part of efforts to mitigate the General Fund cost of the projected increase in Medicaid expenditures; and,
- A reduction of \$269,000 General Fund for a 4.5 percent reduction in General Fund Supported Living Services rates effective October 2010.

In addition to these changes, the Long Bill supplemental adjusts the Medicaid match rate for funds that appear in HCPF and are transferred to this division as Medicaid funds. The total impact of all of the above changes is a \$17.1 million increase in statewide net General Fund appropriations, including General Fund appropriations to the Department of Human Services for this division and General Fund appropriations to HCPF for transfer to this division.

**State funding for early intervention:** The bill includes funding for a projected 6.5 percent increase in the average monthly population, from 6,035 to 6,427. The amount from state funds takes into account the Department's projections of available funds from private insurance and federal funds.

**New resources for emergencies and transitions:** The bill provides an additional 96 Adult Comprehensive Services resources and 35 Supported Living Services resources. This includes 66 Adult Comprehensive Services resources for people who will transition from foster care during FY 2011-12, 30 Adult Comprehensive Services resources for emergencies, and 35 Supported Living Services resources for people transitioning from the Children's Extensive Support program. An emergency occurs when a care-giver becomes sick, deceased, unemployed, or otherwise incapable of continuing to provide for a person with developmental disabilities, and that person needs immediate residential services from the State. Abuse by a care provider or maladaptive behavior by a care recipient or a change in medical status can also cause an emergency situation.

**Leap year adjustment:** For payments to providers that are based on a daily rate, the bill includes a one-time increase to account for the leap year.

**Annualize FY 10-11 changes in funded resources:** The bill annualizes changes in the funded resources that took effect in the middle of FY 2010-11, including a reduction of 66 General Fund resources effective October 2010 and an increase of 16 Medicaid resources effective March 2011 for Adult Comprehensive Services.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Cost containment measures:** The bill reflects measures the Department will implement to contain costs in FY 2011-12 and to address issues that contributed to the projected increase in FY 2010-11 Medicaid expenditures. These measures include an additional \$900,000 reduction to Family Support Services and a combination of rate reductions, service plan modifications, and stricter enforcement of existing service criteria.

**Insurance and federal grants for early intervention:** The bill restates the informational appropriation estimating private insurance funds available from the Early Intervention Services Trust Fund to reflect expected annual expenditures, rather than revenue, and based on more recent available data. The bill also reflects discontinuation of one-time federal funds from the federal American Recovery and Reinvestment Act of 2009 that supplemented annual federal grants for Early Intervention.

**Eliminate one-time funding:** The bill reflects discontinuing one-time costs associated with the two-week delay of Medicaid payments in FY 2009-10 and the resulting increase in payments in FY 2010-11.

**One-time catch-up payments for changes in provider billing habits:** The bill reflects discontinuing a one-time catch-up payment in FY 2010-11 for a large provider that started submitting Medicaid bills in a more timely fashion, contributing to the projected Medicaid overexpenditure in FY 2010-11.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items totaling \$45,076 total funds, and additional reductions for certain line items totaling \$29,235 total funds.

**Needs assessments:** The bill reduces Medicaid funding for training and audit costs as more staff become familiar with proper administration of the Supports Intensity Scale (SIS) used for determining the needs of clients.

*Regional Centers for People with Developmental Disabilities:* This section contains appropriations for three regional centers operated by the Department for persons with developmental disabilities. Persons served by the regional centers in Wheat Ridge, Grand Junction, and Pueblo usually have multiple disabling conditions that may include maladaptive behaviors or severe, chronic medical conditions that require specialized and intensive levels of services. The reappropriated funds amounts reflected in this section of the budget are Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

<i>Regional Centers for People with Developmental Disabilities</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$48,949,585	\$85,228	\$2,060,389	\$46,803,968	\$0	927.6
<b>Changes from FY 2010-11 Adjusted Appropriation</b>						
Restore one-time personal services reductions	1,048,014	2,781	0	1,045,233	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(40.0)
Personal services base reduction	(175,356)	(2,200)	0	(173,156)	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$49,822,243	\$85,809	\$2,060,389	\$47,676,045	\$0	887.6
\$ Change from prior year	\$872,658	\$581	\$0	\$872,077	\$0	(40.0)
% Change from prior year	1.8%	0.7%	0.0%	1.9%	n/a	(4.3)%

Note: Reappropriated Funds amounts reflected in this section of the budget are Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items totaling \$87,898, and additional reductions for certain line items totaling \$87,458.

*Work Therapy Program:* This section appropriates Work Therapy Enterprise Funds for the mental health institute at Fort Logan and the Regional Centers for persons with developmental disabilities in Grand Junction, Pueblo, and Wheat Ridge. These funds support sheltered workshop programs for training and employment of clients. Revenue is derived from contracts with area businesses and organizations for work performed.

<i>Work Therapy Program</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$467,116	\$0	\$467,116	\$0	\$0	1.5
<i>Changes from FY 2010-11 Appropriation</i>						
None	0	0	0	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$467,116	\$0	\$467,116	\$0	\$0	1.5
\$ Change from prior year	\$0	\$0	\$0	\$0	\$0	0.0
% Change from prior year	0.0%	n/a	0.0%	n/a	n/a	0.0%

## Issue Descriptions

**None:** The bill includes no changes for FY 2011-12.

*Division of Vocational Rehabilitation:* This section contains appropriations to assist persons with physical and mental disabilities in overcoming barriers to employment. Vocational counseling services are provided statewide through satellite offices, and associated educational and medical services are purchased for program participants. In addition to providing vocational services, the Division assists persons with disabilities in living independently and integrating successfully into their communities. Most funding for the Division is based on a match rate of 78.7 percent federal vocational rehabilitation funds to 21.3 percent non-federal funds. Cash and reappropriated funds are from various local and government sources, including school districts.

<i>Division of Vocational Rehabilitation</i>	<b>Total</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$60,801,506	\$5,558,643	\$4,088,087	\$6,675,600	\$44,479,176	251.2
<b>Changes from FY 2010-11 Appropriation</b>						
Restore one-time personal services reductions	437,810	90,239	3,429	1,074	343,068	0.0
Eliminate unused FTE authority	0	0	0	0	0	(20.0)
One-time federal funds	(2,136,279)	0	0	0	(2,136,279)	0.0
Personal services base reduction	(622,684)	(71,861)	(6,196)	(56,790)	(487,837)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$58,480,353	\$5,577,021	\$4,085,320	\$6,619,884	\$42,198,128	231.2
\$ Change from prior year	(\$2,321,153)	\$18,378	(\$2,767)	(\$55,716)	(\$2,281,048)	(20.0)
% Change from prior year	(3.8)%	0.3%	(0.1)%	(0.8)%	(5.1)%	(8.0)%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage. The bill includes a reduction of 13.0 FTE for the Rehabilitation Programs - General Fund Match line item and 7.0 FTE for the Rehabilitation Programs - Local Funds Match line item.

**One-time federal funds:** The bill reflects the discontinuation of one-time federal funds for Independent Living Centers made available by the federal American Recovery and Reinvestment Act of 2009.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items totaling \$481,378, and additional reductions for certain line items totaling \$141,306.

*Homelake Domiciliary and State and Veterans Nursing Homes:* This section reflects funding for: (1) Homelake Domiciliary, a 46-bed group living facility which serves residents who do not require continuous nursing or medical care but who may need assistance with meals, housekeeping, personal care, laundry, and access to a physician; and (2) the five state nursing homes that are classified as veterans nursing homes and are eligible for federal Veterans Administration support. Homelake Domiciliary and the State and Veterans Nursing Homes are enterprises that have been granted continuous spending authority; therefore, with the exception of any General Fund appropriations, amounts shown are for informational purposes only. Cash funds amounts reflect estimated resident payments for services; federal funds amounts reflect estimated U.S. Veteran's Administration per diem support.

<i>Homelake Domiciliary and State and Veterans Nursing Homes</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$55,414,141	\$986,130	\$42,453,849	\$0	\$11,974,162	673.4
<i>Changes from FY 2010-11 Appropriation</i>						
Updated projection of nursing home expenditures	(6,308,994)	0	(9,195,632)	0	2,886,638	(142.4)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$49,105,147	\$986,130	\$33,258,217	\$0	\$14,860,800	531.0
\$ Change from prior year	(\$6,308,994)	\$0	(\$9,195,632)	\$0	\$2,886,638	(142.4)
% Change from prior year	(11.4)%	0.0%	(21.7)%	n/a	24.1%	(21.1)%

## Issue Descriptions

**Updated projection of nursing home expenditures:** The nursing homes have continuous spending authority for funds received pursuant to Article 12 of Title 26, C.R.S., but the bill includes an estimate of projected annual expenditures and FTE. The projected net decrease in expenditures and FTE for FY 2011-12 is primarily attributable to the sale of the Trinidad State Nursing Home to a private provider during FY 2010-11.

**Adult Assistance Programs:** This section includes funding for the Old Age Pension Program, for various adult cash assistance programs, and for community services for the elderly, including Older Americans Act programs. Additional detail on funding changes in Adult Assistance Programs is reflected in the subsection tables and narratives below.

<b>Adult Assistance Programs</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$144,378,390	\$24,775,085	\$101,141,238	\$105,817	\$18,356,250	28.5
<i>Changes from FY 2010-11 Appropriation</i>						
Administration	147	(82)	0	(67)	296	0.0
Old Age Pension	45,590	0	45,590	0	0	0.0
Other Grant Programs	1,086,248	86,248	1,000,000	0	0	0.0
Community Services for the Elderly	772,078	48	0	0	772,030	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$146,282,453	\$24,861,299	\$102,186,828	\$105,750	\$19,128,576	28.5
\$ Change from prior year	\$1,904,063	\$86,214	\$1,045,590	(\$67)	\$772,326	0.0
% Change from prior year	1.3%	0.3%	1.0%	(0.1)%	4.2%	0.0%

## Subsection Detail

*Administration:* This subsection of Adult Assistance Programs includes funding and staffing for management of all programs within Adult Assistance and for oversight of programs within the Other Grant Programs subsection.

<i>Administration</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$584,078	\$102,393	\$0	\$104,017	\$377,668	6.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	9,597	2,541	0	1,516	5,540	0.0
Personal services base reduction	(9,450)	(2,623)	0	(1,583)	(5,244)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$584,225	\$102,311	\$0	\$103,950	\$377,964	6.0
\$ Change from prior year	\$147	(\$82)	\$0	(\$67)	\$296	0.0
% Change from prior year	0.0%	(0.1)%	n/a	(0.1)%	0.1%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Old Age Pension Program:* This program, authorized by the State Constitution, provides cash assistance, up to a maximum of \$699 per person, per month to eligible individuals age 60 and older. Revenue for the Old Age Pension (OAP) Fund is from 85.0 percent of license fees and liquor and excise taxes; revenues that are not utilized for the OAP Program "spill over" into the General Fund. As the earmarked revenues are continuously appropriated by the State Constitution, the Long Bill simply reflects anticipated program expenditures for informational purposes.

<i>Old Age Pension Program</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$82,666,038	\$0	\$82,666,038	\$0	\$0	14.0
<i>Changes from FY 2010-11 Appropriation</i>						
OAP caseload and average payment projection	41,670	0	41,670	0	0	0.0
Restore one-time personal services reduction	17,933	0	17,933	0	0	0.0
Personal services base reduction	(14,013)	0	(14,013)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$82,711,628	\$0	\$82,711,628	\$0	\$0	14.0
\$ Change from prior year	\$45,590	\$0	\$45,590	\$0	\$0	0.0
% Change from prior year	0.1%	n/a	0.1%	n/a	n/a	0.0%

## Issue Descriptions

**OAP caseload and average payment projection:** The bill includes an increase for the projected caseload and average payment per case.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

*Other Grant Programs:* This subsection of Adult Assistance Programs contains appropriations for programs providing cash assistance to disabled individuals and individuals needing assistance with the activities of daily living.

<i>Other Grant Programs</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$29,614,732	\$22,950,799	\$6,663,933	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Reflect SSI Stabilization Fund Programs	1,000,000	0	1,000,000	0	0	0.0
Annualize HB 10-1146	86,248	86,248	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$30,700,980	\$23,037,047	\$7,663,933	\$0	\$0	0.0
\$ Change from prior year	\$1,086,248	\$86,248	\$1,000,000	\$0	\$0	0.0
% Change from prior year	3.7%	0.4%	15.0%	n/a	n/a	n/a

### Issue Descriptions

**Reflect SSI Stabilization Fund Programs:** The bill reflects anticipated expenditures from the Supplemental Security Income (SSI) Stabilization Fund for informational purposes. These amounts are continuously appropriated for expenditures that assist the State in complying with federal SSI maintenance of effort requirements.

**Annualize H.B. 10-1146:** The bill annualizes H.B. 10-1146, which modified the Home Care Allowance (HCA) program and transferred responsibility for the HCA single entry point contract from the Department of Health Care Policy and Financing to the Department of Human Services.

*Community Services for the Elderly:* This subsection of Adult Assistance Programs includes appropriations for programs associated with the federal Older Americans Act, including the Older Coloradans Program established by H.B. 00-1072. These programs are administered by 16 Area Agencies on Aging (AAA) located throughout the state. Services include: supportive services, senior centers, nutrition services, in-home services for persons with incomes above the eligibility thresholds for other programs, and disease prevention and health promotion services.

<i>Community Services for the Elderly</i>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$31,513,542	\$1,721,893	\$11,811,267	\$1,800	\$17,978,582	8.5
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds increase	769,463	0	0	0	769,463	0.0
Restore one-time personal services reductions	14,298	4,437	0	0	9,861	0.0
Personal services base reduction	(11,683)	(4,389)	0	0	(7,294)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$32,285,620	\$1,721,941	\$11,811,267	\$1,800	\$18,750,612	8.5
\$ Change from prior year	\$772,078	\$48	\$0	\$0	\$772,030	0.0
% Change from prior year	2.5%	0.0%	0.0%	0.0%	4.3%	0.0%

## Issue Descriptions

**Federal funds increase:** The bill reflects an increase of \$369,583 federal funds anticipated to be available for Senior Community Services Employment. It also reallocates \$21,046 General Fund from the State Funding for Senior Services line item to the Older Americans Act Programs line item (both line items within this section) to allow the State to draw down \$399,880 additional federal funds to support Older Americans Act programs and the Area Agencies on Aging.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Division of Youth Corrections:** The Division of Youth Corrections (DYC) is responsible for the supervision, care, and treatment of: (1) detained juveniles awaiting adjudication; (2) juveniles committed or sentenced to the Department of Human Services by courts; and (3) juveniles on parole from a facility operated or contracted for by the Division. The Division is not responsible for juveniles sentenced as adults to the Department of Corrections' Youthful Offender System. In addition to treating incarcerated and paroled juveniles, DYC administers the S.B. 91-94 grant program intended to divert juveniles from detention and commitment, or to reduce their length of stay. DYC maintains institutional centers and augments this capacity with contracts for community placements, secure placements, and detention placements.

<b>Division of Youth Corrections</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$132,162,105	\$125,137,396	\$91,139	\$4,439,127	\$2,494,443	998.4
Long Bill Supplemental	<u>(8,553,167)</u>	<u>(8,155,428)</u>	<u>0</u>	<u>(204,688)</u>	<u>(193,051)</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$123,608,938	\$116,981,968	\$91,139	\$4,234,439	\$2,301,392	998.4



<b>Division of Youth Corrections</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<i>Changes from FY 2010-11 Adjusted Appropriation</i>						
Restore one-time personal services reductions	1,437,040	1,428,452	1,166	1,449	5,973	0.0
Annualize H.B. 10-1413	371,881	371,881	0	0	0	0.0
Leap year adjustment	80,602	74,659	0	3,303	2,640	0.0
Restore temporary IMPACT reduction	71,421	71,421	0	0	0	0.0
Transfer Sol Vista FTE	0	0	0	0	0	5.0
Permanently eliminate flexible funding	0	0	0	0	0	0.0
Caseload adjustment	(5,201,047)	(4,805,029)	0	(208,653)	(187,365)	0.0
Reduce parole program services	(1,183,076)	(1,183,076)	0	0	0	0.0
Personal services base reduction	(1,105,508)	(1,096,078)	(774)	(4,685)	(3,971)	0.0
Reduce S.B. 91-94 funding	(1,000,000)	(1,000,000)	0	0	0	0.0
Transfer Medicaid appropriation	(989,000)	0	0	(989,000)	0	0.0
Reduce client management FTE	(657,504)	(657,504)	0	0	0	(9.6)
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$115,433,747</b>	<b>\$110,186,694</b>	<b>\$91,531</b>	<b>\$3,036,853</b>	<b>\$2,118,669</b>	<b>993.8</b>
\$ Change from prior year	(\$8,175,191)	(\$6,795,274)	\$392	(\$1,197,586)	(\$182,723)	(4.6)
% Change from prior year	(6.6)%	(5.8)%	0.4%	(28.3)%	(7.9)%	(0.5)%

Note: The Reappropriated Funds amounts reflected in this section of the budget include Medicaid funds transferred from the Department of Health Care Policy and Financing (HCPF).

### Issue Descriptions

**Long Bill Supplemental:** The bill includes a reduction based on the December 2010 Legislative Council Staff caseload forecast for committed youth. The bill is based on the assumption that state-operated facilities will operate for nine months of FY 2010-11 at 100 percent of capacity and three months at 110 percent of capacity. The bill includes a footnote that provides the Division with flexibility between appropriations for state-operated and contracted placements.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize H.B. 10-1413:** The bill incorporates the projected increase in the youth corrections caseload anticipated due to H.B. 10-1413. As this bill raised the age limit at which a youth could be charged as an adult for certain crimes, it was expected to result in an increase in the youth corrections caseload.

**Leap year adjustment:** The bill includes an increase for costs associated with an additional one day of services in FY 2011-12 due to the leap year.

**Restore temporary IMPACT reduction:** The bill restores a temporary FY 2009-10 and FY 2010-11 reduction for the Managed Care Pilot Program (Boulder IMPACT).

**Transfer Sol Vista FTE:** The bill transfers 5.0 FTE from The bill for the Colorado Mental Health Institute at Pueblo (CMHIP) to the Division of Youth Corrections and eliminates an associated reappropriated funds amount for CMHIP. These FTE are employed at the Youth Corrections Sol Vista facility on the Pueblo campus.

**Permanently eliminate flexible funding:** The bill reflects permanently eliminating \$9.15 million General Fund associated with decreases in the youth corrections population in prior years. The Department's request reflected restoring these funds in FY 2011-12 and then removing them again, as has been done for several years. The Division has never been allowed to use these funds due to statewide budget reductions, but in prior years the reduction was identified as temporary.

**Caseload adjustment:** The bill reflects the contract beds required based on an FY 2011-12 commitment caseload estimate of 983.7 average daily placements. This figure is based on average of the Legislative Council Staff and Department of Public Safety, Division of Criminal Justice December 2010 youth corrections commitment forecasts and the assumption that state-operated facilities will operate at 110 percent of capacity as they have historically. The bill includes a footnote that provides the Division with flexibility between appropriations for state-operated and contracted placements.

**Reduce parole program services:** The bill includes a reduction for Parole Program Services based on declines in the commitment and parole populations and statewide budget constraints.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items and an additional 1.0 percent reduction to some General Fund Personal Services line items.

**Reduce S.B. 91-94 funding:** The bill reduces funding for the S.B. 91-94 program in light of declines in the number of youth arrested and detained.

**Transfer Medicaid appropriation:** The bill transfers appropriations for Medicaid medical and mental health services for youth at the Ridge View youth corrections facility to the Medicaid Premiums and Medicaid Mental Health Capitation line items in the Department of Health Care Policy and Financing. This results in a reduction to the reappropriated funds appropriation in the Department of Human Services but has a net \$0 General Fund impact statewide.

**Reduce client management FTE:** The bill reflects a reduction of 8.6 FTE client managers and 1.0 FTE client management supervisor based on declines in the youth corrections commitment population. The reduction is associated with applying ratios of one client manager to 25 youth for those youth in residential placement and one client manager to 18 youth for youth on parole.

## Judicial Department

**Department Description:** The Judicial Branch is comprised of five agencies, each falling under the jurisdiction of the Colorado Supreme Court. However, each agency is independent, has its own Director, and submits its own budget request. The *Judicial Department* is the largest of the five agencies, and is comprised of the Supreme Court, the Court of Appeals, the State Court Administrator's Office, attorney regulation, trial courts, collections programs, probation, and victims programs. The *Public Defender's Office* and the *Office of Alternate Defense Counsel* provide legal representation for indigent criminal defendants. Such cases are first assigned to the Public Defender's Office, and cases are referred to the Alternate Defense Counsel if there is a conflict of interest. The *Office of the Child's Representative* oversees the provision of legal services to children entitled to legal representation at state expense, and is responsible for ensuring quality representation. Finally, the *Independent Ethics Commission* provides advice and guidance on ethics-related matters concerning public officers, members of the General Assembly, local government officials, or government employees.

Summary Table for Judicial Department						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$453,864,658	\$330,335,113	\$108,141,846	\$8,572,957	\$6,814,742	4,069.8
Long Bill Supplemental	<u>(3,280,711)</u>	<u>(3,280,711)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(22.4)</u>
FY 2010-11 Adjusted Appropriation	\$450,583,947	\$327,054,402	\$108,141,846	\$8,572,957	\$6,814,742	4,047.4
<b>Changes from FY 2010-11 by Long Bill Division</b>						
Supreme Court/Court of Appeals	535,820	215,546	282,774	37,500	0	4.0
Courts Administration	2,615,230	1,742,501	1,976,715	500,458	(1,604,444)	2.5
Trial Courts	5,963,053	2,514,765	3,313,288	135,000	0	52.0
Probation and Related Services	12,920,757	7,522,828	(100,988)	5,498,917	0	22.8
Public Defender	5,385,682	5,237,162	148,520	0	0	45.0
Alternate Defense Counsel	1,853,079	1,853,079	0	0	0	0.0
Office of the Child's Representative	175,554	175,554	0	0	0	0.0
Independent Ethics Commission	(57,082)	(57,082)	0	0	0	(1.0)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$479,976,040	\$346,258,755	\$113,762,155	\$14,744,832	\$5,210,298	4,172.7
\$ Change from prior year	\$29,392,093	\$19,204,353	\$5,620,309	\$6,171,875	(\$1,604,444)	125.3
% Change from prior year	6.5%	5.9%	5.2%	72.0%	(23.5)%	3.1%

### Appropriation Highlights:

#### *Changes to FY 2010-11 Appropriations*

1. Reduces General Fund appropriations by \$3.3 million including: \$2.3 million for the Alternate Defense Counsel due to lower than anticipated costs in felony cases; and \$1.0 million and 22.4 FTE for trial court and probation programs due to unanticipated delays in filling vacant positions.

*Changes to FY 2011-12 Appropriations*

1. Adds \$10.2 million for implementation of H.B. 10-1352 (Controlled substance crime changes), including a \$5.1 million increase in the General Fund appropriation to the Drug Offender Surcharge Fund based on projected General Fund savings in the Department of Corrections resulting from H.B. 10-1352, and a \$5.0 million increase in the cash funds spending authority out of such fund for the provision of treatment services to adult offenders who are on diversion, on probation, on parole, in community corrections, or in jail.
2. Adds \$8.3 million (including \$7.3 million General Fund) to restore one-time personal services reductions, including General Fund reductions for certain Personal Services line items and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.
3. Adds \$4.9 million (including \$2.6 million General Fund) and 76.7 FTE for the delayed implementation of new judgeships pursuant to H.B. 07-1054.
4. Adds \$3.8 million (including \$3.0 million General Fund) for centrally appropriated line items, primarily for employee insurance and retirement benefits.
5. Adds \$2.1 million General Fund for court-appointed counsel to address caseload and cost per case increases, including \$1,823,000 for the Alternate Defense Counsel and \$258,000 for the Office of the Child's Representative.
6. Adds \$598,000 cash funds to increase bandwidth for the Judicial information technology network and to add 2.0 FTE network support staff.
7. Eliminates \$2.0 million (including \$1.9 million cash funds and \$81,000 General Fund) for capital outlay and for furnishing new and refurbished courthouse facilities.
8. Reduces General Fund support for two grant programs by \$587,000, including \$467,000 for grants to organizations that provide civil legal services to indigent clients who are victims of family violence, and \$120,000 for grants to court-appointed special advocate programs.
9. Adds 125.3 FTE, including the following changes:
  - An increase of 80.7 FTE based on prior year legislation and budget actions, including: an increase of 76.7 FTE for continued implementation of H.B. 07-1054; an increase of 4.5 FTE state funded positions to maintain problem-solving court staff who are currently supported by a federal grant; an increase of 1.0 FTE for the public access system and continued development of an in-house e-filing system; and a reduction of 1.5 FTE pursuant to S.B. 09-241 (concerning DNA testing of felony arrestees);
  - The restoration of 45.3 FTE that were eliminated mid-year in FY 2010-11 to reflect the number of positions that have been held open for purposes of budget balancing, including: 24.3 FTE probation staff, 14.9 FTE trial court staff, 4.0 FTE appellate court staff, and 2.1 FTE administrative staff;
  - An increase of 2.0 FTE to support the Judicial information technology network;

- A net decrease of 1.7 FTE that are included for informational purposes, including a decrease of 4.0 FTE in problem-solving courts that are supported by a federal grant, offset by an increase of 2.3 FTE public defender staff who will be supported by a grant for the Denver Sobriety Court; and
- A base reduction of 1.0 FTE for the Independent Ethics Commission.

### Appropriation Detail by Long Bill Division

**Supreme Court/Court of Appeals:** This section provides funding for the Colorado Supreme Court and the Colorado Court of Appeals. The *Supreme Court* is the court of last resort, and its decisions are binding on the Court of Appeals and all county and district courts. While requests to review decisions of the Colorado Court of Appeals constitute the majority of the Supreme Court's filings, the Court also has direct appellate jurisdiction over other types of cases, such as those cases in which a statute has been held to be unconstitutional. The Supreme Court also oversees the regulation of attorneys and the practice of law. The Supreme Court is composed of seven justices who serve renewable 10-year terms. The Chief Justice, selected by the justices of the Court, is the executive head of the Department.

Created by statute, the *Court of Appeals* is generally the first court to hear appeals of judgements and orders in criminal, juvenile, civil, domestic relations, and probate matters. The Court of Appeals also has initial jurisdiction to review actions and decisions of several state agencies, boards, and commissions. Its determination of an appeal is final unless the Colorado Supreme Court agrees to review the matter. The Court of Appeals is currently composed of 22 judges who serve renewable 8-year terms.

Supreme Court/Court of Appeals	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$18,879,403	\$10,045,031	\$8,821,872	\$12,500	\$0	190.2
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	250,061	215,546	34,515	0	0	0.0
Partially restore FY 2010-11 personal services reduction	248,259	0	248,259	0	0	4.0
Transfer from Department of Law	37,500	0	0	37,500	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$19,415,223</b>	<b>\$10,260,577</b>	<b>\$9,104,646</b>	<b>\$50,000</b>	<b>\$0</b>	<b>194.2</b>
\$ Change from prior year	\$535,820	\$215,546	\$282,774	\$37,500	\$0	4.0
% Change from prior year	2.8%	2.1%	3.2%	300.0%	n/a	2.1%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Partially restore FY 2010-11 personal services reductions:** The bill restores a portion of the staffing reductions that occurred in FY 2010-11 to address a significant staffing deficit and a growing number of pending cases.

**Transfer from Department of Law:** The bill authorizes the receipt and expenditure of moneys transferred from the Department of Law to support a joint effort to share library resources when both departments are co-located in the Ralph L. Carr Judicial Center.

**Courts Administration:** The justices of the Supreme Court appoint a State Court Administrator to oversee the daily administration of the Department and provide technical and administrative support to the courts and probation. The Courts Administration section is comprised of three subsections: Administration and Technology; (B) Central Appropriations; and (C) Centrally Administered Programs.

<b>Courts Administration</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$101,058,466	\$45,936,809	\$50,224,224	\$2,507,691	\$2,389,742	333.3
<b>Changes from FY 2010-11 Appropriation</b>						
Administration and Technology	1,426,447	225,799	702,049	499,114	(515)	2.0
Central Appropriations	3,144,625	2,192,225	952,400	0	0	0.0
Centrally Administered Programs	(1,955,842)	(675,523)	322,266	1,344	(1,603,929)	0.5
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$103,673,696	\$47,679,310	\$52,200,939	\$3,008,149	\$785,298	335.8
\$ Change from prior year	\$2,615,230	\$1,742,501	\$1,976,715	\$500,458	(\$1,604,444)	2.5
% Change from prior year	2.6%	3.8%	3.9%	20.0%	(67.1)%	0.8%

### Subsection Detail

*Administration and Technology:* This subsection provides funding and staff associated with central administration of the State’s judicial system, including information technology systems and support.

<b>Administration and Technology</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$21,310,104	\$8,614,220	\$7,058,845	\$1,551,498	\$3,689	188.4
<b>Changes from FY 2010-11 Appropriation</b>						
Indirect cost assessment	679,975	(468,864)	680,490	468,864	(515)	0.0
Judicial network infrastructure and support	597,793	597,793	0	0	0	2.0
Restore one-time personal services reductions	361,186	294,008	36,928	30,250	0	2.1
Transfer to Trial Courts section	(204,008)	(204,008)	0	0	0	(3.1)
Annualize prior year funding	(15,369)	0	(15,369)	0	0	1.0
Other	6,870	6,870	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$22,736,551	\$12,921,871	\$7,760,894	\$2,050,612	\$3,174	190.4
\$ Change from prior year	\$1,426,447	\$225,799	\$702,049	\$499,114	(\$515)	2.0
% Change from prior year	6.7%	1.8%	9.9%	32.2%	(14.0)%	1.1%

## Issue Descriptions

**Indirect cost assessment:** The bill reflects a net increase of \$679,975 in statewide and departmental indirect cost recoveries. The bill also reflects fund source adjustments (a reduction of \$468,864 General Fund and an increase of \$468,864 reappropriated funds) based on projected indirect cost recoveries.

**Judicial network infrastructure and support:** The bill adds funding for the Department to increase bandwidth in several locations statewide and add 2.0 FTE network support staff. Although the bill adds General Fund in this section, this amount is fully offset by reducing General Fund appropriations in the Trial Court section by \$597,793 and instead utilizing cash funds from the Judicial Stabilization Cash Fund to support trial court staff for FY 2011-12.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Transfer to Trial Courts section:** The bill transfers funding and staff for the Office of Dispute Resolution to the Trial Courts section.

**Annualize prior year funding:** The bill includes adjustments related to prior year budget actions.

**Other:** The bill includes other minor adjustments.

*Central Appropriations:* This subsection includes funding related to employee benefits, leased space, and services purchased from other agencies such as legal and technology services.

Central Appropriations	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$30,323,098	\$27,366,096	\$2,957,002	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	2,787,427	1,835,027	952,400	0	0	0.0
Statewide IT common policy adjustments	357,198	357,198	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$33,467,723	\$29,558,321	\$3,909,402	\$0	\$0	0.0
\$ Change from prior year	\$3,144,625	\$2,192,225	\$952,400	\$0	\$0	0.0
% Change from prior year	10.4%	8.0%	32.2%	n/a	n/a	n/a

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line item appropriations for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; vehicle lease payments; workers' compensation; legal services; payments to risk management and property funds; and leased space.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; and communication services payments.

*Centrally Administered Programs:* This subsection includes line items that support specific functions, grant programs, and distributions that are administered centrally through the State Court Administrator’s Office.

Centrally Administered Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$49,425,264	\$5,874,641	\$40,208,377	\$956,193	\$2,386,053	144.9
<i>Changes from FY 2010-11 Appropriation</i>						
Reflect continuously appropriated funds	1,334,840	0	1,334,840	0	0	0.0
Language interpreter rate increase	236,500	0	236,500	0	0	0.0
Restore one-time personal services reductions	154,582	29,984	123,254	1,344	0	0.0
Fund biennial public awareness poll	30,000	0	30,000	0	0	0.0
Courthouse Capital/ infrastructure maintenance	(1,972,265)	(80,791)	(1,891,474)	0	0	0.0
Maintain problem-solving courts	(1,183,290)	0	420,639	0	(1,603,929)	0.5
Reduce funding for grant program	(393,430)	(466,570)	73,140	0	0	0.0
Reduce funding for Senior Judge Program	(135,326)	(135,326)	0	0	0	0.0
Personal services base reduction	(22,820)	(22,820)	0	0	0	0.0
Other	(4,633)	0	(4,633)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$47,469,422	\$5,199,118	\$40,530,643	\$957,537	\$782,124	145.4
\$ Change from prior year	(\$1,955,842)	(\$675,523)	\$322,266	\$1,344	(\$1,603,929)	0.5
% Change from prior year	(4.0)%	(11.5)%	0.8%	0.1%	(67.2)%	0.3%

### Issue Descriptions

**Reflect continuously appropriated funds:** The bill increases cash funds appropriations to better reflect funds collected from offenders that are transferred to local governments for compensation and assistance of victims.

**Language interpreter rate increase:** The bill adds \$236,500 cash funds from the Judicial Stabilization Cash Fund to increase the hourly rate paid to certified Spanish language interpreters (\$30 to \$35).

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund biennial public awareness poll:** The bill provides cash funds for the biennial public awareness poll concerning the judicial performance evaluation system, consistent with S.B. 08-54.

**Courthouse Capital/ infrastructure maintenance:** The bill provides a total of \$473,526 cash funds from the Judicial Stabilization Cash Fund for capital outlay, including \$461,000 to furnish new and remodeled court



facilities, \$12,526 for added network support staff and appellate court staff. This increase is offset by the elimination of \$2,445,791 in one-time funding provided for capital outlay in FY 2010-11.

**Maintain problem-solving courts:** The bill reflects a decrease in federal grant funds available to expand and improve problem-solving courts, and provides cash funds from the Judicial Stabilization Cash Fund to maintain existing staffing levels in adult drug and DUI courts. The bill reflects an increase of 0.5 FTE to better reflect the number of existing positions supported by state funds.

**Reduce funding for grant program:** The bill reduces funding for grants to organizations that provide civil legal services to indigent clients who are victims of family violence by \$393,430 to \$500,000, the same level of funding provided from FY 2005-06 through FY 2007-08.

**Reduce funding for Senior Judge Program:** The bill reduces funding for the Senior Judge Program by \$135,326 (8.3 percent).

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services for the Language Interpreter line item.

**Other:** The bill includes other minor adjustments.

**Trial Courts:** State trial courts include district courts in 22 judicial districts, water courts, and county courts. *District courts* preside over felony criminal matters, civil claims, juvenile matters, probate, mental health, and divorce proceedings. In addition, district courts handle appeals from municipal and county courts, and review decisions of administrative boards and agencies. Within the district court system, the General Assembly has established seven *water divisions*, one for each river basin. Water courts have exclusive jurisdiction over cases involving the determination of water rights and the use and administration of water. The General Assembly establishes judicial districts and the number of judges for each district in statute; district court judges serve renewable six-year terms.

*County courts* have limited jurisdiction, handling civil actions involving no more than \$15,000, misdemeanor cases, civil and criminal traffic infractions, and felony complaints. County courts also issue search warrants and protection orders in cases involving domestic violence. In addition, county courts handle appeals from municipal courts. The General Assembly establishes the number of judges for each county in statute; these judges serve renewable four-year terms.

Trial Courts	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$136,028,510	\$107,531,305	\$25,607,205	\$1,265,000	\$1,625,000	1,717.1
Long Bill Supplemental	<u>(300,000)</u>	<u>(300,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(6.5)</u>
FY 2010-11 Adjusted Appropriation	\$135,728,510	\$107,231,305	\$25,607,205	\$1,265,000	\$1,625,000	1,710.6
<b>Changes from FY 2010-11 Appropriation</b>						
Restore one-time personal services reductions	3,247,828	2,840,380	407,448	0	0	14.9
H.B. 07-1054 (new judges)	2,308,047	0	2,308,047	0	0	34.0
Transfer from Administration and Technology section	204,008	204,008	0	0	0	3.1

<b>Trial Courts</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Adjust transfer amount	135,000	0	0	135,000	0	0.0
Increase funding for district attorney mandated costs	68,170	68,170	0	0	0	0.0
Fund source adjustment	0	(597,793)	597,793	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$141,691,563	\$109,746,070	\$28,920,493	\$1,400,000	\$1,625,000	1,762.6
\$ Change from prior year	\$5,963,053	\$2,514,765	\$3,313,288	\$135,000	\$0	52.0
% Change from prior year	4.4%	2.3%	12.9%	10.7%	0.0%	3.0%

## Issue Descriptions

**Long Bill Supplemental:** The bill includes a \$300,000 General Fund and 6.5 FTE decrease for FY 2010-11 for trial court programs due to unanticipated delays in filling vacant positions.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items (along with the associated 14.9 FTE), and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**H.B. 07-1054 (new judges):** The bill includes \$2,308,047 cash funds from the Judicial Stabilization Cash Fund and 34.0 FTE for the delayed implementation of new judgeships pursuant to H.B. 07-1054. This amount includes a full 12 months of funding for the 10 district court judgeships<sup>1</sup> and two county court judgeships<sup>2</sup> that were filled January 1, 2011, as well as 12 months of funding for one county court judgeship in the 7<sup>th</sup> judicial district (Delta, Gunnison, Hinsdale, Montrose, Ouray, and San Miguel counties) that will be filled July 1, 2011. The remaining district court and county court judgeships that have been authorized for the 1<sup>st</sup> judicial district (Jefferson and Gilpin counties) have been delayed another year.

**Transfer from Administration and Technology section:** The bill transfers funding and staff for the Office of Dispute Resolution from the Administration and Technology section.

**Adjust transfer amount:** The bill reflects an increase in the amount of federal child support enforcement funds anticipated to be transferred from the Department of Human Services.

**Increase funding for district attorney mandated costs:** The bill increases funding for mandated costs based on actual expenditures incurred in the last three fiscal years.

**Fund source adjustment:** The bill reduces General Fund appropriations for trial court programs by \$597,793 and increases the cash fund appropriation from the Judicial Stabilization Cash Fund by the same amount in

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<sup>1</sup> The 10 district court judgeships that were filled January 1, 2011 include the following judicial districts: two in the 2<sup>nd</sup> (Denver); two in the 4<sup>th</sup> (El Paso, Teller); one in the 8<sup>th</sup> (Larimer, Jackson); two in the 17<sup>th</sup> (Adams, Broomfield); one in the 18<sup>th</sup> (Arapahoe, Douglas, Elbert, and Lincoln); one in the 19<sup>th</sup> (Weld); and one in the 20<sup>th</sup> (Boulder).

<sup>2</sup> The two county court judgeships that were filled January 1, 2011 include one in Adams county and one in El Paso county.

order to offset the cost of increasing the bandwidth of the Judicial network infrastructure and adding network support staff (these costs are reflected in the Administration and Technology subsection, above).

**Probation and Related Services:** Persons convicted of certain offenses are eligible to apply to the court for probation. An offender on probation serves a sentence in the community under the supervision of a probation officer, subject to conditions imposed by the court. A breach of any imposed condition may result in revocation or modification of probation, or incarceration. Managed by the Chief Probation Officer in each judicial district, about 1,100 employees prepare assessments and provide pre-sentence investigation services to the courts, supervise adult and juvenile offenders sentenced to community programs, and provide notification and support services to victims.

Probation and Related Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$97,058,359	\$66,200,048	\$23,270,545	\$4,787,766	\$2,800,000	1,187.5
Long Bill Supplemental	<u>(700,000)</u>	<u>(700,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(15.9)</u>
FY 2010-11 Adjusted Appropriation	\$96,358,359	\$65,500,048	\$23,270,545	\$4,787,766	\$2,800,000	1,171.6
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	10,277,821	5,089,929	(311,025)	5,498,917	0	(1.5)
Restore one-time personal services reductions	2,642,936	2,432,899	210,037	0	0	24.3
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$109,279,116	\$73,022,876	\$23,169,557	\$10,286,683	\$2,800,000	1,194.4
\$ Change from prior year	\$12,920,757	\$7,522,828	(\$100,988)	\$5,498,917	\$0	22.8
% Change from prior year	13.4%	11.5%	(0.4)%	114.9%	0.0%	1.9%

### Issue Descriptions

**Long Bill Supplemental:** The bill includes a \$700,000 General Fund and 15.9 FTE decrease for FY 2010-11 for probation programs due to unanticipated delays in filling vacant positions.

**Annualize prior year funding:** The bill includes the following changes related to prior year legislation:

- an increase of \$10,162,328 for H.B. 10-1352 (Controlled substance crime changes), including: a \$5,087,922 increase in the General Fund appropriation to the Drug Offender Surcharge Fund based on projected General Fund savings in the Department of Corrections resulting from H.B. 10-1352; a \$5,031,804 increase in the cash funds spending authority out of such fund for the provision of treatment services to adult offenders who are on diversion, on probation, on parole, in community corrections, or in jail; and a \$42,602 General Fund increase to annualize funding for personal services and operating expenses;
- an increase of \$246,954 for H.B. 10-1347 (DUI penalties), including: an increase of \$29,591 General Fund to annualize funding for personal services and operating expenses; an increase of \$467,113 reappropriated funds to reflect the amount of moneys in the Persistent Drunk Driver Cash Fund that are transferred from the Department of Human Services for the provision of treatment services for indigent offenders; and a decrease of \$249,750 cash funds to eliminate any direct appropriations from the Persistent Drunk Driver Cash Fund;

- an increase of \$20,818 General Fund for H.B. 10-1338 (Probation eligible two prior felonies) to annualize funding for personal services and operating expenses; and
- a decrease of \$152,279 and 1.5 FTE, including \$91,004 General Fund and \$61,275 cash funds, for S.B. 09-241 (concerning DNA testing of felony arrestees).

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items (along with the associated 24.3 FTE), and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Public Defender:** The Office of the State Public Defender (OSPD) is an independent agency within the Judicial Branch that provides legal representation for indigent defendants who are facing the possibility of incarceration. The OSPD is comprised of a central administrative office, an appellate office, and 21 regional trial offices.

Public Defender	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$56,703,494	\$56,505,494	\$198,000	\$0	\$0	605.3
<i>Changes from FY 2010-11 Appropriation</i>						
H.B. 07-1054 (new judges)	2,629,582	2,629,582	0	0	0	42.7
Restore one-time personal services reductions	1,379,358	1,379,358	0	0	0	0.0
Centrally appropriated line items	666,702	666,702	0	0	0	0.0
Reverse FY 2010-11 supplemental	553,178	553,178	0	0	0	0.0
Reflect anticipated grant	148,520	0	148,520	0	0	2.3
Annualize prior year funding	8,342	8,342	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$62,089,176	\$61,742,656	\$346,520	\$0	\$0	650.3
\$ Change from prior year	\$5,385,682	\$5,237,162	\$148,520	\$0	\$0	45.0
% Change from prior year	9.5%	9.3%	75.0%	n/a	n/a	7.4%

### Issue Descriptions

**H.B. 07-1054 (new judges):** The bill adds \$2,629,582 General Fund and 42.7 FTE for the delayed implementation of new judgeships pursuant to H.B. 07-1054. This increase provides a full 12 months of funding for 40.1 FTE that were added for eight months of FY 2010-11 in connection with the 28 judgeships that were filled in FY 2007-08 and FY 2008-09. This increase also includes funding to add 29.3 FTE in FY 2011-12 in connection with the 12 judgeships that were filled January 1, 2011, and the judgeship that will be filled July 1, 2011.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to the following line items that are centrally appropriated in most departments, but which also appear within each independent agency in this department: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; vehicle lease payments (offset by a reduction in reimbursements for employee mileage reimbursements); and leased space.

**Reverse FY 2010-11 supplemental:** The bill restores mid-year reductions in funding for FY 2010-11 for operating expenses, information technology asset maintenance, and mandated costs.

**Reflect anticipated grant:** The bill reflects a full twelve months of funding from Denver related to the Denver Sobriety Court.

**Annualize prior year funding:** The bill: adds \$54,273 to provide a full 12 months of funding for the 5.1 FTE that were added for problem-solving courts in FY 2010-11; eliminates \$25,990 in capital outlay that were provided for the 5.1 FTE; and reduces \$19,941 to reflect a full 12 months of savings resulting from H.B. 10-1352.

**Alternate Defense Counsel:** The Office of Alternate Defense Counsel (OADC) is an independent agency within the Judicial Branch that provides legal representation for indigent defendants in criminal and juvenile delinquency cases in which the State Public Defender's Office is precluded from doing so because of an ethical conflict of interest. The OADC provides legal representation by contracting with licensed attorneys and investigators.

Alternate Defense Counsel	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$24,556,665	\$24,536,665	\$20,000	\$0	\$0	7.5
Long Bill Supplemental	<u>(2,280,711)</u>	<u>(2,280,711)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
FY 2010-11 Adjusted Appropriation	\$22,275,954	\$22,255,954	\$20,000	\$0	\$0	7.5
<b>Changes from FY 2010-11 Appropriation</b>						
Partially reverse FY 2010-11 supplemental	1,823,217	1,823,217	0	0	0	0.0
Restore one-time personal services reduction	15,385	15,385	0	0	0	0.0
Centrally appropriated line items	14,477	14,477	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$24,129,033	\$24,109,033	\$20,000	\$0	\$0	7.5
\$ Change from prior year	\$1,853,079	\$1,853,079	\$0	\$0	\$0	0.0
% Change from prior year	8.3%	8.3%	0.0%	n/a	n/a	0.0%

## Issue Descriptions

**Long Bill Supplemental:** The bill includes a \$2,280,711 General Fund decrease for FY 2010-11 for conflict of interest contracts and mandated costs due to lower than anticipated costs in felony cases.

**Partially reverse FY 2010-11 supplemental:** The bill partially restores mid-year reductions in funding for FY 2010-11 for conflict of interest contracts (\$1,736,552) and mandated costs (\$86,665). The bill assumes that the caseload in FY 2011-12 will be similar to the actual number of cases paid in the last two fiscal years.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to the following line items that are centrally appropriated in most departments, but which also appear within each independent agency in this department: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and leased space.

**Office of the Child's Representative:** The Office of the Child's Representative (OCR) is an independent agency within the Judicial Branch that is responsible for ensuring the provision of uniform, high-quality legal representation and non-legal advocacy to children involved in judicial proceedings. Generally, this includes representing children involved in the court system due to abuse or neglect, delinquency, truancy, high conflict divorce, alcohol or drug abuse, mental health issues, and probate matters.

Office of the Child's Representative	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$19,296,168	\$19,296,168	\$0	\$0	\$0	26.9
<i>Changes from FY 2010-11 Appropriation</i>						
Caseload growth increase	257,904	257,904	0	0	0	0.0
Restore one-time personal services reduction	42,787	42,787	0	0	0	0.0
Centrally appropriated line items	22,004	22,004	0	0	0	0.0
Reduce CASA grants	(120,000)	(120,000)	0	0	0	0.0
Personal services base reduction	(27,141)	(27,141)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$19,471,722	\$19,471,722	\$0	\$0	\$0	26.9
\$ Change from prior year	\$175,554	\$175,554	\$0	\$0	\$0	0.0
% Change from prior year	0.9%	0.9%	n/a	n/a	n/a	0.0%

### Issue Descriptions

**Caseload growth increase:** The bill includes funding to account for a projected caseload growth of 1.6 percent. The additional funding is primarily for contract attorneys acting as guardians ad litem in dependency and neglect cases and juvenile delinquency cases.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to the following line items that are centrally appropriated in most departments, but which also appear within each independent agency in this department: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and leased space.

**Reduce CASA grants:** The bill reduces state funding for grants to court-appointed special advocate (CASA) programs from \$520,000 to \$400,000.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Independent Ethics Commission:** The Independent Ethics Commission (IEC) is an independent agency within the Judicial Branch that is responsible for providing advice and guidance on ethics-related matters concerning public officers, members of the General Assembly, local government officials, or government employees.

Independent Ethics Commission	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$283,593	\$283,593	\$0	\$0	\$0	2.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	4,028	4,028	0	0	0	0.0
Centrally appropriated line items	1,661	1,661	0	0	0	0.0
Personal services base reduction	(50,000)	(50,000)	0	0	0	(1.0)
Eliminate one-time funding	(12,771)	(12,771)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$226,511	\$226,511	\$0	\$0	\$0	1.0
\$ Change from prior year	(\$57,082)	(\$57,082)	\$0	\$0	\$0	(1.0)
% Change from prior year	(20.1)%	(20.1)%	n/a	n/a	n/a	(50.0)%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to the following line items that are centrally appropriated in most departments, but which also appear within each independent agency in this department: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; and legal services.

**Personal services base reduction.** The bill reduces funding for personal services by \$50,000 General Fund and 1.0 FTE.

**Eliminate one-time funding:** The bill eliminates one-time funding for construction costs incurred after the IEC was relocated to the Judicial Department's office space.

## Department of Labor and Employment

**Department Description:** The Department is divided into five divisions

1. The Executive Director's Office is responsible for providing common services to all divisions.
2. The Division of Employment and Training is responsible for administration and integrity of Colorado's unemployment insurance programs, administration of the workforce development programs and state run one-stop centers, and research and analysis on Colorado's employment trends.
3. The Division of Labor is responsible for ensuring employer compliance with state and federal employment laws.
4. The Division of Oil and Public Safety is responsible for the inspection of: boilers, conveyances, amusement park and carnival rides, distribution centers of petroleum products, and storage sites for explosive materials. It also monitors the clean-up of leaking underground storage tanks.
5. The Division of Workers' Compensation is responsible for enforcing workers' compensation laws and for the administration of the Major Medical Insurance and Subsequent Injury Funds.

<b>Summary Table for Department of Labor and Employment</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$156,923,584	\$0	\$59,639,210	\$1,695,272	\$95,589,102	1,047.0
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	2,534,717	0	2,318,477	(945,715)	1,161,955	0.0
Employment and Training	899,913	0	189,191	6,469	704,253	(0.2)
Labor	7,460	0	7,460	0	0	0.0
Oil and Public Safety	(761,725)	0	(813,378)	0	51,653	0.0
Workers' Compensation	(69,495)	0	(69,495)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$159,534,454</b>	<b>\$0</b>	<b>\$61,271,465</b>	<b>\$756,026</b>	<b>\$97,506,963</b>	<b>1,046.8</b>
\$ Change from prior year	\$2,610,870	\$0	\$1,632,255	(\$939,246)	\$1,917,861	(0.2)
% Change from prior year	1.7%	n/a	2.7%	(55.4)%	2.0%	0.0%

### Appropriation Highlights:

1. Increases \$2.2 million total funds for centrally appropriated line items.
2. Increases \$1.45 million total funds for the restoration of the FY 2010-11 State PERA contribution reduction of 2.5 percent.
3. Increases \$151,000 total funds, of which \$113,000 is cash funds, for the second year funding of the Division of Oil and Public Safety enterprise database development.



4. Reduces 0.2 FTE for the second year impact of H.B. 10-1333 (Green Jobs Colorado Training Pilot Program).
5. Reduces \$950,000 reappropriated funds from the Division of Oil and Public Safety as the Petroleum Storage Tank funds are included in the Executive Director's Office as cash funds.
6. Reduces \$322,000 total funds for the 1.5 percent personal services base reduction.

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### Appropriation Detail by Long Bill Division

**Executive Director's Office:** The Executive Director's Office provides funding for common services to all divisions including legal services from the Department of Law and information technology services from the Governor's Office of Information Technology. Additionally, this office provides support services to all divisions including budgeting, accounting and human resources.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$31,027,318	\$0	\$13,621,689	\$1,106,609	\$16,299,020	99.9
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	1,671,777	0	788,844	0	882,933	0.0
Statewide IT common policy adjustments	851,125	0	401,612	0	449,513	0.0
Restore one-time personal services reduction	127,761	0	49,785	5,152	72,824	0.0
Indirect cost assessment	74,091	0	75,638	1,013	(2,560)	0.0
Leased space adjustment	(96,503)	0	(43,426)	0	(53,077)	0.0
Fund source adjustment	(50,149)	0	1,089,409	(951,880)	(187,678)	0.0
Personal services base reduction	(43,385)	0	(43,385)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$33,562,035	\$0	\$15,940,166	\$160,894	\$17,460,975	99.9
\$ Change from prior year	\$2,534,717	\$0	\$2,318,477	(\$945,715)	\$1,161,955	0.0
% Change from prior year	8.2%	n/a	17.0%	(85.5)%	7.1%	0.0%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: health, life and dental benefits; short-term disability; amortization equalization disbursement; supplemental amortization equalization disbursement; shift differential; workers' compensation; payment to risk management and property funds; vehicle lease payments; and Capitol complex leased space.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in the statewide indirect cost assessment.

**Leased space adjustment:** The bill includes a reduction of \$96,503 total funds for a reduction in the leased space rate.

**Fund source adjustment:** The bill includes an increase in cash funds due partly to the Long Bill reorganization transfer from the Division of Oil and Public Safety and partly to a projected decrease of federal funds.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Employment and Training:** The Division of Employment and Training administers three programs: the Unemployment Insurance Programs, Employment and Training Programs, and Labor Market Information.

Employment and Training	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$96,713,818	\$0	\$17,503,642	\$569,147	\$78,641,029	747.0
<i>Changes from FY 2010-11 Appropriation</i>						
Unemployment Insurance Programs	1,150,640	0	133,815	0	1,016,825	0.0
Employment and Training	(296,233)	0	55,376	6,469	(358,078)	(0.2)
Labor Market Information	45,506	0	0	0	45,506	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$97,613,731	\$0	\$17,692,833	\$575,616	\$79,345,282	746.8
\$ Change from prior year	\$899,913	\$0	\$189,191	\$6,469	\$704,253	(0.2)
% Change from prior year	0.9%	n/a	1.1%	1.1%	0.9%	0.0%

## Subsection Detail

*Unemployment Insurance Programs:* The Unemployment insurance programs (UI Programs) provides temporary benefits to individuals who have lost their job through no fault of their own. Responsibilities of the UI Programs include tax collection from employers, benefit payments, employer tax audits, operating a call center, and processing claimants' appeal applications. Included in the UI Programs is the UI Fraud Program which identifies, investigates and prosecutes unqualified individuals who receive UI benefits, and employers who fail to pay UI premiums and taxes.

<b>Unemployment Insurance Programs Subsection</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$34,409,684	\$0	\$7,400,704	\$0	\$27,008,980	476.8
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	650,640	0	133,815	0	516,825	0.0
Increase federal funds	500,000	0	0	0	500,000	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$35,560,324	\$0	\$7,534,519	\$0	\$28,025,805	476.8
\$ Change from prior year	\$1,150,640	\$0	\$133,815	\$0	\$1,016,825	0.0
% Change from prior year	3.3%	n/a	1.8%	n/a	3.8%	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Increase federal funds:** The bill includes an increase of \$500,000 federal funds for unemployment insurance administrative expenses.

*Employment and Training:* The services offered to job seekers by the Employment and Training Programs include job search assistance, additional job training, and classes to improve interview and resume skills. All services are free of charge. These services are offered through one-stop centers which can be run by either the state or county. Services are also offered to employers seeking qualified candidates.

Funding for these programs consists of cash funds, primarily from the Employment Support Fund and federal funds primarily from the Workforce Investment Act and Trade Adjustment Act.

<b>Employment and Training Subsection</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$60,308,410	\$0	\$10,091,429	\$569,147	\$49,647,834	247.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	326,552	0	128,404	6,469	191,679	0.0
Annualize prior year funding	0	0	0	0	0	(0.2)
Federal funds adjustment	(549,757)	0	0	0	(549,757)	0.0
Personal services base reduction	(73,028)	0	(73,028)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$60,012,177	\$0	\$10,146,805	\$575,616	\$49,289,756	246.9
\$ Change from prior year	(\$296,233)	\$0	\$55,376	\$6,469	(\$358,078)	(0.2)
% Change from prior year	(0.5)%	n/a	0.5%	1.1%	(0.7)%	(0.1)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes a reduction of 0.2 FTE for the second year impact of H.B. 10-1333 (Green Jobs Colorado Training Pilot Program).

**Federal funds adjustment:** The bill reflects an anticipated decrease of \$549,757 in federal Trade Adjustment Act funds.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

*Labor Market Information:* Labor Market Information (LMI) provides information on long-term employment trends across the state, monthly unemployment numbers, and job growth information. LMI collaborates with one-stop centers to provide relevant training classes in fields that have potential long-term growth in Colorado.

Labor Market Information Subsection	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,995,724	\$0	\$11,509	\$0	\$1,984,215	30.3
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	45,506	0	0	0	45,506	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,041,230	\$0	\$11,509	\$0	\$2,029,721	30.3
\$ Change from prior year	\$45,506	\$0	\$0	\$0	\$45,506	0.0
% Change from prior year	2.3%	n/a	0.0%	n/a	2.3%	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Division of Labor:** The Division ensures compliance with Colorado's wage, youth, and labor laws, and facilitates labor dispute resolution and mediation. The Division of Labor is entirely cash funded from the Employment Support Fund.

Division of Labor	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,163,596	\$0	\$1,163,596	\$0	\$0	15.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	25,293	0	25,293	0	0	0.0
Personal services base reduction	(17,833)	0	(17,833)	0	0	0.0

Division of Labor	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,171,056	\$0	\$1,171,056	\$0	\$0	15.0
\$ Change from prior year	\$7,460	\$0	\$7,460	\$0	\$0	0.0
% Change from prior year	0.6%	n/a	0.6%	n/a	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Division of Oil and Public Safety:** This Division is comprised of the Public Safety Unit (PSU) and the Office of the State Oil Inspector (Inspector). The PSU conducts inspections of all boilers and pressure vessels in commercial and multi-unit residential buildings; regulates the distribution and storage of petroleum products; regulates the remediation of contamination caused by leaking underground storage tanks; enforces statutory requirements pertaining to carnival and amusement park rides; licenses conveyances, conveyance inspectors and mechanics; and regulates and monitors proper storage of explosives. The Inspector is responsible for monitoring and expediting the clean-up of leaking petroleum storage tanks and monitoring the sale and distribution of petroleum products.

Cash funds are primarily from the Petroleum Storage Tank Fund and the Boiler Inspection Fund. Reappropriated funds are from the Department of Public Health and Environment.

Division of Oil and Public Safety	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$6,108,860	\$0	\$5,440,291	\$19,516	\$649,053	67.0
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	151,200	0	113,400	0	37,800	0.0
Restore one-time personal services reduction	105,353	0	91,500	0	13,853	0.0
Long Bill reorganization transfer to the Executive Director's Office	(955,708)	0	(955,708)	0	0	0.0
Personal services base reduction	(62,570)	0	(62,570)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$5,347,135	\$0	\$4,626,913	\$19,516	\$700,706	67.0
\$ Change from prior year	(\$761,725)	\$0	(\$813,378)	\$0	\$51,653	0.0
% Change from prior year	(12.5)%	n/a	(15.0)%	0.0%	8.0%	0.0%

## Issue Descriptions

**Annualize prior year funding:** The bill includes an increase of \$151,200 total funds (\$113,400 cash funds and \$37,800 federal funds) for the second year expenses of the Enterprise Database System development project.

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Long Bill reorganization transfer to the Executive Director's Office:** The bill includes the transfer of \$955,708 cash funds to the Executive Director's Office.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

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**Division of Workers' Compensation:** The Division of Workers' Compensation is comprised of five major sections: customer service, dispute resolution, medical cost containment, employer services, and special funds.

- The customer service unit provides administrative oversight of injury claims to assure compliance with all benefit and reporting requirements. This unit provides information and technical assistance and audits insurers' claims handling practices.
- The dispute resolution unit provides mediation, arbitration, pre-hearing, and settlement services so frequently contested issues are resolved quickly without administrative hearings and/or litigation.
- The medical cost containment unit oversees the programs intended to ensure that medical services for workers' compensation claims are provided in a cost-effective manner.
- The employer services section administers the self-insurance and premium cost-containment programs, and ensures employer compliance with workers' compensation coverage requirements.
- The special funds section administers two large insurance programs, the Major Medical Insurance Fund (MMIF) and Subsequent Injury Fund (SIF). The MMIF covers the medical expenses in excess of \$20,000 of an injured worker who sustained catastrophic injuries between July 1971 and June 1981. The Subsequent Injury Fund covers an injured worker's medical expenses from a second workplace injury resulting in permanent disability, or up to \$10,000 of a worker's medical expenses from a second or subsequent exposure to certain occupational materials. The SIF covers injuries that occurred prior to April 1994.

The Division of Workers' Compensation is entirely cash funded, and the main cash funds are the Workers' Compensation Cash Fund, the Subsequent Injury Fund, and the Major Medical Insurance Fund.

<b>Division of Workers' Compensation</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$21,909,992	\$0	\$21,909,992	\$0	\$0	118.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	173,807	0	173,807	0	0	0.0
Personal services base reduction	(124,723)	0	(124,723)	0	0	0.0
Centrally appropriated adjustments	(118,579)	0	(118,579)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$21,840,497	\$0	\$21,840,497	\$0	\$0	118.1
\$ Change from prior year	(\$69,495)	\$0	(\$69,495)	\$0	\$0	0.0
% Change from prior year	(0.3)%	n/a	(0.3)%	n/a	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Centrally appropriated adjustments:** The bill includes adjustments to the appropriations for administrative law judges and the hourly legal services rate.

## Department of Law

**Department Description:** The Attorney General's Office represents and defends the legal interests of the people of the State of Colorado. It serves as chief legal counsel for state agencies and represents Colorado in state and federal courts. The office works concurrently with Colorado's 22 district attorneys and with other local, state and federal law enforcement authorities to carry out its criminal justice responsibilities and represents the State in criminal appeals. It has primary authority for enforcement of consumer protection laws, antitrust laws, and certain natural resource and environmental laws.

Summary Table for Department of Law						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$53,679,935	\$9,510,373	\$9,925,871	\$32,774,465	\$1,469,226	420.7
Long Bill Supplemental - Tobacco Settlement Arbitration	<u>259,790</u>	<u>0</u>	<u>259,790</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$53,939,725	\$9,510,373	\$10,185,661	\$32,774,465	\$1,469,226	420.7
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Administration	755,157	138,470	62,496	504,701	49,490	(1.5)
Legal Services to State Agencies	(888,088)	0	76,752	(964,840)	0	(10.9)
Criminal Justice and Appellate	35,838	(365,636)	24,508	372,590	4,376	(0.5)
Water and Natural Resources	229,242	(2,636)	227,181	4,697	0	0.0
Consumer Protection	38,371	21,048	13,933	3,390	0	0.0
Special Purpose	(632,815)	271,568	(129,790)	(774,593)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$53,477,430	\$9,573,187	\$10,460,741	\$31,920,410	\$1,523,092	407.8
\$ Change from prior year	(\$462,295)	\$62,814	\$275,080	(\$854,055)	\$53,866	(12.9)
% Change from prior year	(0.9)%	0.7%	2.7%	(2.6)%	3.7%	(3.1)%

### Appropriation Highlights:

#### *Changes to FY 2010-11 Appropriations*

1. Provides an additional \$260,000 of cash funds for tobacco-settlement arbitration.

#### *Changes to FY 2011-12*

1. Restores \$780,000 of reduced State contributions from all fund sources to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.
2. Provides an additional \$679,000 total funds for centrally appropriated items.
3. Provides \$350,000 cash funds spending authority for a Colorado Water Conservation Board Grant to study legal issues related to the Colorado River Compacts.



4. Provides an additional \$221,000 General Fund for the state share of the salaries of local district attorneys.
5. Reduces legal services and litigation support provided to state agencies by \$2.1 million and 10.9 FTE, reflecting a reduced need for legal services by departments.
6. Includes base reductions totaling \$569,870 and 2.0 FTE, of which, \$111,369 is General Fund, \$175,134 is cash funds, \$255,588 is reappropriated funds, and \$27,779 is federal funds
7. Eliminates \$195,000 of General Fund appropriations that support 2.0 FTE Criminal Investigators in the Department of Law's Securities Fraud Unit, replacing it with an equal amount of reappropriated funds from fees paid by securities dealers and investment advisers.

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### Appropriation Detail by Long Bill Division

**Administration:** This division contains the Office of the Attorney General, which includes the Attorney General and top deputies, as well as the Department's human resources, accounting/budgeting, information technology, and text management sections. The Division coordinates and oversees the operation of the Department's other divisions and provides support services to the entire department. The Division's reappropriated funds derive from indirect cost recoveries and from central appropriations that support other divisions. Federal funds reflect central appropriations for the Medicaid Fraud Control Unit.

Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$8,388,033	\$1,292,480	\$552,673	\$6,411,443	\$131,437	42.2
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	679,015	112,154	62,496	454,875	49,490	0.0
Restore one-time personal services reduction	65,413	0	0	65,413	0	0.0
Restore health, life, and dental appropriation	55,000	55,000	0	0	0	0.0
Cash Fund Securities Unit FTE	0	(28,684)	0	28,684	0	0.0
Personal services base reduction	(44,271)	0	0	(44,271)	0	(1.5)
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$9,143,190</b>	<b>\$1,430,950</b>	<b>\$615,169</b>	<b>\$6,916,144</b>	<b>\$180,927</b>	<b>40.7</b>
\$ Change from prior year	\$755,157	\$138,470	\$62,496	\$504,701	\$49,490	(1.5)
% Change from prior year	9.0%	10.7%	11.3%	7.9%	37.7%	(3.6)%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; workers' compensation; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; purchases of computer services from the Office of Information Technology (OIT); vehicle lease payments;

workers' compensation; legal services; payments to risk management and property funds; security services for the Department of Law's building; and Capitol complex leased space.

**Restore one-time personal services reduction:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Restore health, life, and dental appropriation:** The bill restores the FY 2010-11 General Fund reduction to the Department's FY 2010-11 health, life, and dental appropriation was reduced.

**Cash Fund Securities Unit FTE:** The bill eliminates the General Fund that currently supports 2.0 FTE Criminal Investigators in the Department of Law's Securities Fraud Unit, replacing it with an equal amount of reappropriated funds from fees paid by securities dealers and investment advisers.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items, and 1.5 FTE, reflecting adjustments that have occurred during the current economic downturn.

**Legal Services to State Agencies:** The Department provides legal services on a fee-for-service basis to state agencies and enterprises. This Division contains appropriations for the attorneys, paralegals, and support personnel who provide these services. In FY 2011-12, the Department expects to provide 351,000 hours of legal service at an average billing rate of \$75.71 per hour, a 3.2 percent increase from the FY 2010-11 average billing rate. The Division's cash funds come from legal services provided to state enterprises, while reappropriated funds come from legal services provided to other state agencies.

Legal Services to State Agencies	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$24,650,600	\$0	\$1,582,388	\$23,068,212	\$0	237.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	414,871	0	0	414,871	0	0.0
Indirect cost assessment	201,183	0	0	201,183	0	0.0
Fund mix adjustment	0	0	76,752	(76,752)	0	0.0
Legal services	(1,316,142)	0	0	(1,316,142)	0	(10.9)
Personal services base reduction	(188,000)	0	0	(188,000)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$23,762,512	\$0	\$1,659,140	\$22,103,372	\$0	226.6
\$ Change from prior year	(\$888,088)	\$0	\$76,752	(\$964,840)	\$0	(10.9)
% Change from prior year	(3.6)%	n/a	4.9%	(4.2)%	n/a	(4.6)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of FTE and funding sources within the Department as well as changing costs for common policy items.

**Fund mix adjustment:** The bill aligns the appropriation with the expected need for legal services from client agencies that provide different types of funding to the Department.

**Legal services:** The bill reduces legal services and the FTE who supply those services, reflecting reduced need for those services by client agencies.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Criminal Justice and Appellate:** This division includes the following units:

- Special Prosecutions Unit - Investigates and prosecutes insurance, securities and workers' compensation fraud; gang-related criminal activity; complex crimes; and environmental crimes. This Unit assists district attorneys investigating and prosecuting homicide cases; handles death-penalty appeals in state and federal courts; and handles foreign prosecutions.
- Appellate Unit - Represents Colorado when felony convictions are appealed in state and federal courts.
- Medicaid Fraud Control Unit - Investigates and prosecutes criminal fraud involving Colorado's Medicaid providers as well as patient abuse at Medicaid-funded facilities in Colorado.
- Peace Officers Standards and Training (P.O.S.T.) Board - Certifies and helps train peace officers appointed by state and local law enforcement agencies.
- Safe2Tell - operates a hotline and a web site where young people can anonymously report dangerous behavior affecting their school or community.

Cash funds for workers' compensation fraud come from the State Compensation Insurance Authority, while cash funds for the P.O.S.T. Board come from fees paid by peace officers and from a statewide vehicle registration fee. Reappropriated funds for securities and insurance fraud activities come from the Department of Regulatory Agencies, while reappropriated funds for victim's assistance and auto theft prevention come from the Department of Public Safety. Federal moneys help support the Medicaid Fraud Control Unit.

<b>Criminal Justice and Appellate</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$10,514,905	\$4,531,090	\$3,760,182	\$885,844	\$1,337,789	90.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	159,770	96,538	28,830	13,958	20,444	0.0
Indirect cost assessment	75,510	0	16,299	25,830	33,381	0.0
Cash Fund Securities Fraud Unit FTE	0	(166,276)	0	166,276	0	0.0
Fund source adjustment	0	(190,292)	0	190,292	0	0.0
Personal services base reduction	(161,423)	(98,380)	(20,621)	(14,643)	(27,779)	(0.5)
Annualize prior year funding	(28,896)	(7,226)	0	0	(21,670)	0.0
Auto Theft Prevention Grant Adjustments	(9,123)	0	0	(9,123)	0	0.0

Criminal Justice and Appellate	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$10,550,743	\$4,165,454	\$3,784,690	\$1,258,434	\$1,342,165	89.5
\$ Change from prior year	\$35,838	(\$365,636)	\$24,508	\$372,590	\$4,376	(0.5)
% Change from prior year	0.3%	(8.1)%	0.7%	42.1%	0.3%	(0.6)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of FTE and funding sources within the Department as well as changing costs for common policy items.

**Cash Fund Securities Fraud Unit FTE:** The bill eliminates the General Fund appropriations that currently supports 2.0 FTE Criminal Investigators in the Department of Law's Securities Fraud Unit, replacing the General Fund with an equal amount of reappropriated funds derived from fees paid by securities dealers and investment advisers.

**Fund source adjustment:** The bill includes increased indirect cost assessments which offset a larger amount of General Fund.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions. This adjustment reflects the second year impact of S.B. 10-167, False Claims Act.

**Auto Theft Prevention Grant Adjustments:** The bill reflects lower costs in the second year of this grant from the Colorado Automobile Theft Prevention Authority, following higher start-up costs.

**Water and Natural Resources:** This division contains two units:

- The Federal and Interstate Water Unit, which provides legal counsel and representation for cases involving federal water rights, compliance with federal regulatory programs, and interstate water allocation agreements such as the Colorado River Basin Compact.
- The CERCLA Unit, which leads enforcement actions at sites contaminated with hazardous substances under the federal Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

Cash funds come from the Colorado Water Conservation Board's Litigation Fund, the Hazardous Substance Response Fund, and attorney fees and costs recovered by the Department, while reappropriated funds come from fees paid by waste haulers to the Department of Public Health and Environment.

<b>Water and Natural Resources</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$2,108,882	\$516,519	\$668,017	\$924,346	\$0	12.0
<i>Changes from FY 2010-11 Appropriation</i>						
Colorado Water Conservation Board Grant	350,000	0	350,000	0	0	0.0
Restore one-time personal services reductions	25,552	10,353	6,983	8,216	0	0.0
Indirect Cost Assessments	2,030	0	0	2,030	0	0.0
Personal services base reduction	(123,340)	(12,989)	(104,802)	(5,549)	0	0.0
Return to base funding after temporary increase for Amicus Brief	(25,000)	0	(25,000)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,338,124	\$513,883	\$895,198	\$929,043	\$0	12.0
\$ Change from prior year	\$229,242	(\$2,636)	\$227,181	\$4,697	\$0	0.0
% Change from prior year	10.9%	(0.5)%	34.0%	0.5%	n/a	0.0%

## Issue Descriptions

**Colorado Water Conservation Board Grant:** The appropriation provides spending authority for a Colorado Water Conservation Board Grant that will be used to study legal issues related to the Colorado River Compacts.

**Restore one-time personal services reductions:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of FTE and funding sources within the Department as well as changing costs for common policy items.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Return to base funding after temporary increase for Amicus Brief:** The Division received a temporary FY 2010-11 funding increase to pay for an Amicus Brief filed with the U.S. Supreme Court.

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**Consumer Protection:** The Consumer Protection section includes the following programs:

- Antitrust Program - Investigates and prosecutes antitrust violations involving such practices as price fixing, bid rigging, and attempts to monopolize a market or industry.
- Consumer Protection Program - Investigates and prosecutes deceptive or fraudulent trade and advertising practices in such areas as telephone solicitation, health clubs, automobile repossession, and manufactured home sales.
- Consumer Credit Program - Regulates debt collection agencies, debt management services, credit repair services, payday lending, rent-to-own agreements, and certain other lenders.

The Division's cash funds come from fees paid by regulated entities, custodial funds awarded to the Department

in consumer protection lawsuits, and tobacco settlement moneys. Reappropriated funds for mortgage protection work come from the Department of Regulatory Agencies.

Consumer Protection	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,472,194	\$907,056	\$2,287,611	\$277,527	\$0	39.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	63,718	21,048	37,896	4,774	0	0.0
Indirect cost assessment	27,489	0	25,748	1,741	0	0.0
Personal services base reduction	(52,836)	0	(49,711)	(3,125)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,510,565	\$928,104	\$2,301,544	\$280,917	\$0	39.0
\$ Change from prior year	\$38,371	\$21,048	\$13,933	\$3,390	\$0	0.0
% Change from prior year	1.1%	2.3%	0.6%	1.2%	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of FTE and funding sources within the Department as well as changing costs for common policy items.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Special Purpose:** This section contains the appropriation that pays eighty percent of the base salaries of Colorado's twenty-two district attorneys, as well as appropriations for programs that do not fit elsewhere in the Department's budget, such as tobacco-settlement litigation. The Litigation Management and Technology Fund appropriation provides funding for unanticipated legal expenditures and for information technology projects. Cash funds derive from the surplus earned by the Legal Services to State Agencies program and from tobacco settlement moneys.

Special Purpose	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,545,321	\$2,263,228	\$1,075,000	\$1,207,093	\$0	0.0
Long Bill Supplemental - Tobacco Settlement Arbitration	<u>259,790</u>	<u>0</u>	<u>259,790</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$4,805,111	\$2,263,228	\$1,334,790	\$1,207,093	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Fourth year impact of H.B. 07-1170	220,968	220,968	0	0	0	0.0
Restore one-time personal services reductions	50,600	50,600	0	0	0	0.0
Lobato Litigation Expenses	(774,593)	0	0	(774,593)	0	0.0

Special Purpose	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Tobacco settlement arbitration	(129,790)	0	(129,790)	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$4,172,296	\$2,534,796	\$1,205,000	\$432,500	\$0	0.0
\$ Change from prior year	(\$632,815)	\$271,568	(\$129,790)	(\$774,593)	\$0	0.0
% Change from prior year	(13.2)%	12.0%	(9.7)%	(64.2)%	n/a	n/a

## Issue Descriptions

**Long Bill Supplemental - Tobacco Settlement Arbitration:** The bill increases FY 2010-11 funding for the tobacco-settlement arbitration proceeding that is now in its preliminary stages.

**Fourth year impact of H.B. 07-1170:** House Bill 07-1170 (Compensation of Elected DA's) increased the base salaries of district attorneys, 80.0 percent of which is paid by the state, each year until 2012. This increase cannot constitutionally be avoided.

**Restore one-time personal services reductions:** The bill restores a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146. The state pays 80.0 percent of the employer PERA contribution on District Attorney base salaries, which leads to this adjustment.

**Lobato Litigation Expenses:** The bill includes an appropriation to the Governor's Office for litigation expenses of the Lobato lawsuit concerning school funding adequacy. A corresponding appropriation gives the Department of Law the authority to spend moneys received from the Governor's Office. Peak expenditures for this lawsuit are expected to occur early in FY 2011-12, leading to lower expenses later in the year.

**Tobacco settlement litigation:** The bill reduces funding for the tobacco-settlement arbitration proceeding that is now in its preliminary stages. Peak expenses are expected during calendar year 2011, leading to lower expenses later in FY 2011-12.

## Legislative Branch

**Department Description:** The Legislative Branch includes the elected officials of the House of Representatives and the Senate and the necessary staff to support them in their duties and responsibilities. The staff includes those assigned to both the House and the Senate; the State Auditor's Office; the Joint Budget Committee; the Legislative Council; the Office of Legislative Legal Services; and the Colorado Reapportionment Commission. The majority of the legislative appropriation is contained in a separate legislative appropriation bill. However, several specific line items are contained in the Long Bill. This narrative only addresses the line items contained in the Long Bill.

Summary Table for Legislative Branch						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,632,844	\$2,632,844	\$0	\$0	\$0	0.0
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Legislative Council	250,000	0	0	250,000	0	0.0
General Assembly	22,305	22,305	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,905,149	\$2,655,149	\$0	\$250,000	\$0	0.0
\$ Change from prior year	\$272,305	\$22,305	\$0	\$250,000	\$0	0.0
% Change from prior year	10.3%	0.8%	n/a	n/a	n/a	n/a

### Appropriation Highlights:

1. Contains an increase of \$250,000 reappropriated funds for the school district cost-of-living analysis.
2. Contains various changes in the centrally-appropriated line items that result in an increase of \$22,305 General Fund.

### Appropriation Detail by Long Bill Division

**Legislative Council:** This section contains line items the Legislative Branch is required by statute or the Constitution to fund.

Legislative Council	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,130,500	\$1,130,500	\$0	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Cost-of-living analysis	250,000	0	0	250,000	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,380,500	\$1,130,500	\$0	\$250,000	\$0	0.0
\$ Change from prior year	\$250,000	\$0	\$0	\$250,000	\$0	0.0
% Change from prior year	22.1%	0.0%	n/a	n/a	n/a	n/a



## Issue Descriptions

**Cost-of-living analysis:** Legislative Council staff, pursuant to Section 22-54-104 (5) (c) (III) (A), C.R.S., is required to certify the cost-of-living factor for each school district every two years based on a cost-of-living analysis that is typically conducted through a contract. The bill includes an appropriation of \$250,000 reappropriated funds for this purpose. The source of the reappropriated funds is a transfer from the Department of Education.

**General Assembly:** This section contains line items associated with statewide appropriations, such as workers' compensation, legal services, purchase of services from the computer center, risk management, and Capitol complex leased space.

General Assembly	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,502,344	\$1,502,344	\$0	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Operating adjustments	22,305	22,305	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,524,649	\$1,524,649	\$0	\$0	\$0	0.0
\$ Change from prior year	\$22,305	\$22,305	\$0	\$0	\$0	0.0
% Change from prior year	1.5%	1.5%	n/a	n/a	n/a	n/a

## Issue Descriptions

**Operating adjustments:** The bill contains various changes in centrally-appropriated line items. These centrally appropriated line items include workers' compensation, payments to risk management and property funds, legal services, purchase of services from the computer center, and Capitol complex leased space. Operating adjustments are a function of recoverable costs in the Department of Personnel and Administration or the Department of Law, as is the case with legal services, that are allocated to other departments based on a proportionate share of risk or utilization.

## Department of Local Affairs

**Department Description:** The Department is responsible for building community and local government capacity by providing training, technical, and financial assistance to localities. Major divisions include the Executive Director's Office, Property Taxation, the Division of Housing, the Division of Local Government, and the Division of Emergency Management.

<b>Summary Table for Department of Local Affairs</b>						
	<b>Total Funds</b>	<b>General Fund/1</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$318,261,501	\$10,530,849	\$203,509,756	\$7,243,477	\$96,977,419	176.0
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	312,599	6,900	27,266	188,848	89,585	0.0
Property Taxation	3,848	(20,098)	6,833	17,113	0	0.0
Division of Housing	(706,995)	(224,384)	(482,437)	(20,657)	20,483	(4.4)
Division of Local Government	27,485,817	154,485	27,509,052	(240,332)	62,612	0.0
Division of Emergency Management	121,873	2,228	0	(6,705)	126,350	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$345,478,643</b>	<b>\$10,449,980</b>	<b>\$230,570,470</b>	<b>\$7,181,744</b>	<b>\$97,276,449</b>	<b>171.6</b>
\$ Change from prior year	\$27,217,142	(\$80,869)	\$27,060,714	(\$61,733)	\$299,030	(4.4)
% Change from prior year	8.6%	(0.8)%	13.3%	(0.9)%	0.3%	(2.5)%

/1 This amount includes a General Fund Exempt appropriation.

### Appropriation Highlights:

1. Decreases General Fund moneys available for the Colorado Affordable Housing Construction Grants and Loans Program by \$225,000 for FY 2011-12.
2. Reflects a decrease of \$190,672 total funds, including \$40,846 General Fund, for a 1.5 percent reduction for Personal Services line items and a 1.0 percent General Fund reduction to certain line items.
3. Includes a decrease of \$0.5 million cash funds and 4.4 FTE for the manufactured buildings program due to decreased workload.
4. Adds \$251,483 total funds, including \$54,614 General Fund, to restore one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.
5. Adds \$150,390 General Fund for the state's contributions for local volunteer firefighter retirement plans and death and disability insurance.
6. Reflects a projected decrease of \$1.4 million in disbursements from the Conservation Trust Fund for parks, recreation, and open space purposes based on projected lottery revenues.

## Appropriation Detail by Long Bill Division

**Executive Director's Office:** This division is responsible for the management and administration of the Department, including accounting, budgeting, and human resources. The appropriation to this office includes centrally-appropriated funds which are further distributed to the various divisions. The Division also conducts several miscellaneous functions statutorily assigned to the Department, including administration of the Moffat Tunnel Improvement District.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,775,392	\$1,251,329	\$370,935	\$2,258,947	\$894,181	13.7
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide information technology line items	155,569	34,685	572	22,296	98,016	0.0
Centrally appropriated line items	149,799	(27,785)	26,694	159,321	(8,431)	0.0
Restore one-time personal services reduction	26,307	0	0	26,307	0	0.0
Personal services base reduction	(19,076)	0	0	(19,076)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$5,087,991</b>	<b>\$1,258,229</b>	<b>\$398,201</b>	<b>\$2,447,795</b>	<b>\$983,766</b>	<b>13.7</b>
\$ Change from prior year	\$312,599	\$6,900	\$27,266	\$188,848	\$89,585	0.0
% Change from prior year	6.5%	0.6%	7.4%	8.4%	10.0%	0.0%

### Issue Descriptions

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; vehicle lease payments; workers' compensation; legal services; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Property Taxation:** This section provides funding for the Division of Property Taxation, which: issues appraisal standards and provides training and technical assistance to county assessors; values multi-county companies; and grants taxation exemptions. This section also provides funding for the State Board of Equalization, which supervises the administration of property tax laws by local county assessors, as well as

the Board of Assessment Appeals, which hears petitions for appeal on valuation, abatements, exemptions, and valuation of state-assessed properties.

Property Taxation	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,480,066	\$1,309,050	\$991,950	\$1,179,066	\$0	49.9
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	71,815	24,708	13,890	33,217	0	0.0
Indirect cost assessment	4,297	0	5,648	(1,351)	0	0.0
Personal services base reduction	(44,801)	(17,343)	(12,705)	(14,753)	0	0.0
General Fund reduction	(27,463)	(27,463)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,483,914	\$1,288,952	\$998,783	\$1,196,179	\$0	49.9
\$ Change from prior year	\$3,848	(\$20,098)	\$6,833	\$17,113	\$0	0.0
% Change from prior year	0.1%	(1.5)%	0.7%	1.5%	n/a	0.0%

**Issue Descriptions**

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$27,463 General Fund to certain line items.

**Division of Housing:** The Division provides financial and technical assistance to help communities provide affordable housing to low-income, elderly, and disabled individuals. The Division administers state and federal affordable housing programs, and regulates the manufacture of factory-built residential and commercial buildings.

Division of Housing	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$69,252,640	\$2,616,884	\$1,310,254	\$211,628	\$65,113,874	33.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	45,854	6,218	15,484	3,639	20,513	0.0
Manufactured buildings reduction	(488,780)	0	(488,780)	0	0	(4.4)
Colorado affordable housing construction reduction	(225,000)	(225,000)	0	0	0	0.0
Personal services base reduction	(36,660)	(5,602)	(17,838)	(2,307)	(10,913)	0.0
Indirect cost assessment	(2,409)	0	8,697	(21,989)	10,883	0.0

Division of Housing	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$68,545,645	\$2,392,500	\$827,817	\$190,971	\$65,134,357	28.7
\$ Change from prior year	(\$706,995)	(\$224,384)	(\$482,437)	(\$20,657)	\$20,483	(4.4)
% Change from prior year	(1.0)%	(8.6)%	(36.8)%	(9.8)%	0.0%	(13.3)%

**Issue Descriptions**

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Manufactured buildings reduction:** The bill includes a decrease in personal services, FTE, and operating expenses of the manufactured buildings program due to decreased workload.

**Colorado affordable housing construction reduction:** The bill includes a decrease of General Fund moneys available for the Colorado Affordable Housing Construction Grants and Loans Program.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments.

**Division of Local Government:** This division provides information and training for local governments in budget development, purchasing, demographics, land use planning, and regulatory issues; and it manages federal and state funding programs to support infrastructure and local services development. To provide this assistance to local governments, the Division operates eight field offices.

Division of Local Government	Total Funds	General Fund/1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$220,972,405	\$4,781,901	\$196,325,629	\$3,513,045	\$16,351,830	51.4
<i>Changes from FY 2010-11 Appropriation</i>						
Local government mineral and energy impact grants and disbursements	28,500,000	0	28,500,000	0	0	0.0
Limited gaming impact grants	300,000	0	300,000	0	0	0.0
Volunteer firefighter retirement plans	150,390	150,390	0	0	0	0.0
Restore one-time personal services reductions	65,125	12,720	4,971	41,918	5,516	0.0
Indirect cost assessment	26,776	0	11,328	(48,613)	64,061	0.0
Annualize prior year funding	536	536	0	0	0	0.0
Conservation Trust Fund disbursements	(1,400,000)	0	(1,400,000)	0	0	0.0
Heritage cash fund adjustment	(100,000)	0	100,000	(200,000)	0	0.0
Personal services base reduction	(57,010)	(9,161)	(7,247)	(33,637)	(6,965)	0.0

Division of Local Government	Total Funds	General Fund/1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$248,458,222	\$4,936,386	\$223,834,681	\$3,272,713	\$16,414,442	51.4
\$ Change from prior year	\$27,485,817	\$154,485	\$27,509,052	(\$240,332)	\$62,612	0.0
% Change from prior year	12.4%	3.2%	14.0%	(6.8)%	0.4%	0.0%

/1 This amount includes a General Fund Exempt appropriation.

General Fund Summary	Total General Fund	General Fund	General Fund Exempt
<b>FY 2010-11 Appropriation</b>	<b>\$4,781,901</b>	<b>\$637,538</b>	<b>\$4,144,363</b>
Increase General Fund Exempt amount for volunteer firefighter retirement plans based on FY 2011-12 revenue projections	150,390	0	150,390
Restore one-time personal services reductions	12,720	12,720	0
Annualize prior year funding	536	536	0
Personal services base reduction	<u>(9,161)</u>	(9,161)	<u>0</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$4,936,386</b>	<b>\$641,633</b>	<b>\$4,294,753</b>

## General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap<sup>1</sup>, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt this bill appropriates for FY 2010-11 and FY 2011-12 from the General Fund Exempt Account for volunteer firefighter retirement plans and death and disability insurance, pursuant to Section 24-77-103.6 (2) (c), C.R.S.

## Issue Descriptions

**Local government mineral and energy impact grants and disbursements:** The bill reflects an increase in the amount of funding for this program based on projected revenues that will be credited to the Local Government Severance Tax Fund and the Local Government Mineral Impact Fund in FY 2011-12.

**Limited gaming impact grants:** The bill includes an increase in limited gaming impact grants based on projected limited gaming revenues that will be credited to the Local Government Limited Gaming Impact Fund, per current law.

**Volunteer firefighter retirement plans:** The bill includes an increase for the State's contributions for local

<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

volunteer firefighter retirement plans and death and disability insurance.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Conservation Trust Fund disbursements:** The bill reflects a projected decrease in disbursements from the Conservation Trust Fund for parks, recreation, and open space purposes based on projected lottery revenues.

**Heritage cash fund adjustment:** The bill decreases appropriations from the cash fund based on previous year actual expenditures.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Emergency Management:** This division assists local, state, and private organizations in disaster preparedness, response, recovery, and impact mitigation. The Division is responsible for preparing and maintaining a state disaster plan, as well as taking part in the development and revision of local and inter-jurisdictional disaster plans. The Colorado Emergency Planning Commission, established within this Department, is charged with designating local emergency planning districts (as required by federal law), as well as assisting in the appropriate training of personnel to react to emergency response situations.

Emergency Management	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$19,780,998	\$571,685	\$4,510,988	\$80,791	\$14,617,534	27.9
<i>Changes from FY 2010-11 Appropriation</i>						
Indirect cost assessment	112,616	0	0	(7,323)	119,939	0.0
Restore one-time personal services reductions	42,382	10,968	0	877	30,537	0.0
Personal services base reduction	(33,125)	(8,740)	0	(259)	(24,126)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$19,902,871	\$573,913	\$4,510,988	\$74,086	\$14,743,884	27.9
\$ Change from prior year	\$121,873	\$2,228	\$0	(\$6,705)	\$126,350	0.0
% Change from prior year	0.6%	0.4%	0.0%	(8.3)%	0.9%	0.0%

### Issue Descriptions

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.



## Department of Military and Veterans Affairs

**Department Description:** The Department provides trained and ready military forces for the U.S. active armed services, and for preserving life and property during natural disasters and civil emergencies in Colorado; supports federal and state homeland security missions; maintains equipment and facilities for state military forces; provides for safekeeping of the public arms, military records, relics and banners of the state; assists veterans and National Guard members with benefits claims; maintains the Western Slope Veterans' Cemetery; supports the Civil Air Patrol, Colorado Wing; and assists in fighting the spread of drug trafficking and abuse.

Summary Table for Department of Military and Veterans Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$221,257,517	\$5,286,233	\$1,408,881	\$803,509	\$213,758,894	1,384.9
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director and Army National Guard	322,133	194,397	18,840	0	108,896	0.0
Division of Veterans Affairs	(207,414)	9,343	(216,757)	0	0	0.0
Air National Guard	1,512	(11,818)	0	0	13,330	0.0
Federal Funded Programs	0	0	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$221,373,748</b>	<b>\$5,478,155</b>	<b>\$1,210,964</b>	<b>\$803,509</b>	<b>\$213,881,120</b>	<b>1,384.9</b>
\$ Change from prior year	\$116,231	\$191,922	(\$197,917)	\$0	\$122,226	0.0
% Change from prior year	0.1%	3.6%	(14.0)%	0.0%	0.1%	0.0%

### Appropriation Highlights:

1. Increases funding by \$298,000 (including \$159,000 General Fund) to reflect common policy changes to centrally appropriated line items and statewide information technology common policies.
2. Increases funding by \$179,000 (including \$82,000 General Fund) to reflect the restoration of one-time funding reductions in FY 2010-11.
3. Decreases funding by \$217,000 to reflect reduced transfers from the Master Tobacco Settlement Agreement to the Colorado State Veterans Trust Fund and lower interest earnings.
4. Decreases funding by \$116,000 to reflect the 1.5 percent personal services base reduction.
5. Decreases funding by \$28,000 to reflect additional General Fund reductions.

### Appropriation Detail by Long Bill Division

**Executive Director and Army National Guard:** The federal government fully funds National Guard training and provides most of the funding for construction of armories and other military facilities. Under the cooperative agreements with the federal government, the Department provides 100.0 percent of maintenance and utilities costs at fifteen armories, and 20.0 or 25.0 percent of the costs at four other facilities. Most of the

Department's General Fund personnel expenditures are for administrative and professional staff in the Executive Director/Army National Guard office, and for the labor trades and crafts employees who maintain and repair the armories and other military facilities. The Division also provides support for the Colorado Wing of the Civil Air Patrol.

<b>Executive Director and Army National Guard</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$10,152,743	\$4,043,551	\$102,539	\$800,000	\$5,206,653	84.8
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	215,306	95,865	18,897	0	100,544	0.0
Restore one-time personal services reductions	106,592	57,450	0	0	49,142	0.0
Statewide IT common policy adjustments	83,073	83,073	0	0	0	0.0
Personal services base reduction	(68,995)	(28,148)	(57)	0	(40,790)	0.0
General Fund reductions	(13,843)	(13,843)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$10,474,876	\$4,237,948	\$121,379	\$800,000	\$5,315,549	84.8
\$ Change from prior year	\$322,133	\$194,397	\$18,840	\$0	\$108,896	0.0
% Change from prior year	3.2%	4.8%	18.4%	0.0%	2.1%	0.0%

**Issue Descriptions**

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the PERA pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchases of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$13,800 General Fund for certain line items.

**Division of Veterans Affairs:** The Division represents veterans in federal benefits claims, provides information and training to county veterans service officers, and maintains the Western Slope Veterans' Cemetery in Grand Junction. The State Board of Veterans Affairs makes grants to veterans service organizations from the Veterans Trust Fund, which is derived from tobacco settlement proceeds.

Division of Veterans Affairs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,224,591	\$863,740	\$1,306,342	\$3,509	\$51,000	12.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	21,221	18,974	2,247	0	0	0.0
Colorado State Veterans Trust Fund expenditures	(217,486)	0	(217,486)	0	0	0.0
Personal services base reductions	(11,149)	(9,631)	(1,518)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,017,177	\$873,083	\$1,089,585	\$3,509	\$51,000	12.5
\$ Change from prior year	(\$207,414)	\$9,343	(\$216,757)	\$0	\$0	0.0
% Change from prior year	(9.3)%	1.1%	(16.6)%	0.0%	0.0%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Colorado State Veterans Trust Fund expenditures:** The bill reduces the appropriation to reflect the forecasted receipts from the Master Tobacco Settlement. The bill also reflects a decrease in available interest earnings as a result of the use of the moneys in the Fund for the purchase of land and design for new readiness centers in the State.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Air National Guard:** This division provides funding for personal services, operating expenses, and utilities for the Buckley and Greeley Air National Guard bases. The State's share of operating and maintenance costs varies under its agreements with the federal government, based on the type and use of the building and whether it is on state or federal land. The federal government pays the state to employ five full-time security guards at the space command facility at Greeley.

Air National Guard	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,233,814	\$378,942	\$0	\$0	\$2,854,872	48.6
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	51,305	5,772	0	0	45,533	0.0
Personal services base reduction	(35,951)	(3,748)	0	0	(32,203)	0.0
General Fund reduction	(13,842)	(13,842)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,235,326	\$367,124	\$0	\$0	\$2,868,202	48.6
\$ Change from prior year	\$1,512	(\$11,818)	\$0	\$0	\$13,330	0.0
% Change from prior year	0.0%	(3.1)%	n/a	n/a	0.5%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$13,843 General Fund for certain line items.

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**Federal Funded Programs:** This section of the Long Bill is included for informational purposes only. It describes funding that is managed by the Department but which is not subject to state appropriation and does not flow through the state accounting system. These programs provide training each weekend and two weeks per year for members of the Colorado National Guard. The appropriated level of federal funding reflects estimates of the federal appropriation for federal fiscal year 2011.

Federal Funded Programs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
<i>Changes from FY 2010-11 Appropriation</i>						
No changes	0	0	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$205,646,369	\$0	\$0	\$0	\$205,646,369	1,239.0
\$ Change from prior year	\$0	\$0	\$0	\$0	\$0	0.0
% Change from prior year	0.0%	n/a	n/a	n/a	0.0%	0.0%

## Issue Descriptions

**No changes:** The bill includes no changes for FY 2011-12.

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## Department of Natural Resources

**Department Description:** The Department is responsible for developing, protecting and enhancing Colorado's natural resources. The Department is comprised of the following agencies and divisions: Executive Director's Office; Reclamation, Mining, and Safety; Geological Survey; Oil and Gas Conservation Commission; State Board of Land Commissioners; Parks and Outdoor Recreation; Colorado Water Conservation Board; Water Resources (State Engineer's Office); and the Division of Wildlife.

<b>Summary Table for Department of Natural Resources</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$245,695,421	\$26,201,062	\$191,792,929	\$7,972,361	\$19,729,069	1,474.8
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	(6,482,407)	(795,425)	(6,745,962)	496,906	562,074	0.0
Division of Reclamation, Mining, and Safety	22,177	0	298,583	0	(276,406)	0.0
Geological Survey	16,701	0	(7,135)	28,220	(4,384)	0.7
Oil and Gas Conservation Commission	(211,183)	0	(212,962)	0	1,779	0.0
State Board of Land Commissioners	38,847	0	38,847	0	0	0.0
Parks and Outdoor Recreation	(711,067)	(1,630,733)	1,226,594	0	(306,928)	(7.9)
Colorado Water Conservation Board	(12,884,747)	0	(12,882,062)	(4,440)	1,755	0.0
Water Resources Division	(211,226)	31,463	(236,752)	0	(5,937)	0.0
Division of Wildlife	(1,163,930)	0	(1,340,191)	0	176,261	(2.0)
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$224,108,586</b>	<b>\$23,806,367</b>	<b>\$171,931,889</b>	<b>\$8,493,047</b>	<b>\$19,877,283</b>	<b>1,465.6</b>
\$ Change from prior year	(\$21,586,835)	(\$2,394,695)	(\$19,861,040)	\$520,686	\$148,214	(9.2)
% Change from prior year	(8.8)%	(9.1)%	(10.4)%	6.5%	0.8%	(0.6)%

### Appropriation Highlights:

1. Provides \$2.5 million total funds (\$629,000 General Fund) to restore one-time personal services reductions for FY 2010-11.
2. Provides \$1.8 million total funds (\$58,000 General Fund) for centrally appropriated line items, statewide IT common policy adjustments, and a net increase in indirect cost assessments.
3. Provides \$335,000 total funds to annualize prior year budget actions.
4. Eliminates one-time \$21.2 million cash funds provided through legislation in FY 2010-11.
5. Reduces funding to State Parks by \$3.0 million total funds (\$2.5 million General Fund) and 7.9 FTE.
6. Reduces \$1.9 million total funds (\$569,000 General Fund) for a 1.5 percent reduction to Personal Services line items and a General Fund reduction to certain line items.

## Appropriation Detail by Long Bill Division

**Executive Director's Office:** This office is responsible for the management and administration of the Department, including the following functional areas: departmental administration and policy development, human resources, accounting, and purchasing and budgeting.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$45,166,511	\$5,917,622	\$30,828,375	\$6,591,738	\$1,828,776	43.8
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	1,082,731	250,722	124,731	141,484	565,794	0.0
Statewide IT common policy adjustments	244,387	(192,864)	177,165	255,496	4,590	0.0
Restore one-time personal services reductions	215,676	55,075	56,885	99,926	3,790	0.0
Annualize prior year funding	135,182	14,047	120,999	0	136	0.0
Eliminate General Fund for State Parks	0	(854,277)	854,277	0	0	0.0
Eliminate one-time funding	(8,000,000)	0	(8,000,000)	0	0	0.0
Reduce Severance Tax funding to State Parks	(76,767)	0	(76,767)	0	0	0.0
Personal services base reduction	(57,241)	(57,241)	0	0	0	0.0
Reduce coal regulatory program IT funding	(15,488)	0	(3,252)	0	(12,236)	0.0
General Fund reduction	(10,887)	(10,887)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$38,684,104</b>	<b>\$5,122,197</b>	<b>\$24,082,413</b>	<b>\$7,088,644</b>	<b>\$2,390,850</b>	<b>43.8</b>
\$ Change from prior year	(\$6,482,407)	(\$795,425)	(\$6,745,962)	\$496,906	\$562,074	0.0
% Change from prior year	(14.4)%	(13.4)%	(21.9)%	7.5%	30.7%	0.0%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; workers' compensation; legal services; payments to risk management and property funds; vehicle lease payments; and Capitol complex leased space.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year budget actions.

**Eliminate General Fund for State Parks:** The bill eliminates General Fund support for State Parks.

**Eliminate one-time funding:** The bill eliminates one-time funding provided to the Department in FY 2010-11 through H.B. 10-1398 (Species Conservation Trust Fund).

**Reduce Severance Tax funding to State Parks:** The bill reduces funding to State Parks from the Operational Account of the Severance Tax Trust Fund.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Reduce coal regulatory program IT funding:** The bill aligns IT asset maintenance funding for the Coal Regulatory Program with the statewide consolidation of IT functions under the Governor's Office of Information Technology.

**General Fund reduction:** The bill includes a reduction of \$10,887 to certain line items.

**Division of Reclamation, Mining, and Safety:** This division includes the following programs:

- **Coal Land Reclamation** -- This program issues and enforces mining and reclamation permits for coal mines in Colorado on state, federal, and private lands, including ensuring compliance with the requirements of the federal Surface Mining Control and Reclamation Act. The program is currently responsible for 41 permits and 115 exploration units (permitted areas cover 159,551 acres).
- **Inactive Mines** -- This program safeguards mine openings, inspects and monitors mine sites, and reclaims abandoned mines. There are over 23,000 abandoned mine sites in Colorado, of which only about 7,800 have been reclaimed.
- **Minerals** -- This program issues and enforces mining and reclamation permits for all non-coal mines in Colorado on state, federal, and private lands. The program permits and inspects the 1,543 non-coal mines in Colorado, (permitted areas cover 181,625 acres) and regulates 245 active prospecting operations.
- **Mine Safety Training** -- This program regulates active mines for safety, inspects tourist mines, performs safety audits, administers certification programs for mining employees, provides training in mine rescue and safety, and regulates underground diesel equipment and mining explosives.

Division of Reclamation, Mining, and Safety	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$7,682,632	\$0	\$4,322,869	\$30,000	\$3,329,763	70.9
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	120,517	0	54,094	0	66,423	0.0
Coal program refinance	0	0	273,306	0	(273,306)	0.0
Personal services base reduction	(80,178)	0	(41,088)	0	(39,090)	0.0
Indirect cost assessment	(18,162)	0	12,271	0	(30,433)	0.0

Division of Reclamation, Mining, and Safety	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$7,704,809	\$0	\$4,621,452	\$30,000	\$3,053,357	70.9
\$ Change from prior year	\$22,177	\$0	\$298,583	\$0	(\$276,406)	0.0
% Change from prior year	0.3%	n/a	6.9%	0.0%	(8.3)%	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Coal program refinance:** The bill offsets an anticipated reduction in federal funding for the coal regulatory program with increased cash funds from the Operational Account of the Severance Tax Trust Fund to maintain the coal regulatory program.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments.

**Geological Survey:** This division includes the following three programs:

- Environmental Geology and Geological Hazards -- This program is designed to lessen the impact of, and increase the awareness and understanding of, geological hazards in Colorado.
- Mineral Resources and Mapping -- This program promotes the development of the state's mineral resources through the publication and distribution of maps, reports, and presentations on geological conditions, mineral potential, mineral reserves, and actual mineral production.
- Colorado Avalanche Information Center -- This program provides avalanche forecasting services and education to back country recreation users, industry, and travelers.

Geological Survey	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,796,198	\$0	\$2,980,723	\$829,596	\$985,879	35.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	56,304	0	36,862	12,329	7,113	0.0
Southwest Colorado avalanche forecaster	27,281	0	0	27,281	0	0.7
Personal services base reduction	(58,733)	0	(38,605)	(11,390)	(8,738)	0.0
Indirect cost assessment	(8,151)	0	(5,392)	0	(2,759)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,812,899	\$0	\$2,973,588	\$857,816	\$981,495	36.1
\$ Change from prior year	\$16,701	\$0	(\$7,135)	\$28,220	(\$4,384)	0.7
% Change from prior year	0.3%	n/a	(0.2)%	3.4%	(0.4)%	2.0%



## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Southwest Colorado avalanche forecaster:** The bill includes an increase of reappropriated funds from the Department of Transportation and associated FTE to support an additional avalanche forecaster to serve southwestern Colorado.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments.

**Oil and Gas Conservation Commission:** The Commission is responsible for promoting the exploration, development, and conservation of Colorado's oil and natural gas resources. The Commission also has the authority to regulate oil and gas operations so as to protect public health, prevent significant adverse environmental impacts, and prevent waste. The Commission is also responsible for answering complaints and inquiries, responding to oil and gas spills and other environmental emergencies at production sites, managing plugging and reclamation work at abandoned well sites, and performing baseline water quality studies.

The bulk of the funding for the Commission is from the Oil and Gas Conservation and Environmental Response Fund, which is supported by a mil levy on oil and gas production, and secondarily from the Operational Account of the Severance Tax Trust Fund.

Oil and Gas Conservation Commission	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$8,778,894	\$0	\$8,676,437	\$0	\$102,457	69.0
<i>Changes from FY 2010-11 Appropriation</i>						
Plugging and reclaiming abandoned wells increase	225,000	0	225,000	0	0	0.0
Restore one-time personal services reduction	93,508	0	93,508	0	0	0.0
Indirect cost assessment	52,022	0	50,243	0	1,779	0.0
Emergency response reduction	(500,000)	0	(500,000)	0	0	0.0
Personal services base reduction	(81,713)	0	(81,713)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$8,567,711	\$0	\$8,463,475	\$0	\$104,236	69.0
\$ Change from prior year	(\$211,183)	\$0	(\$212,962)	\$0	\$1,779	0.0
% Change from prior year	(2.4)%	n/a	(2.5)%	n/a	1.7%	0.0%

## Issue Descriptions

**Plugging and reclaiming abandoned wells increase:** The bill includes an increase in cash funds for contract work to plug and reclaim abandoned oil and gas wells.

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Emergency response reduction:** The bill reduces cash funds from the Oil and Gas Conservation and Environmental Response Fund for emergency response purposes to better align with prior years' expenditures (discussed above).

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**State Board of Land Commissioners:** The State Board of Land Commissioners (State Land Board) manages properties for eight trusts set up in either the Colorado Constitution or in statute. By far the largest trust managed by the State Land Board is the Public School Trust (School Trust). Approximately 98.0 percent of the revenue generated by the State Land Board through leases, mineral development, and other activities, is attributable to the School Trust.

Pursuant to H.B. 08-1335 (known as the BEST bill; see Section 22-43.7-104, C.R.S.) 50.0 percent of the gross amount of income received during the fiscal year from income and mineral royalties derived from state public school lands is deposited in the Public School Capital Construction Assistance (PSCCA) Fund. Up to \$11 million of rental income may be appropriated to the Department of Education for public schools. Any remaining revenue is deposited in the Public School Fund (the Permanent Fund) or reinvested by the State Land Board to purchase other lands.

State Board of Land Commissioners	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,078,323	\$0	\$3,853,323	\$225,000	\$0	37.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	63,709	0	63,709	0	0	0.0
Indirect cost assessment	11,588	0	11,588	0	0	0.0
Personal services base reduction	(36,450)	0	(36,450)	0	0	0.0
<b>Total FY 2011-12</b>						
<b>Long Bill Appropriation</b>	\$4,117,170	\$0	\$3,892,170	\$225,000	\$0	37.0
\$ Change from prior year	\$38,847	\$0	\$38,847	\$0	\$0	0.0
% Change from prior year	1.0%	n/a	1.0%	0.0%	n/a	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Parks and Outdoor Recreation:** This division manages 43 parks and recreation programs. The division also manages statewide recreation programs, including the snowmobile program, the off-highway vehicle program, and river outfitters regulation. The parks are supported by a mixture of cash funds from fees, funds from the State Lottery and Great Outdoors Colorado, the Operational Account of the Severance Tax Trust Fund, and federal grants.

<b>Parks and Outdoor Recreation</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$45,768,413	\$1,630,733	\$41,744,875	\$0	\$2,392,805	289.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	360,017	62,932	297,085	0	0	0.0
Indirect cost assessment	277,727	0	309,458	0	(31,731)	0.0
Increase in federal funding	231,484	0	0	0	231,484	0.0
Annualize prior year funding	191,200	0	191,200	0	0	0.0
Eliminate General Fund for State Parks	0	(1,673,074)	1,673,074	0	0	0.0
Reduce Severance Tax funding to State Parks	(1,321,053)	0	(821,053)	0	(500,000)	(7.9)
Personal services base reduction	(321,862)	(20,591)	(294,590)	0	(6,681)	0.0
Eliminate Law Enforcement Equipment line item	(126,780)	0	(126,780)	0	0	0.0
Centrally appropriated line items	(1,800)	0	(1,800)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$45,057,346	\$0	\$42,971,469	\$0	\$2,085,877	281.6
\$ Change from prior year	(\$711,067)	(\$1,630,733)	\$1,226,594	\$0	(\$306,928)	(7.9)
% Change from prior year	(1.6)%	(100.0)%	2.9%	n/a	(12.8)%	(2.7)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Increase in federal funding:** The bill includes an anticipated increase in federal grants for the U.S. Coast Guard to fund a portion of the requirements of the federal Boat Safety Act.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Eliminate General Fund for State Parks:** The bill eliminates General Fund support for State Parks.

**Reduce Severance Tax funding to State Parks:** The bill reduces funding to State Parks from the Operational Account of the Severance Tax Trust Fund.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Eliminate Law Enforcement Equipment line item:** The bill eliminates the Law Enforcement Equipment line item.

**Centrally appropriated line items:** The bill includes an adjustment for leased space.

**Colorado Water Conservation Board:** Under the guidance of the Board, this division is responsible for protecting, conserving, and developing the state's water resources, and minimizing the risk of flood damage and associated economic loss. The Colorado Water Conservation Board is divided into two main functional areas: administration and special purpose programs. The bulk of the funding for the Division is from reserves in the Colorado Water Conservation Board Construction Fund.

Colorado Water Conservation Board	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$21,609,476	\$0	\$21,174,093	\$296,027	\$139,356	45.7
<i>Changes from FY 2010-11 Appropriation</i>						
Indirect cost assessment	78,240	0	76,127	0	2,113	0.0
Restore one-time personal services reduction	74,740	0	73,115	0	1,625	0.0
Eliminate one-time funding	(12,975,000)	0	(12,975,000)	0	0	0.0
Personal services base reduction	(62,727)	0	(56,304)	(4,440)	(1,983)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$8,724,729	\$0	\$8,292,031	\$291,587	\$141,111	45.7
\$ Change from prior year	(\$12,884,747)	\$0	(\$12,882,062)	(\$4,440)	\$1,755	0.0
% Change from prior year	(59.6)%	n/a	(60.8)%	(1.5)%	1.3%	0.0%

## Issue Descriptions

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Eliminate one-time funding:** The bill eliminates one-time funding that was provided to the Department in FY 2010-11 through H.B. 10-1250 (Colorado Water Conservation Board Projects).

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Water Resources Division:** This division, also called the Office of the State Engineer, is primarily responsible for administration of water resources. This includes daily oversight of water allocations within the state and downstream interstate compact compliance, monitoring of water supply through stream-flow measurements, and groundwater regulation. The Division administers 79,592 direct flow water rights. The Division is also responsible for dam safety inspections and groundwater well construction regulation.

<b>Water Resources Division</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Adjusted Appropriation</b>	\$20,593,135	\$18,652,707	\$1,805,368	\$0	\$135,060	252.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	523,385	511,274	11,721	0	390	0.0
Indirect cost assessment	13,120	0	11,677	0	1,443	0.0
Personal services base reduction	(281,672)	(271,522)	(10,150)	0	0	0.0
Eliminate one-time funding	(250,000)	0	(250,000)	0	0	0.0
General Fund reduction	(208,289)	(208,289)	0	0	0	0.0
Decrease in federal funding	(7,770)	0	0	0	(7,770)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$20,381,909	\$18,684,170	\$1,568,616	\$0	\$129,123	252.1
\$ Change from prior year	(\$211,226)	\$31,463	(\$236,752)	\$0	(\$5,937)	0.0
% Change from prior year	(1.0)%	0.2%	(13.1)%	n/a	(4.4)%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Eliminate one-time funding:** The bill eliminates one-time funding that was provided to the Department in FY 2010-11 through H.B. 10-1250 (Colorado Water Conservation Board Projects).

**General Fund reduction:** The bill includes a reduction of \$208,289 to certain line items.

**Decrease in federal funding:** The bill includes an anticipated decrease in federal funding.

**Division of Wildlife:** The division manages the state's 960 game and non-game wildlife species by issuing hunting and fishing licenses, enforcing wildlife regulations, protecting habitat and native wildlife populations and managing more than 250 state wildlife areas. The division appropriations contain funding for 13 major programs, including the following: Wildlife Habitat, Wildlife Species, Hunting Recreation, Fishing Recreation, Watchable Wildlife, Law Enforcement, Licensing, Wildlife Education, Wildlife Information, Customer Service, Public Policy, Human Resources, and Internal Systems.

Division of Wildlife	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$87,221,839	\$0	\$76,406,866	\$0	\$10,814,973	631.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	969,101	0	839,657	0	129,444	0.0
Indirect cost assessment	90,523	0	(43,919)	0	134,442	0.0
Reduce FTE spending authority	0	0	0	0	0	(2.0)
Eliminate General Fund for State Parks	(1,569,144)	0	(1,569,144)	0	0	0.0
Personal services base reduction	(654,410)	0	(566,785)	0	(87,625)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$86,057,909	\$0	\$75,066,675	\$0	\$10,991,234	629.4
\$ Change from prior year	(\$1,163,930)	\$0	(\$1,340,191)	\$0	\$176,261	(2.0)
% Change from prior year	(1.3)%	n/a	(1.8)%	n/a	1.6%	(0.3)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Reduce FTE spending authority:** The bill reduces 2.0 FTE related to the statewide IT staff consolidation.

**Eliminate General Fund for State Parks:** The bill eliminates Tier I of the Operational Account of the Severance Tax Trust Fund funding to the Division of Wildlife in order to provide additional cash fund support for State Parks.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Personnel and Administration

**Department Description:** The Department of Personnel and Administration is responsible for administering the state personnel system, which includes approximately 31,000 full time equivalent (FTE) staff, excluding the Department of Higher Education. In addition, the Department provides general support services for state agencies. These functions include: control of the State's purchasing activities; oversight of state financial activities; maintenance of state archives and public records; maintenance of the buildings in the Capitol complex and two other campuses; provision of central services to agencies in the Denver metropolitan area; provision of administrative law judge services; coordination of capital construction and controlled maintenance projects; management of the State's motor vehicle fleet; centralized lease management for state agencies; administration of the State's personnel selection, classification, and compensation programs; administration of the State's employee benefit programs; and oversight of the State's liability, property, and workers' compensation insurance programs.

Summary Table for Department of Personnel and Administration						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$160,685,709	\$5,104,155	\$10,576,962	\$145,004,592	\$0	391.3
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	(1,642,410)	(1,199,654)	(246,309)	(196,447)	0	0.0
Human Resources	(3,272,576)	0	(244,984)	(3,027,592)	0	(0.5)
Constitutionally Independent Entities	705	9,443	(8,738)	0	0	0.0
Central Services	2,232,099	0	48,895	2,183,204	0	0.0
Division of Accounts and Control - Controller	(615,950)	1,325,903	(1,312,055)	(629,798)	0	1.5
Administrative Courts	(50,898)	0	22,283	(73,181)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$157,336,679</b>	<b>\$5,239,847</b>	<b>\$8,836,054</b>	<b>\$143,260,778</b>	<b>\$0</b>	<b>392.3</b>
\$ Change from prior year	(\$3,349,030)	\$135,692	(\$1,740,908)	(\$1,743,814)	\$0	1.0
% Change from prior year	(2.1)%	2.7%	(16.5)%	(1.2)%	n/a	0.3%

### Appropriation Highlights:

1. Increases the appropriation for the Division of Central Services by \$2.3 million reappropriated funds for increased expenses associated with the Statewide Fleet Management program.
2. Reduces the appropriation for Office of Information Technology statewide services by \$2.1 million. This includes an overall decrease of \$1.5 million General Fund, a decrease of \$64,000 cash funds, and a decrease of \$450,000 reappropriated funds.
3. Reduces the appropriation for the State Purchasing Office by \$750,000 cash funds to eliminate one-time funding for a statewide E-procurement system.
4. Reduces the appropriation by \$384,000 to reflect the 1.5 percent personal services base reduction. This amount is comprised of \$41,000 General Fund, \$47,000 cash funds, and \$296,000 reappropriated funds.

## Appropriation Detail by Long Bill Division

**Executive Director's Office:** This division is responsible for reviewing the Department's overall management and programs. The division also provides accounting and budgeting services for the department, and it includes the Colorado State Employees Assistance Program (C-SEAP), the Office of the State Architect, and the Colorado State Archives.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$14,507,952	\$3,413,259	\$935,292	\$10,159,401	\$0	42.5
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	324,395	218,305	(184,755)	290,845	0	0.0
Restore one-time personal services reduction	116,434	34,170	2,321	79,943	0	0.0
Annualize ARRA funds	62,245	24,957	(8,750)	46,038	0	0.0
Indirect cost assessment	22,957	0	0	22,957	0	0.0
Statewide IT common policy adjustments	(2,103,185)	(1,485,745)	(64,814)	(552,626)	0	0.0
Personal services base reduction	(83,574)	(47,072)	(1,509)	(34,993)	0	0.0
Annualize prior year funding	(12,650)	(12,650)	0	0	0	0.0
Other	30,968	68,381	11,198	(48,611)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$12,865,542</b>	<b>\$2,213,605</b>	<b>\$688,983</b>	<b>\$9,962,954</b>	<b>\$0</b>	<b>42.5</b>
\$ Change from prior year	(\$1,642,410)	(\$1,199,654)	(\$246,309)	(\$196,447)	\$0	0.0
% Change from prior year	(11.3)%	(35.1)%	(26.3)%	(1.9)%	n/a	0.0%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize ARRA funds:** The bill restores funds that were refinanced with moneys from the American Recovery and Reinvestment Act (ARRA) for FY 2010-11.

**Indirect cost assessment:** The bill reduces the appropriation for the indirect costs line item.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.



**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Other:** The bill reflects the elimination of the Employee Emeritus Retirement line item. It also reflects an increase in the amount of cash funds that are available to fund the Colorado State Archives.

**Division of Human Resources:** This division is responsible for the administration of: (1) the State's personnel system; (2) the State's employee benefit programs; and (3) the risk management program for all state agencies, including all components of property, liability, and workers' compensation claims.

Division of Human Resources	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$60,931,596	\$0	\$2,738,536	\$58,193,060	\$0	39.2
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	84,214	0	19,282	64,932	0	0.0
Legal services	74,553	0	0	74,553	0	0.0
Annualize ARRA funds	20,802	0	0	20,802	0	0.0
Liability premium	(2,197,089)	0	0	(2,197,089)	0	0.0
Property premium	(662,022)	0	0	(662,022)	0	0.0
Workers' compensation premium	(283,440)	0	0	(283,440)	0	0.0
Supplemental state contribution	(133,876)	0	(133,876)	0	0	0.0
Reduce contingency funds	(75,000)	0	(75,000)	0	0	0.0
Personal services base reduction	(56,753)	0	(11,848)	(44,905)	0	(0.5)
Indirect cost assessment	(40,965)	0	(40,542)	(423)	0	0.0
Annualize prior year funding	(3,000)	0	(3,000)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$57,659,020	\$0	\$2,493,552	\$55,165,468	\$0	38.7
\$ Change from prior year	(\$3,272,576)	\$0	(\$244,984)	(\$3,027,592)	\$0	(0.5)
% Change from prior year	(5.4)%	n/a	(8.9)%	(5.2)%	n/a	(1.3)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Legal services:** The bill increases funds for legal services.

**Annualize ARRA funds:** The bill restores funds that were refinanced with moneys from the American Recovery and Reinvestment Act (ARRA) for FY 2010-11.

**Liability premium:** The bill reduces the funds for statewide liability insurance premiums to reflect the anticipated costs for FY 2011-12.

**Property premium:** The bill reduces the funds for statewide property insurance premiums to reflect the anticipated costs for FY 2011-12.

**Workers' compensation premium:** The bill reduces the funds for statewide workers' compensation insurance premiums to reflect the anticipated costs for FY 2011-12.

**Supplemental state contribution:** The bill reflects a reduction in available funds from the tobacco litigation settlement. The funding formula is defined in statute.

**Reduce contingency funds:** The bill reduces the amount of contingency funds for training services.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items. It also reduces the FTE to eliminate a long-term vacant position.

**Indirect cost assessment:** The bill reflects a decrease for the indirect costs assessed to this division.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Constitutionally Independent Entities:** This division includes the State Personnel Board. The Personnel Board has the authority to adopt, by rule, a uniform grievance procedure to be used by all state agencies for classified employees in the state personnel system. The Board adjudicates employment disputes within the state classified system and is responsible for promulgating rules to ensure that state employment is based on merit.

Constitutionally Independent Entities	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$517,360	\$487,966	\$9,916	\$19,478	\$0	4.8
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	16,634	16,604	30	0	0	0.0
Legal services	109	109	0	0	0	0.0
Personal services base reduction	(12,288)	(12,270)	(18)	0	0	0.0
Annualize ARRA funds	(3,750)	5,000	(8,750)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$518,065	\$497,409	\$1,178	\$19,478	\$0	4.8
\$ Change from prior year	\$705	\$9,443	(\$8,738)	\$0	\$0	0.0
% Change from prior year	0.1%	1.9%	(88.1)%	0.0%	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a

reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Legal services:** The bill reflects a small increase in the rate for legal services.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize ARRA funds:** The bill restores funds that were refinanced with moneys from the American Recovery and Reinvestment Act (ARRA) for FY 2010-11.

**Central Services:** This division is responsible for providing services such as: (1) management of the statewide travel program; (2) processing of incoming and outgoing mail; (3) mail delivery and messenger services; (4) copying, printing and graphics design; (5) management of the State's motor vehicle fleet; and (6) operation and maintenance of buildings in the Capitol complex and other state-owned facilities.

Central Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$72,658,775	\$156,018	\$281,039	\$72,221,718	\$0	192.8
<i>Changes from FY 2010-11 Appropriation</i>						
Fleet expenses	2,347,886	0	0	2,347,886	0	0.0
Contingency funds	330,400	0	144,859	185,541	0	0.0
Restore one-time personal services reduction	223,242	0	437	222,805	0	0.0
Capitol complex security	14,298	0	0	14,298	0	0.0
Agriculture brand board assessment	5,713	0	0	5,713	0	0.0
Indirect cost assessment	(250,110)	0	0	(250,110)	0	0.0
Utilities	(183,988)	0	0	(183,988)	0	0.0
Personal services base reduction	(160,098)	0	(1,157)	(158,941)	0	0.0
Annualize prior year funding	(95,244)	0	(95,244)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$74,890,874	\$156,018	\$329,934	\$74,404,922	\$0	192.8
\$ Change from prior year	\$2,232,099	\$0	\$48,895	\$2,183,204	\$0	0.0
% Change from prior year	3.1%	0.0%	17.4%	3.0%	n/a	0.0%

## Issue Descriptions

**Fleet expenses:** The bill increases funds for costs associated with operating the state fleet, as well as the costs of replacing or purchasing new vehicles.

**Contingency funds:** The bill increases the amount of contingency funds to reflect a increase in the amount appropriated for the Document Solutions Group, and the second year of a contract with the City and County of Denver.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Capitol complex security:** The bill includes an increase for Capitol complex security to reflect the increased billing from the Department of Public Safety.

**Agriculture brand board assessment:** The bill reflects the impact to the Division for new activities within the Department of Agriculture.

**Indirect cost assessment:** The bill reflects a decrease for the indirect costs assessed to this division.

**Utilities:** The bill includes a decrease for utilities expenses that are associated with operating the Capitol complex facilities.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Division of Accounts and Control - Controller:** This division includes the Office of the State Controller, which manages the financial affairs of all of the departments. The Division also: (1) administers a statewide procurement program through the State Purchasing Office; (2) meets the product and service needs of state agencies by negotiating contracts for goods and services; (3) conducts statewide financial reporting, policy and procedural guidance; (4) manages contracts; (5) develops the statewide indirect cost allocation plan; and (6) is responsible for the collection of debts due to the State.

<b>Division of Accounts and Control - Controller</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$8,433,108	\$1,046,912	\$6,584,918	\$801,278	\$0	72.0
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize ARRA funds	201,650	173,780	7,913	19,957	0	0.0
Compliance activities	168,748	93,265	75,483	0	0	1.0
Restore one-time personal services reductions	119,631	66,615	72,823	(19,807)	0	0.0
Annualize prior year funding	51,831	73,731	(498,378)	476,478	0	1.2
Fund source adjustment	0	963,495	62,688	(1,026,183)	0	0.0
Annualize one-time funds for E-procurement system	(750,000)	0	(750,000)	0	0	0.0
Annualize one-time federal funds reimbursement	(250,000)	0	(250,000)	0	0	0.0
Personal services base reduction	(85,400)	(44,983)	(32,584)	(7,833)	0	(0.7)
Indirect cost assessment	(72,410)	0	0	(72,410)	0	0.0

Division of Accounts and Control - Controller	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$7,817,158	\$2,372,815	\$5,272,863	\$171,480	\$0	73.5
\$ Change from prior year	(\$615,950)	\$1,325,903	(\$1,312,055)	(\$629,798)	\$0	1.5
% Change from prior year	(7.3)%	126.6%	(19.9)%	(78.6)%	n/a	2.1%

## Issue Descriptions

**Annualize ARRA funds:** The bill restores funds that were refinanced with moneys from the American Recovery and Reinvestment Act (ARRA) for FY 2010-11.

**Compliance activities:** The bill provides funds and FTE for the Office of the State Controller to implement practices to ensure compliance with new federal mandates.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Fund source adjustment:** The bill includes an increase in General Fund, offset by a decrease in cash funds and reappropriated funds. The adjustment reflects a decrease in the amount of indirect cost recoveries for FY 2011-12, as well as a reduction in the cash fund revenue sources.

**Annualize one-time funds for E-procurement system:** The bill eliminates one-time funds to implement an E-procurement system during FY 2010-11.

**Annualize one-time federal funds reimbursement:** The bill reduces funds to account for a one-time appropriation to reimburse the federal government for its portion of procurement card rebates that were transferred to the General Fund for FY 2010-11.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill adjusts for an increase in indirect costs assessed to this division, as well as a change in the line item's fund sources.

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**Administrative Courts:** This division provides an independent administrative law adjudication system for state agencies in order to resolve cases with topics such as workers' compensation, human resources, and regulatory law. The Division offers a full range of alternative dispute resolution options, including evidentiary hearings, settlement conferences, and mediation. Approximately one-half of all hearings are related to workers' compensation cases.

Administrative Courts	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,636,918	\$0	\$27,261	\$3,609,657	\$0	40.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	76,616	0	766	75,850	0	0.0
Fund source adjustment	0	0	21,937	(21,937)	0	0.0
Indirect cost assessment	(73,273)	0	0	(73,273)	0	0.0
Personal services base reduction	(49,741)	0	(420)	(49,321)	0	0.0
Annualize prior year legislation	(4,500)	0	0	(4,500)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,586,020	\$0	\$49,544	\$3,536,476	\$0	40.0
\$ Change from prior year	(\$50,898)	\$0	\$22,283	(\$73,181)	\$0	0.0
% Change from prior year	(1.4)%	n/a	81.7%	(2.0)%	n/a	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes an increase in cash funds offset by a decrease in reappropriated funds. The fund source adjustment reflects the increased revenue from non-state agencies.

**Indirect cost assessment:** The bill reflects a decrease in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year legislation:** The bill reflects the second-year impact of legislation that was passed during the 2010 legislative session.

## Department of Public Health and Environment

**Department Description:** The Department of Public Health and Environment is responsible for protecting and improving the health of the people of Colorado and protecting the quality of Colorado's environment.

<b>Summary Table for Department of Public Health and Environment</b>						
	<b>Total Funds</b>	<b>General Fund /1</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$442,175,066	\$27,460,904	\$131,914,492	\$26,696,827	\$256,102,843	1,227.7
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Administration and Support	3,208,688	146,818	(293,295)	3,059,350	295,815	0.2
Center for Health and Environmental Information and Statistics	(1,605,355)	29,457	(1,756,742)	73,884	48,046	(0.5)
Laboratory Services	921,153	4,759	427,249	(10,948)	500,093	2.5
Air Pollution Control Division	58,820	0	46,453	0	12,367	0.0
Water Quality Control Division	4,643,844	22,552	21,374	(584)	4,600,502	21.4
Hazardous Materials and Waste Management Division	503,437	0	498,852	538	4,047	0.0
Consumer Protection	4,767	9,825	(1,243)	(6,708)	2,893	0.0
Disease Control and Environmental Epidemiology Division	(3,685,704)	(11,793)	(1,748,038)	(1,433)	(1,924,440)	4.5
Prevention Services Division	13,459,335	(11,827)	23,097,459	(94,278)	(9,532,019)	15.1
Health Facilities and Emergency Medical Services Division	487,193	(2,637)	(30,485)	57,202	463,113	1.6
Emergency Preparedness and Response Division	17,347,856	(7,084)	0	0	17,354,940	(7.5)
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$477,519,100</b>	<b>\$27,640,974</b>	<b>\$152,176,076</b>	<b>\$29,773,850</b>	<b>\$267,928,200</b>	<b>1,265.0</b>
\$ Change from prior year	\$35,344,034	\$180,070	\$20,261,584	\$3,077,023	\$11,825,357	37.3
% Change from prior year	8.0%	0.7%	15.4%	11.5%	4.6%	3.0%

/1 Includes General Fund Exempt.

### Appropriation Highlights:

1. Increases appropriations of cash and reappropriated funds by \$25.6 million to reflect the expiration of H.B. 10-1381, which reduced appropriations of Amendment 35 tobacco-tax revenues to the Department of Public Health and Environment by this amount and then appropriated the savings to the Department of Health Care Policy and Financing (HCPF) to help pay for medical services premiums.
2. Increases federal funds by \$4.8 million and 37.5 FTE to reflect federal funding that the Department has received in recent years.
3. Increases appropriations by \$4.4 million total funds (\$203,000 General Fund) for centrally appropriated line items.

4. Increases appropriations by \$3.3 million federal funds to reflect a new federal grant for nurse home visitation.
5. Restores \$2.0 million (\$220,000 General Fund) of one-time reductions to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.
6. Provides \$396,000 cash funds for newborn screening and genetics counseling.
7. Reduces the appropriation for tobacco-settlement supported programs by \$2.0 million cash funds.
8. Reduces appropriations by \$1.6 million (\$242,000 General Fund) through a 1.5 percent base reduction for personal services and other General Fund reductions.
9. Reduces appropriations for the Medical Marijuana Registry by \$1.4 million cash funds.

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### Appropriation Detail by Long Bill Division

**Administration and Support:** This division includes the Executive Director and Chief Medical Officer, the Office of Policy and Public/Private Initiatives, the Office of Health Disparities, Local Public Health Planning and Support, and several multi-area environmental programs. The division provides human resources services, business services, and support services to the Department, including accounting, budgeting, contracts, payroll, purchasing, internal audit, management analysis, building operations, and telecommunications. The division's primary source of reappropriated funds is indirect cost recoveries. Cash funds derive from a variety of sources and include central administrative appropriations for the Department's many cash funded programs.

Administration and Support	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$44,244,922	\$7,426,420	\$13,257,774	\$17,723,061	\$5,837,667	90.5
<b><i>Changes from FY 2010-11 Appropriation</i></b>						
Annualize prior year funding	3,930,884	0	(549,551)	4,480,435	0	0.2
Centrally appropriated line items	1,203,787	173,220	371,510	323,337	335,720	0.0
Restore one-time personal services reduction	149,003	9,661	7,934	110,975	20,433	0.0
Indirect cost assessment	92,716	0	92,716	0	0	0.0
Amendment 35 programs	(1,598,636)	0	0	(1,598,636)	0	0.0
Tobacco settlement revenues	(208,251)	0	(208,251)	0	0	0.0
Medical Marijuana Registry	(164,934)	0	0	(164,934)	0	0.0
Personal services base reduction	(104,707)	(5,277)	(7,653)	(77,692)	(14,085)	0.0
Federal funds adjustments	(46,253)	0	0	0	(46,253)	0.0
General Fund reduction	(30,786)	(30,786)	0	0	0	0.0
Transfer Prenatal Plus program to HCPF	(14,135)	0	0	(14,135)	0	0.0



Administration and Support	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$47,453,610	\$7,573,238	\$12,964,479	\$20,782,411	\$6,133,482	90.7
\$ Change from prior year	\$3,208,688	\$146,818	(\$293,295)	\$3,059,350	\$295,815	0.2
% Change from prior year	7.3%	2.0%	(2.2)%	17.3%	5.1%	0.2%

**Issue Descriptions**

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions. The largest adjustment is for H.B. 10-1381, which reduced appropriations of Amendment 35 revenue to the Division by \$4.5 million and appropriated the savings to HCPF.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: health, life, and dental benefits; short-term disability; amortization equalization disbursement; supplemental amortization equalization disbursement; workers' compensation; payment to risk management and property funds; vehicle lease payments; Capitol complex leased space; other leased space, building security; ADP capital outlay; and communication services payments.

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration costs, common policy costs, and statewide indirect costs.

**Amendment 35 programs:** The bill reflects the expected decline in tobacco-tax revenues and reduced program reserves carried from the prior year.

**Tobacco settlement revenues:** The bill reflects the expected decline of Tobacco-settlement revenues.

**Medical Marijuana Registry:** The bill reflects the expiration of a temporary FY 2010-11 appropriation that provided extra office space and extra legal services for the Medical Marijuana registry program as it worked through a large backlog of applications.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Federal funds adjustments:** The bill aligns the Long Bill with the amount of federal funding the Department anticipates receiving.

**General Fund reduction:** The bill reduces the General Fund appropriation to certain line items.

**Transfer Prenatal Plus program to HCPF:** The bill transfers most of the Prenatal Plus program, which is Medicaid funded, from this Department to the Department of Health Care Policy and Financing (HCPF), which will administer the program at lower cost. The program targets pregnant women who are at risk of delivering low-birth-weight infants.

**Center for Health and Environmental Information and Statistics:** This division is organized as follows.

(A) Health Statistics and Vital Records, a subdivision that contains the following programs:

- Registration, which records births, deaths, marriages, divorces, adoptions, etc.;
- Certification, which issues birth and death certificates, updates records, and administers the Voluntary Adoption Registry;
- Statistics, which analyzes the Department's records and provides the information to internal and external users; and
- The Medical Marijuana Registry.

The unit is primarily funded from the Vital Statistics Records Cash Fund and the Medical Marijuana Program Cash Fund.

(B) Information Technology Services. Most of the appropriations to this subdivision pay for services that are provided by the Governor's Office of Information and Technology (OIT). Reappropriated funds from indirect cost assessments pay most of the subdivision's costs.

Center for Health and Environmental Information and Statistics	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$15,913,369	\$258,583	\$7,664,740	\$3,328,650	\$4,661,396	70.7
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide IT common policy adjustments:	3,193,951	29,457	129,992	80,915	2,953,587	0.0
Restore one-time personal services reduction	73,083	0	36,374	8,151	28,558	0.0
Federal funds adjustments	(2,917,949)	0	0	0	(2,917,949)	0.0
Medical Marijuana Registry	(1,232,767)	0	(1,232,767)	0	0	0.0
Annualize prior year funding	(541,931)	0	(541,931)	0	0	(0.5)
Indirect cost assessment	(100,000)	0	(100,000)	0	0	0.0
Personal services base reduction	(67,585)	0	(48,410)	(3,025)	(16,150)	0.0
Transfer Prenatal Plus program to HCPF	(12,157)	0	0	(12,157)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$14,308,014	\$288,040	\$5,907,998	\$3,402,534	\$4,709,442	70.2
\$ Change from prior year	(\$1,605,355)	\$29,457	(\$1,756,742)	\$73,884	\$48,046	(0.5)
% Change from prior year	(10.1)%	11.4%	(22.9)%	2.2%	1.0%	(0.7)%

### Issue Descriptions

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Federal funds adjustments:** The bill aligns the Long Bill with the amount of federal funding the Department anticipates receiving.

**Medical Marijuana Registry:** The bill reduces funding for the Medical Marijuana registry. Funding was temporarily increased in FY 2010-11 to eliminate the registry backlog.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration-division costs, common policy costs, and statewide indirect costs.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Transfer Prenatal Plus program to HCPF:** The bill transfers most of the Prenatal Plus program, which is Medicaid funded, from this Department to HCPF, which will administer the program at lower cost. The program targets pregnant women who are at risk of delivering low-birth-weight infants.

**Laboratory Services.** This division conducts tests and provides analysis and advice for the Department's health and environmental programs and for outside clients. It provides scientific support for communicable disease outbreak and control, performs genetic screening tests for newborn babies, and certifies the following: private medical laboratories, environmental laboratories, dairy on-site laboratories, DUI testing laboratories, and law enforcement breath alcohol-testing devices. The division's cash funds derive from fees that it charges for its services.

Laboratory Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$10,365,451	\$1,060,594	\$7,207,039	\$245,423	\$1,852,395	76.7
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds adjustments	492,262	0	0	0	492,262	1.5
Newborn Screening and Genetics Counseling	323,397	0	323,397	0	0	1.0
Restore one-time personal services reductions	102,507	21,090	54,755	489	26,173	0.0
Indirect cost assessment	90,000	0	100,000	(10,000)	0	0.0
Personal services base reduction	(87,013)	(16,331)	(50,903)	(1,437)	(18,342)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$11,286,604	\$1,065,353	\$7,634,288	\$234,475	\$2,352,488	79.2
\$ Change from prior year	\$921,153	\$4,759	\$427,249	(\$10,948)	\$500,093	2.5
% Change from prior year	8.9%	0.4%	5.9%	(4.5)%	27.0%	3.3%

## Issue Descriptions

**Federal funds adjustments:** The bill aligns the Long Bill with the amount of federal funding the Department anticipates receiving.

**Newborn Screening and Genetics Counseling:** The bill increases cash funding to add two tests to the panel of blood tests performed on all Colorado newborns: Severe Combined Immunodeficiency Disorder (also known as Bubble Boy Syndrome) and follow-up confirmatory testing for Alpha Thalassemia, which can cause severe anemia.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration-division costs, common policy costs, and statewide indirect costs.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Air Pollution Control Division:** This division is responsible for identifying the nature and impact of Colorado's air pollution, and for implementing measures to prevent, control, and abate air pollution, under the direction of the Air Quality Control Commission. The division is divided into four programs: Administration, Technical Services, Mobile Sources, and Stationary Sources. The division's major sources of cash funds are fees charged for air pollution permits.

Air Pollution Control Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$18,249,959	\$0	\$15,200,385	\$0	\$3,049,574	161.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	272,756	0	224,850	0	47,906	0.0
Personal services base reduction	(191,121)	0	(155,582)	0	(35,539)	0.0
Annualize prior year funding	(22,815)	0	(22,815)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$18,308,779	\$0	\$15,246,838	\$0	\$3,061,941	161.1
\$ Change from prior year	\$58,820	\$0	\$46,453	\$0	\$12,367	0.0
% Change from prior year	0.3%	n/a	0.3%	n/a	0.4%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Water Quality Control Division:** This division enforces the water quality regulations under the direction of the Water Quality Control Commission and the State Board of Health. The division's responsibilities include developing stream classifications and standards, issuing permits to ensure that discharges comply with water quality standards, and performing monitoring and enforcement activities. This division also oversees water quality management planning, manages state and federal construction grant assistance programs, and provides technical assistance to local governments. In the area of drinking water, it conducts surveillance of public and non-public drinking water consistent with minimum federal and state standards, and reviews designs and specifications of new or expanding treatment facilities. The division's major sources of cash funds are fees charged for water quality permits. The division receives reappropriated funds from the Department of Agriculture for groundwater protection.

Water Quality Control Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$15,383,199	\$2,526,542	\$5,110,479	\$40,632	\$7,705,546	133.9
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds adjustments	4,525,000	0	0	0	4,525,000	21.4
Restore one-time personal services reductions	285,512	63,724	81,285	0	140,503	0.0
Personal services base reduction	(155,085)	(29,589)	(59,911)	(584)	(65,001)	0.0
General Fund reduction	(11,583)	(11,583)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$20,027,043	\$2,549,094	\$5,131,853	\$40,048	\$12,306,048	155.3
\$ Change from prior year	\$4,643,844	\$22,552	\$21,374	(\$584)	\$4,600,502	21.4
% Change from prior year	30.2%	0.9%	0.4%	(1.4)%	59.7%	16.0%

## Issue Descriptions

**Federal funds adjustments:** The bill adjusts informational appropriations of federal funds and federally funded FTE to reflect current federal funding and staff supported by federal funds.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$11,583 General Fund for certain line items.

**Hazardous Materials and Waste Management Division:** This division regulates the treatment, storage, and disposal of solid and hazardous wastes under the direction of the Hazardous Waste Commission. The division is responsible for inspecting solid waste facilities; overseeing large- and small-quantity hazardous waste generators, transporters, and storage facilities; responding to public complaints about such facilities; reviewing

corrective action plans for technical compliance with applicable state environmental regulations; and regulating commercial radioactive materials in Colorado.

Hazardous Materials and Waste Management Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$20,125,087	\$0	\$12,624,699	\$265,603	\$7,234,785	134.6
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	463,411	0	463,411	0	0	0.0
Restore one-time personal services reduction	200,546	0	115,932	3,790	80,824	0.0
Operating adjustments	41,436	0	37,332	11	4,093	0.0
Personal services base reduction	(201,956)	0	(117,823)	(3,263)	(80,870)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$20,628,524	\$0	\$13,123,551	\$266,141	\$7,238,832	134.6
\$ Change from prior year	\$503,437	\$0	\$498,852	\$538	\$4,047	0.0
% Change from prior year	2.5%	n/a	4.0%	0.2%	0.1%	0.0%

**Issue Descriptions**

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Restore one-time personal services reduction:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Operating adjustments:** The bill includes an increase for annual adjustments in the cost of legal services provided by the Department of Law.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Consumer Protection:** This division is responsible for enforcing sanitation standards to prevent and control diseases transmitted by food and insects; eliminating unsanitary conditions in public accommodations; and preventing injuries to persons using potentially dangerous consumer products. The division's major sources of cash funds are from license fees for businesses, such as retail and wholesale food licenses. The division's reappropriated funds are from the Departments of Corrections and Human Services for the inspection of institutions and child care facilities.

Consumer Protection	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,717,814	\$1,156,066	\$1,126,730	\$96,568	\$338,450	30.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	52,648	32,487	11,627	1,513	7,021	0.0
Personal services base reduction	(35,603)	(17,384)	(12,870)	(1,221)	(4,128)	0.0
Indirect cost assessment	(7,000)	0	0	(7,000)	0	0.0

<b>Consumer Protection</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
General Fund reduction	(5,278)	(5,278)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,722,581	\$1,165,891	\$1,125,487	\$89,860	\$341,343	30.5
\$ Change from prior year	\$4,767	\$9,825	(\$1,243)	(\$6,708)	\$2,893	0.0
% Change from prior year	0.2%	0.9%	(0.1)%	(6.9)%	0.9%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration-division costs, common policy costs, and statewide indirect costs.

**General Fund reduction:** The bill includes a reduction of \$5,278 General Fund to certain line items.

**Disease Control and Environmental Epidemiology Division:** This division works to track, control and prevent the spread of communicable diseases with special emphasis on hepatitis, tuberculosis, sexually transmitted infections, and HIV/AIDS. The division also runs an immunization program and collects birth defects data, which helps reduce the incidence of such defects and helps prevent secondary disabilities by connecting children and their families with available services. Staff members also assess risks from environmental contaminants that pose a threat to human health and the environment. Most of the division's cash funds derive from tobacco-settlement payments.

<b>Disease Control and Environmental Epidemiology Division</b>	<b>Total Funds</b>	<b>General Fund /1</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$56,658,690	\$5,501,959	\$8,028,315	\$305,574	\$42,822,842	150.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	315,714	37,341	1,403	0	276,970	0.0
Federal funds adjustments	(2,049,848)	0	0	0	(2,049,848)	4.5
Tobacco settlement revenues	(1,745,369)	0	(1,745,369)	0	0	0.0
Personal services base reduction	(204,401)	(48,234)	(3,172)	(1,433)	(151,562)	0.0
Amendment 35 programs	(1,800)	(900)	(900)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$52,972,986	\$5,490,166	\$6,280,277	\$304,141	\$40,898,402	155.0
\$ Change from prior year	(\$3,685,704)	(\$11,793)	(\$1,748,038)	(\$1,433)	(\$1,924,440)	4.5
% Change from prior year	(6.5)%	(0.2)%	(21.8)%	(0.5)%	(4.5)%	3.0%

/1 Includes General Fund Exempt.

<b>General Fund Summary - Appropriation to the Disease Control and Environmental Epidemiology Division</b>	<b>Total General Fund</b>	<b>General Fund</b>	<b>General Fund Exempt</b>
FY 2010-11 General Fund Appropriation	\$5,501,959	5,054,959	\$447,000
Change	<u>(11,793)</u>	<u>(10,893)</u>	<u>(900)</u>
FY 2011-12 Appropriation	\$5,490,166	\$5,044,066	\$446,100

**General Fund Exempt:** Amendment 35 to the Colorado Constitution imposes taxes on tobacco products. As implemented by Section 24-22-117 (1) (c) (I) (B), C.R.S., the amendment requires that 0.3 percent of the tax revenue be appropriated to the General Fund and then be reappropriated for immunizations. Because Amendment 35 moneys are not subject to the limitation on state fiscal year spending imposed by the Taxpayer's Bill of Rights (TABOR), these General Fund appropriations are classified as General Fund Exempt.

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Federal funds adjustments:** The bill aligns the federal funding reflected in the Long Bill with federal funding that the Department has recently received.

**Tobacco settlement revenues:** Tobacco-settlement revenues, which are expected to decline, support three programs in the division: the Colorado Immunization Fund, the AIDS Drug Assistance Program (ADAP), and the Colorado HIV and AIDS Prevention Grant Program (CHAPP). In addition to the settlement revenue decline, the support that ADAP has received from CHAPP is ending and CHAPP has smaller available reserves than in prior years.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Amendment 35 programs:** The bill reflects the expected decline in Amendment 35 tobacco tax revenue, which supports immunizations.

**Prevention Services Division:** This division is comprised of:

- Prevention Programs, which includes the cancer registry, chronic disease and cancer prevention grants, breast and cervical cancer screening, suicide prevention, the cancer, cardiovascular and chronic pulmonary disease grant program, the tobacco cessation, education and prevention program, and oral health programs;
- Women's Health - Family Planning;
- The Primary Care Office, including federal grants for rural health care;
- Prevention Partnerships, which includes Interagency Prevention Programs Coordination, the Tony Grampsas Youth Services Program, and the Colorado Children's Trust;



- Family and Community Health, which includes Maternal and Child Health, the Nurse Home Visitor Program, School-based Health Centers, the Health Care Program for Children with Special Needs, and Genetics Counseling;
- Nutrition Services, which includes the Women, Infants and Children Supplemental Food Grant (WIC) program and the Child and Adult Food Care program; and
- Federal Grants, which includes federally funded programs that do not fit elsewhere.

The division's cash funds derive from Amendment 35 tobacco taxes, tobacco settlement moneys, divorce and legal separation fees, and newborn screening fees.

<b>Prevention Services Division</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$211,908,256	\$6,087,856	\$46,650,938	\$326,654	\$158,842,808	166.7
<b>Changes from FY 2010-11 Appropriation</b>						
Annualize prior year funding	21,070,983	0	21,070,983	0	0	0.0
Nurse Home Visitor Program federal grant	3,287,598	0	0	0	3,287,598	0.0
Amendment 35 programs	1,920,966	0	1,920,966	0	0	0.0
Restore one-time personal services reductions	301,861	42,304	40,109	1,226	218,222	0.0
Indirect cost assessment	171,502	0	180,000	(8,498)	0	0.0
Newborn screening and genetics counseling	73,240	0	73,240	0	0	0.0
Federal funds adjustments	(12,854,257)	0	0	0	(12,854,257)	16.0
Personal services base reduction	(270,237)	(54,131)	(31,694)	(830)	(183,582)	0.0
Tobacco settlement revenues	(134,370)	0	(134,370)	0	0	0.0
Transfer Prenatal Plus program to HCPF	(86,176)	0	0	(86,176)	0	(0.9)
Dental loan program	(21,775)	0	(21,775)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$225,367,591</b>	<b>\$6,076,029</b>	<b>\$69,748,397</b>	<b>\$232,376</b>	<b>\$149,310,789</b>	<b>181.8</b>
\$ Change from prior year	\$13,459,335	(\$11,827)	\$23,097,459	(\$94,278)	(\$9,532,019)	15.1
% Change from prior year	6.4%	(0.2)%	49.5%	(28.9)%	(6.0)%	9.1%

## Issue Descriptions

**Annualize prior year funding:** The bill increases the appropriation by \$21,070,983 cash funds to annualize H.B. 10-1381.

**Nurse Home Visitor program federal grant:** The bill reflects a federal grant for home visitation programs that the state has received.

**Amendment 35 programs:** In the Prevention Services Division, Amendment 35 tobacco-tax revenue supports cancer, cardiovascular disease and pulmonary disease grants; tobacco education, prevention, and cessation grants; and breast and cervical cancer screening. Though Amendment 35 revenue is expected to decrease, increased reserves allow larger appropriations.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Newborn screening and genetics counseling:** The bill increases funding to add two tests to the panel of blood tests performed on all Colorado newborns: Severe Combined Immunodeficiency Disorder (also known as Bubble Boy Syndrome) and follow-up confirmatory testing for Alpha Thalassemia, which can cause severe anemia. The bill also increases the appropriation for counseling of those with these conditions.

**Federal funds adjustments:** The bill aligns the federal funding reflected in the Long Bill with federal funding that the Department has recently received.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Tobacco settlement revenues:** The bill reflects the expected decline in revenues.

**Transfer Prenatal Plus program to HCPF:** The bill transfers most of the Prenatal Plus program, which is Medicaid funded, from this Department to HCPF, which will administer the program at lower cost. The program targets pregnant women who are at risk of delivering low-birth-weight infants.

**Dental loan program:** The bill eliminates a one-time increase in FY 2010-11 to deal with an accounting irregularity.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration-division costs, common policy costs, and statewide indirect costs.

**Health Facilities and Emergency Medical Services Division:** This division establishes and enforces standards for the operation of health care facilities and the provision of emergency medical and trauma services. The division licenses hospitals, nursing homes, and other health care facilities; licenses home health care providers; certifies health care facilities for Medicaid and Medicare; trains individuals to administer medications in residential and non-residential care facilities; trains and regulates emergency medical personnel; provides technical assistance and grants to local emergency medical service providers; and oversees the state's trauma care system. The division's cash funds derive from fees paid by licensees and from the Highway Users Tax Fund. Reappropriated funds are transferred from the Department of Health Care Policy and Financing.

Health Facilities and Emergency Medical Services Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$25,640,388	\$1,685,705	\$15,043,393	\$4,364,662	\$4,546,628	170.0
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds adjustments	441,171	0	0	0	441,171	1.6
Restore one-time personal services reductions	239,830	8,596	45,737	112,486	73,011	0.0
Annualize prior year funding	456	0	456	0	0	0.0
Personal services base reduction	(194,264)	(11,233)	(76,678)	(55,284)	(51,069)	0.0

Health Facilities and Emergency Medical Services Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$26,127,581	\$1,683,068	\$15,012,908	\$4,421,864	\$5,009,741	171.6
\$ Change from prior year	\$487,193	(\$2,637)	(\$30,485)	\$57,202	\$463,113	1.6
% Change from prior year	1.9%	(0.2)%	(0.2)%	1.3%	10.2%	0.9%

## Issue Descriptions

**Federal funds adjustments:** The bill aligns the federal funding reflected in the Long Bill with federal funding that the Department has recently received.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Emergency Preparedness and Response Division:** This division helps the state prepare for a wide variety of disasters, natural as well as man-made, including floods, wildfires, tornados, infectious disease epidemics, food and water borne disease outbreaks, and terrorist attacks. The division coordinates a statewide network of laboratories, agencies, hospitals, and other resources.

Emergency Preparedness Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$20,967,931	\$1,757,179	\$0	\$0	\$19,210,752	42.5
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds adjustments	17,190,517	0	0	0	17,190,517	(7.5)
Indirect cost assessments	183,091	0	0	0	183,091	0.0
Restore one-time personal services reductions	29,201	5,155	0	0	24,046	0.0
Personal services base reduction	(54,953)	(12,239)	0	0	(42,714)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$38,315,787	\$1,750,095	\$0	\$0	\$36,565,692	35.0
\$ Change from prior year	\$17,347,856	(\$7,084)	\$0	\$0	\$17,354,940	(7.5)
% Change from prior year	82.7%	(0.4)%	n/a	n/a	90.3%	(17.6)%

**Federal funds adjustments:** The bill aligns the federal funding reflected in the Long Bill with federal funding that the Department has recently received.

**Indirect cost assessment:** The bill adjusts indirect cost assessments to reflect changes in the distribution of cash and federal expenditures within the Department as well as changing administration-division costs, common policy costs, and statewide indirect costs.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Public Safety

**Department Description:** The Department promotes safety and protects human life by enforcing traffic laws. It operates the law enforcement training academy; assists state and local law enforcement in investigating crime and in enforcing criminal laws; maintains fingerprint records and DNA profiles, operates the statewide crime reporting program, and arranges for scientific laboratory services and facilities, utilizing existing facilities and services wherever feasible. It assists in solving fire safety problems, administers a uniform statewide fire reporting system, and trains firefighters and first responders; coordinates the state's response to the threat of terrorism; investigates organized crime; and administers adult and youth community corrections programs.

Summary Table for Department of Public Safety						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$258,284,940	\$82,314,802	\$126,226,938	\$21,858,171	\$27,885,029	1,349.0
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	2,343,028	296,380	1,324,912	662,509	59,227	0.0
Colorado State Patrol	1,682,932	(50,712)	1,544,656	(74,595)	263,583	1.2
Office of Preparedness, Security, and Fire Safety	1,443,259	781	(38,329)	636,977	843,830	4.0
Division of Criminal Justice	1,869,954	159,008	(149,541)	1,247,983	612,504	(4.7)
Colorado Bureau of Investigation	(33,973)	75,597	(25,431)	(82,605)	(1,534)	(0.2)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$265,590,140	\$82,795,856	\$128,883,205	\$24,248,440	\$29,662,639	1,349.3
\$ Change from prior year	\$7,305,200	\$481,054	\$2,656,267	\$2,390,269	\$1,777,610	0.3
% Change from prior year	2.8%	0.6%	2.1%	10.9%	6.4%	0.0%

### Appropriation Highlights:

1. Provides \$3.3 million total funds (\$360,000 General Fund) for centrally appropriated line items, statewide IT common policy adjustments, and a net increase in indirect cost assessments.
2. Provides \$2.2 million total funds (\$514,000 General Fund) to restore one-time personal services reductions for FY 2010-11.
3. Provides \$1.5 million in reappropriated and federal funds and 3.0 FTE for the Office of Anti-Terrorism Planning and Training in order to reflect all expenditures for the program.
4. Provides \$1.3 million total funds (\$257,000 General Fund) and 2.0 FTE to annualize prior year legislation and budget actions.
5. Provides \$705,000 total funds (\$142,000 General Fund) for Division of Criminal Justice increases.
6. Provides \$472,000 HUTF "Off-the-Top" for Colorado State Patrol increases.

7. Reduces \$1.7 million total funds (\$468,000 General Fund) for a 1.5 percent reduction to Personal Services line items and a General Fund reduction to certain line items.
8. Reduces \$477,000 total funds (\$324,000 General Fund) and 4.7 FTE to account for the repeal of the Sex Offender Management Board.

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### Appropriation Detail by Long Bill Division

**Executive Director's Office:** This office manages the following five divisions: Colorado State Patrol; Law Enforcement Training Academy; Colorado Bureau of Investigation; Division of Criminal Justice; and Office of Preparedness, Security, and Fire Safety; and two special programs: the Witness Protection Program and the School Resources Center. In addition, the office administers the Colorado Integrated Criminal Justice Information System (CICJIS).

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$26,946,001	\$5,692,913	\$11,505,242	\$8,953,626	\$794,220	42.7
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	1,276,119	(344,459)	1,096,038	460,277	64,263	0.0
Statewide IT common policy adjustments	1,208,585	709,517	278,943	221,437	(1,312)	0.0
Restore one-time personal services reductions	108,454	40,089	0	68,365	0	0.0
Fund source adjustment	0	0	(29,711)	29,711	0	0.0
Annualize prior year funding	(160,957)	(70,564)	(19,906)	(70,487)	0	0.0
Personal services base reduction	(55,071)	(4,101)	(452)	(46,794)	(3,724)	0.0
General Fund reduction	(34,102)	(34,102)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$29,289,029</b>	<b>\$5,989,293</b>	<b>\$12,830,154</b>	<b>\$9,616,135</b>	<b>\$853,447</b>	<b>42.7</b>
\$ Change from prior year	\$2,343,028	\$296,380	\$1,324,912	\$662,509	\$59,227	0.0
% Change from prior year	8.7%	5.2%	11.5%	7.4%	7.5%	0.0%

### Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; workers' compensation; legal services; payments to risk management and property funds; vehicle lease payments; and Capitol complex leased space.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a

reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes an increase in reappropriated funds (indirect cost recoveries) offset by a decrease in HUTF "Off-the-Top".

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$34,102 to certain line items.

**Colorado State Patrol:** The Patrol enforces traffic laws on approximately 9,000 miles of state and federal highways and 57,000 miles of county roads, and has special safety programs for hazardous materials transport and for commercial vehicles. The Patrol is in the seventh year of implementation of a traffic safety improvement plan, which includes using saturation patrols on the most dangerous highway segments, targeting the most hazardous traffic violations, and increasing trooper visibility statewide. The Alive-at-25 and other safety training programs support the traffic safety improvement plan. The budget is driven largely by state highway supervision needs, which are funded from the Highway Users Tax Fund.

Colorado State Patrol	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$117,205,092	\$4,542,072	\$99,839,755	\$8,006,206	\$4,817,059	995.8
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	1,575,250	72,603	1,371,168	71,504	59,975	0.0
Indirect cost assessment	740,979	0	575,024	45,962	119,993	0.0
Electro Muscular Device Technology	205,142	0	205,142	0	0	0.0
Academy driving simulator	145,000	0	145,000	0	0	0.0
Utilities appropriation increase	81,598	0	81,598	0	0	0.0
Centrally appropriated line items	80,354	(22,370)	116,592	6,683	(20,551)	0.0
COPLINK funding	39,984	0	39,984	0	0	0.0
Billing adjustment	191	0	(13,766)	12,508	1,449	0.0
Personal services base reduction	(1,130,295)	(59,838)	(971,715)	(59,699)	(39,043)	0.0
General Fund reduction	(39,892)	(39,892)	0	0	0	0.0
Annualize prior year funding	(15,379)	(1,215)	(4,371)	(151,553)	141,760	1.2
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$118,888,024	\$4,491,360	\$101,384,411	\$7,931,611	\$5,080,642	997.0
\$ Change from prior year	\$1,682,932	(\$50,712)	\$1,544,656	(\$74,595)	\$263,583	1.2
% Change from prior year	1.4%	(1.1)%	1.5%	(0.9)%	5.5%	0.1%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Electro Muscular Device Technology:** The bill includes HUTF "Off-the-Top" annual funding for the Colorado State Patrol to deploy Electro Muscular Device Technology (EMDT, also known as Taser®) to each uniformed state trooper.

**Academy driving simulator:** The bill includes HUTF "Off-the-Top" funding to procure a driving simulator for use at the Colorado State Patrol Academy.

**Utilities appropriation increase:** The bill includes HUTF "Off-the-Top" funding to increase the utilities appropriation.

**Centrally appropriated line items:** The bill includes an adjustment to the centrally appropriated line item for vehicle lease payments.

**COPLINK funding:** The bill includes HUTF "Off-the-Top" funding to cover the State Patrol's portion of ongoing maintenance costs for the COPLINK information sharing platform.

**Billing adjustment:** The bill includes an adjustment of funding sources based on actual billings for the Communications Program (dispatch).

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$39,892 to certain line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

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**Office of Preparedness, Security, and Fire Safety:** The Office of Preparedness, Security, and Fire Safety consists of the Division of Fire Safety and the Office of Anti-terrorism Planning and Training. The Division of Fire Safety provides technical assistance to local governments, maintains a state-wide reporting system, performs public school construction inspections through the Public School Construction and Inspection Section, administers various voluntary certification and training programs, oversees fireworks and fire suppression system regulation. The Office of Anti-terrorism Planning and Training is responsible for coordinating the State's response to the threat of terrorism. This Office includes: (1) the Colorado Intelligence Analysis Center; (2) the Critical Infrastructure Protection and Planning Unit; and (3) the Colorado State Patrol Homeland Security Unit.



Office of Preparedness, Security, and Fire Safety	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$3,529,789	\$244,254	\$2,647,993	\$192,874	\$444,668	35.0
<i>Changes from FY 2010-11 Appropriation</i>						
Preparedness and security funding	1,466,582	0	0	634,549	832,033	3.0
Restore one-time personal services reductions	37,432	6,655	10,630	3,672	16,475	0.0
Annualize prior year funding	22,005	0	22,005	0	0	1.0
Indirect cost assessment	(42,166)	0	(43,728)	1,126	436	0.0
Personal services base reduction	(38,244)	(3,524)	(27,236)	(2,370)	(5,114)	0.0
General Fund reduction	(2,350)	(2,350)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,973,048	\$245,035	\$2,609,664	\$829,851	\$1,288,498	39.0
\$ Change from prior year	\$1,443,259	\$781	(\$38,329)	\$636,977	\$843,830	4.0
% Change from prior year	40.9%	0.3%	(1.4)%	330.3%	189.8%	11.4%

## Issue Descriptions

**Preparedness and security funding:** The bill includes an increase in funding and FTE for the Office of Anti-Terrorism Planning and Training in order to reflect all expenditures for this program.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$2,350 to certain line items.

**Division of Criminal Justice:** This division collects criminal justice system data and analyzes that information for planning, research, coordination, and technical assistance purposes. Technical assistance is provided to local and state criminal justice agencies in the areas of crime prevention, needs assessment, jail planning, information dissemination, and management studies. The Division manages several types of federal funds in the areas of juvenile justice, anti-drug programs, victim assistance, and victim compensation. The Division also administers the Victims Assistance and Law Enforcement Fund Program. Additionally, the Division is responsible for the administration of community corrections contracts for both transition and diversion programs, and for the management of juvenile diversion programs.

Division of Criminal Justice	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$82,487,166	\$56,829,063	\$3,892,717	\$787,291	\$20,978,095	60.9
<i>Changes from FY 2010-11 Appropriation</i>						
Annualize prior year funding	1,583,512	333,773	(261)	1,250,000	0	0.0
Grant funding	559,568	0	0	0	559,568	0.0
Leap year	144,961	142,266	2,695	0	0	0.0
Restore one-time personal services reductions	102,852	53,145	5,644	8,719	35,344	0.0
Indirect cost assessment	25,494	0	4,801	0	20,693	0.0
Funding for Sex Offender Management Board	(476,841)	(324,050)	(152,791)	0	0	(4.7)
Personal services base reduction	(49,738)	(26,272)	(9,629)	(10,736)	(3,101)	0.0
General Fund reduction	(19,854)	(19,854)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$84,357,120	\$56,988,071	\$3,743,176	\$2,035,274	\$21,590,599	56.2
\$ Change from prior year	\$1,869,954	\$159,008	(\$149,541)	\$1,247,983	\$612,504	(4.7)
% Change from prior year	2.3%	0.3%	(3.8)%	158.5%	2.9%	(7.7)%

## Issue Descriptions

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Grant funding:** The bill reflects anticipated changes in grant funding and federal funding.

**Leap year:** The bill includes one extra day of funding for community corrections beds to account for the leap year.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Funding for Sex Offender Management Board:** The bill includes reductions to account for the repeal of the Sex Offender Management Board.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**General Fund reduction:** The bill includes a reduction of \$19,854 General Fund to certain line items.

**Colorado Bureau of Investigation:** The Bureau provides information technology, laboratory, and investigative services to local, state, and federal law enforcement agencies upon request. The Colorado Crime Information Center (CCIC) provides information around the clock to law enforcement agencies on wants, warrants, case status, stolen property, vehicle registration, known offenders, and drivers licenses. The Bureau

also operates the State's "instacheck" criminal background check program for the firearms industry. The laboratory analyzes DNA, fingerprint, firearms and toolmarks, physiological fluids, chemical, document, and digital evidence, as well as trace evidence and shoe and tire track evidence.

<b>Colorado Bureau of Investigation</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$28,116,892	\$15,006,500	\$8,341,231	\$3,918,174	\$850,987	214.6
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	395,247	341,165	35,824	14,352	3,906	0.0
Indirect cost assessment	34,108	0	25,885	8,223	0	0.0
Centrally appropriated line items	25,649	17,451	(4,641)	117	12,722	0.0
Personal services base reduction	(230,574)	(166,826)	(44,749)	(14,268)	(4,731)	0.0
Annualize prior year funding	(147,187)	(4,977)	(37,750)	(91,029)	(13,431)	(0.2)
General Fund reduction	(111,216)	(111,216)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$28,082,919	\$15,082,097	\$8,315,800	\$3,835,569	\$849,453	214.4
\$ Change from prior year	(\$33,973)	\$75,597	(\$25,431)	(\$82,605)	(\$1,534)	(0.2)
% Change from prior year	(0.1)%	0.5%	(0.3)%	(2.1)%	(0.2)%	(0.1)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Centrally appropriated line items:** The bill includes an adjustment to vehicle lease payments.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**General Fund reduction:** The bill includes a reduction of \$111,216 General Fund to certain line items.

## Department of Regulatory Agencies

**Department Description:** The Department of Regulatory Agencies consists of the following ten divisions:

1. The Executive Director's Office is responsible for department-wide administrative functions and houses the Office of Policy, Research and Regulatory Reform which conducts sunrise and sunset reviews.
2. The Division of Banking is responsible for enforcement and compliance with banking laws.
3. The Civil Rights Division is responsible for the enforcement of state and federal laws regarding the civil rights of individuals and resolving complaints of rights violations.
4. The Office of Consumer Counsel is responsible for representing the rights of businesses and consumers at hearings before the Public Utilities Commission.
5. The Division of Financial Services is responsible for the enforcement of state and federal laws relating to the regulation of credit unions and savings and loan associations.
6. The Division of Insurance is responsible for licensing insurance agents and companies.
7. The Public Utilities Commission is responsible for the regulation of utilities throughout the state.
8. The Division of Real Estate licenses real estate agents and mortgage brokers and investigates allegation of real estate and mortgage fraud.
9. The Division of Registrations licenses individuals in forty-eight professions and occupations.
10. The Division of Securities licenses securities agents and investigates allegations of securities misconduct.

<b>Summary Table for Department of Regulatory Agencies</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$77,724,398	\$1,510,435	\$68,157,532	\$6,825,033	\$1,231,398	578.4
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office and Administrative Services	463,551	34,798	1,344,278	(872,213)	(43,312)	0.0
Division of Banking	409,730	0	409,730	0	0	3.0
Civil Rights Division	34,882	78,008	0	(65,286)	22,160	0.0
Office of Consumer Counsel	(1,964)	0	(1,964)	0	0	0.0
Division of Financial Services	(3,668)	0	(3,668)	0	0	0.0
Division of Insurance	(324,675)	0	(315,879)	0	(8,796)	0.0
Public Utilities Commission	(94,896)	0	(94,896)	0	0	(0.5)
Division of Real Estate	(12,106)	0	(12,106)	0	0	0.0
Division of Registrations	(2,066,654)	0	(459,141)	(1,600,689)	(6,824)	2.7
Division of Securities	457,387	0	457,387	0	0	3.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$76,585,985</b>	<b>\$1,623,241</b>	<b>\$69,481,273</b>	<b>\$4,286,845</b>	<b>\$1,194,626</b>	<b>586.6</b>
\$ Change from prior year	(\$1,138,413)	\$112,806	\$1,323,741	(\$2,538,188)	(\$36,772)	8.2
% Change from prior year	(1.5)%	7.5%	1.9%	(37.2)%	(3.0)%	1.4%

**Appropriation Highlights:**

1. Increases \$851,000 total funds for the restoration of the one-time state contribution to the Public Employees Retirement Association for FY 2010-11 pursuant to S.B. 10-146.
2. Increases \$618,000 cash funds and 6.0 FTE to increase the number of examiners in the Division of Banking and the Division of Securities.
3. Increases \$111,300 total funds, of which \$10,700 is General Fund, for escalations in leased space expenses.
4. Decreases \$1.6 million reappropriated funds to eliminate the divisional indirect cost assessments in the Division of Registrations.
5. Decreases \$617,000 total funds and increases 2.2 FTE for the second or third year impact of legislation from the 2009 and 2010 sessions.
6. Decreases \$589,000 total funds, of which \$14,600 is General Fund, for a 1.5 percent personal services base reduction.

**Appropriation Detail by Long Bill Division**

**Executive Director's Office and Administrative Services:** The Executive Director's Office performs department-wide administrative functions including: accounting, budgeting, data processing, purchasing, facilities planning, and management reporting. The Office of Policy, Research and Regulatory Reform is located within the Executive Director's Office and is responsible for conducting sunrise and sunset reviews of state divisions and programs. The majority of cash funds in this division are from various department cash funds for centrally appropriated lines. The reappropriated funds are primarily from indirect cost recoveries paid by the divisions for central services.

Executive Director's Office and Administrative Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$21,769,605	\$483,405	\$16,712,542	\$4,307,301	\$266,357	27.5
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	559,847	19,377	462,077	97,444	(19,051)	0.0
Legal services hourly adjustment	238,444	4,743	424,791	(194,877)	3,787	0.0
Statewide IT common policy adjustments	114,273	4,444	304,411	(166,534)	(28,048)	0.0
Leased space adjustment	111,296	10,734	52,445	48,117	0	0.0
Restore one-time personal services reduction	49,069	0	0	49,069	0	0.0
Fund source adjustment	0	0	237,787	(237,787)	0	0.0
Sunset funding adjustment	0	(4,500)	16,000	(11,500)	0	0.0

<b>Executive Director's Office and Administrative Services</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Annualize prior year funding	(575,361)	0	(153,233)	(422,128)	0	0.0
Personal services base reduction	(34,017)	0	0	(34,017)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$22,233,156	\$518,203	\$18,056,820	\$3,435,088	\$223,045	27.5
\$ Change from prior year	\$463,551	\$34,798	\$1,344,278	(\$872,213)	(\$43,312)	0.0
% Change from prior year	2.1%	7.2%	8.0%	(20.3)%	(16.3)%	0.0%

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: health, life and dental benefits; short-term disability; amortization equalization disbursement; supplemental amortization equalization disbursement; workers' compensation; legal services; payment to risk management and property funds; vehicle lease payments; and Capitol complex leased space.

**Legal services hourly adjustment:** The bill includes an increase over the FY 2010-11 legal services hourly rate of \$2.34 per hour.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and information technology asset maintenance.

**Leased space adjustments:** The bill includes an increase in leased space expenses due to leased space escalations.

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes a decrease of reappropriated funds offset by an increase in cash funds.

**Sunset funding adjustment:** The bill includes a fund source adjustment for the sunset reviews to be conducted during FY 2011-12.

**Annualize prior year funding:** The bill includes adjustments related to 2010 and 2009 legislation.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Division of Banking:** The Division of Banking regulates state-chartered commercial and industrial banks, trust companies, debt adjusters, and money order companies. Division staff conduct examinations of banking institutions and ensure compliance with the Public Deposit Protection Act. This Division is entirely cash funded from the Division of Banking Cash Fund pursuant to Section 11-102-403, C.R.S.

Division of Banking	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,048,470	\$0	\$4,048,470	\$0	\$0	44.5
<i>Changes from FY 2010-11 Appropriation</i>						
Increase banking resources	409,981	0	409,981	0	0	3.0
Restore one-time personal services reduction	60,303	0	60,303	0	0	0.0
Personal services reduction	(50,608)	0	(50,608)	0	0	0.0
Indirect cost assessment	(5,156)	0	(5,156)	0	0	0.0
Annualize prior year budget actions	(4,790)	0	(4,790)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,458,200	\$0	\$4,458,200	\$0	\$0	47.5
\$ Change from prior year	\$409,730	\$0	\$409,730	\$0	\$0	3.0
% Change from prior year	10.1%	n/a	10.1%	n/a	n/a	6.7%

## Issue Descriptions

**Increase banking resources:** The bill provides an increase of \$409,981 cash funds and 3.0 FTE for additional banking examination staff.

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Annualize prior year funding:** The bill includes a decrease of \$4,790 cash funds for the second year impact of H.B. 10-1114 (Register Agent Money Transmitter).

**Civil Rights Division:** The Civil Rights Division is the enforcement arm of the Colorado Civil Rights Commission, and is responsible for the enforcement of state laws that prohibit discrimination in employment, housing, and public accommodations on the basis of race, gender, national origin, ancestry, a physical or mental disability, religion, color, marital status, or sexual orientation. The Division is primarily funded with General Fund and federal funds from the Equal Employment Opportunity Commission and the U.S. Department of Housing and Urban Development.

Civil Rights Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,756,872	\$1,027,030	\$0	\$297,629	\$432,213	31.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	38,248	27,315	0	0	10,933	0.0
Indirect cost assessment	16,607	0	0	0	16,607	0.0

Civil Rights Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Fund source adjustment	0	65,286	0	(65,286)	0	0.0
Personal services base reduction	(19,973)	(14,593)	0	0	(5,380)	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,791,754	\$1,105,038	\$0	\$232,343	\$454,373	31.4
\$ Change from prior year	\$34,882	\$78,008	\$0	(\$65,286)	\$22,160	0.0
% Change from prior year	2.0%	7.6%	n/a	(21.9)%	5.1%	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments due to increased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Fund source adjustment:** The bill includes a decrease in reappropriated funds offset by an increase in General Fund.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Office of Consumer Counsel:** The Office of Consumer Counsel represents the interests of residential, agricultural and small business consumers at electric, gas and telecommunications rate and service proceedings before the Public Utilities Commission. This Division is entirely cash funded from the Public Utilities Commission Fixed Utility Fund pursuant to Section 40-2-114, C.R.S.

Office of Consumer Counsel	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$897,262	\$0	\$897,262	\$0	\$0	7.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	14,635	0	14,635	0	0	0.0
Personal services base reduction	(12,075)	0	(12,075)	0	0	0.0
Indirect cost assessment	(4,524)	0	(4,524)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$895,298	\$0	\$895,298	\$0	\$0	7.0
\$ Change from prior year	(\$1,964)	\$0	(\$1,964)	\$0	\$0	0.0
% Change from prior year	(0.2)%	n/a	(0.2)%	n/a	n/a	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.



**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Division of Financial Services:** This Division regulates state-chartered credit unions, life care institutions, and savings and loan associations. Division staff conduct examinations of financial service institutions to ensure compliance with regulatory standards. This Division is entirely cash funded from the Division of Financial Services Cash Fund pursuant to Section 11-40-106 (2), C.R.S.

Division of Financial Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,399,470	\$0	\$1,399,470	\$0	\$0	15.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	23,299	0	23,299	0	0	0.0
Personal services base reduction	(17,273)	0	(17,273)	0	0	0.0
Indirect cost assessment	(9,694)	0	(9,694)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,395,802	\$0	\$1,395,802	\$0	\$0	15.0
\$ Change from prior year	(\$3,668)	\$0	(\$3,668)	\$0	\$0	0.0
% Change from prior year	(0.3)%	n/a	(0.3)%	n/a	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Division of Insurance:** This Division is responsible for the licensing of insurance agents and adjusters and regulation of: insurance companies, non-profit hospitals, prepaid dental plans, health maintenance organizations, workers' compensation self-insurance pools, bail bondsmen, and pre-need funeral contracts. The Division of Insurance Cash Fund is the primary source of cash funds.

Division of Insurance	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$7,669,975	\$0	\$7,143,971	\$0	\$526,004	86.7
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	132,311	0	131,149	0	1,162	0.0
CAPCO Administration	688	0	688	0	0	0.0

Division of Insurance	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Balancing action	(300,000)	0	(300,000)	0	0	0.0
Personal services base reduction	(92,706)	0	(92,706)	0	0	0.0
Indirect cost assessment	(64,695)	0	(54,737)	0	(9,958)	0.0
Annualize prior year funding	(273)		(273)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$7,345,300</b>	<b>\$0</b>	<b>\$6,828,092</b>	<b>\$0</b>	<b>\$517,208</b>	<b>86.7</b>
\$ Change from prior year	(\$324,675)	\$0	(\$315,879)	\$0	(\$8,796)	0.0
% Change from prior year	(4.2)%	n/a	(4.4)%	n/a	(1.7)%	0.0%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent cash fund reduction for certain Personal Services line items, and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**CAPCO Administration:** The bill includes an increase to the Transfer to CAPCO Administration line item which appropriates money for the CAPCO Administration line item in the Governor's Office budget to accommodate adjustments to personal services.

**Balancing action:** The bill reduces \$300,000 cash funds due to the General Fund shortfall for FY 2011-12. Due to the funding structure of this cash fund, the General Fund revenue will increase by \$300,000.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Annualize prior year funding:** The bill includes adjustments related to prior year budget actions.

**Public Utilities Commission:** The Public Utilities Commission regulates the rates and services of fixed utilities and transportation utilities located in the state and administers the following programs: the Colorado Telecommunications High Cost Program, the Low-Income Telephone Assistance Program, the Highway Crossing Protection Program, and the Disabled Telephone Users Program. This Division is entirely cash funded, primarily from the Public Utilities Commission Fixed Utility Fund, the Disabled Telephone Users Fund, the Low-Income Telephone Assistance Fund, and the Public Utilities Commission Motor Carrier Fund.

Public Utilities Commission	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	<b>\$15,883,144</b>	<b>\$0</b>	<b>\$15,883,144</b>	<b>\$0</b>	<b>\$0</b>	<b>101.6</b>
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	184,833	0	184,833	0	0	0.0
Personal services base reduction	(133,304)	0	(133,304)	0	0	0.0

<b>Public Utilities Commission</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Indirect cost assessment	(60,957)	0	(60,957)	0	0	0.0
Annualize prior year funding	(54,242)	0	(54,242)	0	0	(0.5)
Adjustments to Commission for the Deaf and Hard of Hearing	(31,226)	0	(31,226)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$15,788,248	\$0	\$15,788,248	\$0	\$0	101.1
\$ Change from prior year	(\$94,896)	\$0	(\$94,896)	\$0	\$0	(0.5)
% Change from prior year	(0.6)%	n/a	(0.6)%	n/a	n/a	(0.5)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation.

**Adjustments to Commission for the Deaf and Hard of Hearing:** The bill includes an increase to the Commission for the Deaf and Hard of Hearing line item in the Department of Human Services, Services for People with Disabilities Division to accommodate changes to personal services.

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**Division of Real Estate:** The Division of Real Estate licenses real estate brokers and appraisal professionals, analyzes subdivision offerings on undeveloped land, and administers an enforcement program that works to be responsive to the needs of the industry and the consumer. Additional protection is offered to the public through the Real Estate Recovery Fund and errors and omissions insurance for all real estate licensees. The Division is entirely cash funded primarily from the Division of Real Estate Cash Fund and the Mortgage Broker Licensing Cash Fund.

<b>Division of Real Estate</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$4,254,670	\$0	\$4,254,670	\$0	\$0	52.3
<b>Changes from FY 2010-11 Appropriation</b>						
Restore one-time personal services reduction	63,288	0	63,288	0	0	0.0
Mortgage broker consumer protection	3,231	0	3,231	0	0	0.0
Personal services base reduction	(50,616)	0	(50,616)	0	0	0.0
Indirect cost assessment	(17,744)	0	(17,744)	0	0	0.0
Annualize prior year funding	(10,265)	0	(10,265)	0	0	0.0

Division of Real Estate	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,242,564	\$0	\$4,242,564	\$0	\$0	52.3
\$ Change from prior year	(\$12,106)	\$0	(\$12,106)	\$0	\$0	0.0
% Change from prior year	(0.3)%	n/a	(0.3)%	n/a	n/a	0.0%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Mortgage broker consumer protection:** The bill includes an increase for the mortgage broker consumer protection unit in the Department of Law.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

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**Division of Registrations:** This Division regulates over 324,000 licensees in forty-eight professions and occupations. Boards and Commissions establish regulatory standards to ensure a minimal level of licensee competency and rules to ensure a safe environment for professionals and customers. The Division is primarily funded with cash funds from the Division of Registrations Cash Fund. Reappropriated funds are primarily from departmental indirect cost recoveries.

Division of Registrations	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$17,347,233	\$0	\$15,120,306	\$2,220,103	\$6,824	189.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	245,019	0	216,064	28,955	0	0.0
Annualize prior year funding	27,006	0	76,445	(49,439)	0	2.7
Fund source adjustment	0	0	(37,848)	37,848	0	0.0
Eliminate divisional indirects	(1,618,053)	0	0	(1,618,053)	0	0.0
Indirect cost assessment	(571,907)	0	(565,083)	0	(6,824)	0.0
Personal services base reduction	(148,719)	0	(148,719)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$15,280,579	\$0	\$14,661,165	\$619,414	\$0	192.1
\$ Change from prior year	(\$2,066,654)	\$0	(\$459,141)	(\$1,600,689)	(\$6,824)	2.7
% Change from prior year	(11.9)%	n/a	(3.0)%	(72.1)%	(100.0)%	1.4%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation.

**Fund source adjustment:** The bill includes an increase in reappropriated funds offset by a decrease in cash funds.

**Eliminate divisional indirects:** The bill includes the elimination of funds appropriated to the indirect cost line item and then reappropriated to the personal services and operating expenses line item. The bill directly appropriates cash funds to the personal services and operating expenses line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

**Division of Securities:** This Division monitors the conduct of state-licensed securities broker-dealers and sales representatives, and investigates complaints and other indications of securities fraud. Division staff perform examinations of dealer offices and investment advisory firms to ensure compliance with regulatory laws. The Division is entirely funded with cash funds from the Division of Securities Cash Fund.

Division of Securities	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$2,697,697	\$0	\$2,697,697	\$0	\$0	23.0
<i>Changes from FY 2010-11 Appropriation</i>						
Securities fraud prosecution	234,300	0	234,300	0	0	0.0
Increase securities funding	207,781	0	207,781	0	0	3.0
Restore one-time personal services reduction	40,167	0	40,167	0	0	0.0
Indirect cost assessment	5,090	0	5,090	0	0	0.0
Personal services reduction	(29,951)	0	(29,951)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$3,155,084	\$0	\$3,155,084	\$0	\$0	26.0
\$ Change from prior year	\$457,387	\$0	\$457,387	\$0	\$0	3.0
% Change from prior year	17.0%	n/a	17.0%	n/a	n/a	13.0%

## Issue Descriptions

**Securities fraud prosecution:** The bill includes an increase for the Securities Fraud Prosecution unit in the Department of Law. The increase is due to cash funding 2.0 FTE Criminal Investigators in the Department of Law's Securities Fraud Unit that were previously funded with General Fund.

**Increase securities funding:** The bill includes an increase of \$207,781 cash funds and 3.0 FTE to maintain regulatory standards through enforcement of securities laws.

**Restore one-time personal services reduction:** The bill restores the reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments due to decreased appropriations to centrally-appropriated line items in the Executive Director's Office.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

## Department of Revenue

**Department Description:** The Department is organized into three functional groups: Taxation Business Group; Division of Motor Vehicles; and Enforcement Business Group. The Taxation Business Group collects revenue for the state and for many local governments and assists taxpayers in tax related matters; the Division of Motor Vehicles, which also oversees the Motor Carrier Services Division, regulates motor vehicle safety, issues personal identification documents, and regulates commercial vehicles; and the Enforcement Business Group regulates alcohol, tobacco, medical marijuana, horse racing and off-track betting, limited gaming, and automobile dealers and sales persons. The three functional areas are supported by the Executive Director's Office, Central Department Operations and Information Technology Divisions. The Department also operates the State Lottery, a TABOR enterprise supported by lottery ticket sales.

Summary Table for Department of Revenue						
	Total Funds	General Fund /1	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$727,196,598	\$70,682,233	\$654,277,285	\$1,421,461	\$815,619	1,521.5
Long Bill Supplemental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$727,196,598	\$70,682,233	\$654,277,285	\$1,421,461	\$815,619	1,521.5
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Executive Director's Office	(655,433)	(223,338)	(377,858)	(54,237)	0	(4.4)
Central Department Operations Division	424,234	278,135	142,269	3,830	0	(6.4)
Information Technology Division	(559,485)	(46,576)	(512,717)	(192)	0	(3.0)
Taxation Business Group	(801,762)	(143,115)	(661,704)	(394)	3,451	(23.6)
Division of Motor Vehicles	705,614	0	705,614	0	0	(32.0)
Motor Carrier Services Division	(56,208)	3,531	46,110	(10,480)	(95,369)	(10.6)
Enforcement Business Group	(884,006)	(4,168)	(858,973)	(20,865)	0	(67.2)
State Lottery Division	(432,634,127)	0	(432,634,127)	0	0	(8.9)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$292,735,425	\$70,546,702	\$220,125,899	\$1,339,123	\$723,701	1,365.4
\$ Change from prior year	(\$434,461,173)	(\$135,531)	(\$434,151,386)	(\$82,338)	(\$91,918)	(156.1)
% Change from prior year	(59.7)%	(0.2)%	(66.4)%	(5.8)%	(11.3)%	(10.3)%

/1 Includes \$11.5 million for the Cigarette Tax Rebate to local governments and \$7.8 million for the Old Age Heat and Fuel and Property Tax Rebate grants. These amounts continuously appropriated by a permanent statute or constitutional provision and shall not be deemed to be an appropriation subject to the limitation of Section 24-75.-201.1, C.R.S.

### Appropriation Highlights:

#### *Changes to FY 2010-11 Appropriations:*

1. Refinances \$1.3 million of Licensing Services Cash Fund moneys with Highway Users Tax Fund "off-the-top" moneys.

*FY 2011-12 Appropriations:*

1. Adds \$1.3 million cash funds for increased issuance of driver's license and identification documents in the Division of Motor Vehicles.
2. Adds \$200,000 General Fund for the Cigarette Tax Rebate to reflect the March 2011 Legislative Council Economic forecast.
3. Adds \$180,000 General Fund to provide funding to upgrade software that will no longer be supported by the vendor.
4. Adds \$120,000 General Fund to fund additional statements issued to delinquent sales tax vendors. This is projected to increase revenues by \$2.2 million in FY 2011-12.
5. Reduces cash funds by \$432.6 million to reflect the elimination of Lottery prizes as an expense.
6. Reduces by \$1.3 million total funds, including \$437,000 General Fund, to reflect the Personal Services base reduction.
7. Reduces General Fund by \$400,000 for the Old Age Heat & Fuel & Property Tax Assistance Grants to reflect the March 2011 Legislative Council Economic forecast.
8. A decrease of 156.1 FTE, including the following changes:
  - A decrease of 100.0 FTE to more close align appropriations with actual FTE usage in the Department.
  - A decrease of 51.6 FTE and associated moneys to reflect unfilled positions in the Medical Marijuana Enforcement Division.
  - A net decrease of 4.5 FTE reflects annualization of FY 2010-11 budget actions resulting from the passage of the Long Bill and special bills.

**Appropriation Detail by Long Bill Division**

**Executive Director's Office:** The Executive Director's Office includes the following units: central budget office, accounting and financial services, internal audit, human resources, and research and analysis. It also includes a citizens' advocate and public information officer. Centrally appropriated expenses are allocated from this Division, as are direct and indirect costs of the Department.

Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$38,685,791	\$14,726,440	\$22,936,349	\$1,023,002	\$0	48.8
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	174,695	85,642	89,053	0	0	0.0
Restore one-time personal services reductions	154,707	89,937	51,418	13,352	0	0.0



Executive Director's Office	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
Fund source adjustment	0	(70,438)	116,363	(45,925)	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(3.4)
Statewide IT common policy adjustments	(598,895)	(2,775)	(582,782)	(13,338)	0	(1.0)
Annualize prior year funding	(326,756)	(311,057)	(15,699)	0	0	0.0
Personal services base reduction	(59,184)	(14,647)	(36,211)	(8,326)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$38,030,358</b>	<b>\$14,503,102</b>	<b>\$22,558,491</b>	<b>\$968,765</b>	<b>\$0</b>	<b>44.4</b>
\$ Change from prior year	(\$655,433)	(\$223,338)	(\$377,858)	(\$54,237)	\$0	(4.4)
% Change from prior year	(1.7)%	(1.5)%	(1.6)%	(5.3)%	n/a	(9.0)%

## Issue Descriptions

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions for health, life, and dental benefits; short-term disability; supplemental state contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payments to risk management and property funds; and Capitol complex leased space.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes an increase in cash funds offset by decreases in General Fund and reappropriated funds.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center; multiuse network payments; management and administration of the Governor's Office of Information Technology (OIT); and communication services payments.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for personal services line items.

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**Central Department Operations Division:** This division records and maintains transactions that enable the Department to meet various statutory responsibilities, many of which are related to taxes, licensing and various other fee payments. Such transactions also include the deposit of tax remittances; the processing of tax documents from the receipt of returns through the issuance of applicable refunds; and the processing of income tax refund warrants. This division also performs a variety of incoming and outgoing mail services.

Central Department Operations Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$12,069,628	\$10,880,230	\$1,106,593	\$82,805	\$0	103.6
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	157,905	143,866	12,255	1,784	0	0.0
Remittance processing system software upgrade	145,000	145,000	0	0	0	0.0
Sales tax delinquency billings	121,991	121,991	0	0	0	0.0
Annualize prior year funding	80,583	0	80,583	0	0	1.0
Fund source adjustment	0	(63,752)	60,387	3,365	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(7.4)
Personal services base reduction	(81,245)	(68,970)	(10,956)	(1,319)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$12,493,862	\$11,158,365	\$1,248,862	\$86,635	\$0	97.2
\$ Change from prior year	\$424,234	\$278,135	\$142,269	\$3,830	\$0	(6.4)
% Change from prior year	3.5%	2.6%	12.9%	4.6%	n/a	(6.2)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Remittance processing system software upgrade:** The bill includes funding to upgrade the software for the remittance processing system.

**Sales tax delinquency billings:** The bill includes funding to allow the Department to continue to send statements to delinquent sales tax vendors for a full year instead of only 5 months. The funding is projected to increase State General Fund revenues by \$2.24 million in FY 2011-12 and by \$2.69 million in subsequent years.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Fund source adjustment:** The bill includes an increase in cash funds and reappropriated funds offset by a decrease in General Fund.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Information Technology Division:** This division is divided into two subsections: Systems Support, which provides the bulk of the Department's various information technology requirements and the Colorado State Titling and Registration System (CSTARS), which was created in 1983 to automate the distribution of vehicle registration taxes among the State, the counties, and the Highway Users Tax Fund (HUTF). The bill includes the transfer of 106.2 FTE to the Office of Information Technology.

Information Technology Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$5,222,528	\$845,170	\$4,364,585	\$12,773	\$0	3.0
<i>Changes from FY 2010-11 Appropriation</i>						
County office improvements	38,062	0	38,062	0	0	0.0
Remittance processing system software upgrade	35,065	35,065	0	0	0	0.0
Annualize prior year funding	(396,702)	(13,081)	(383,621)	0	0	0.0
Programming costs for session legislation	(226,788)	(66,846)	(159,942)	0	0	(3.0)
Personal services base reduction	(9,122)	(1,714)	(7,216)	(192)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,663,043	\$798,594	\$3,851,868	\$12,581	\$0	0.0
\$ Change from prior year	(\$559,485)	(\$46,576)	(\$512,717)	(\$192)	\$0	(3.0)
% Change from prior year	(10.7)%	(5.5)%	(11.7)%	(1.5)%	n/a	(100.0)%

## Issue Descriptions

**County office improvements:** The bill provides funding for the State's responsibilities to provide Colorado State Titling and Registration System information technology improvements for a new office in San Miguel County.

**Remittance processing system software upgrade:** The bill includes funding to upgrade the software for the remittance processing system.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Programming costs for session legislation:** The bill eliminates funding for the line item in the Long Bill.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

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**Taxation Business Group:** This division is responsible for implementing programs related to the collection of taxes; the provision of customer service to taxpayers; the resolution of tax disputes; and the administration of certain tax rebate and assistance programs.

Taxation Business Group	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$46,996,796	\$43,455,049	\$2,653,314	\$168,183	\$720,250	352.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	580,914	576,772	4,142	0	0	0.0
Federal funding adjustment	3,451	0	0	0	3,451	0.0
Indirect cost assessment	1,156	0	0	1,156	0	0.0
Fund source adjustment	0	174	(174)	0	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(24.4)
Annualize prior year funding	(528,998)	(178,998)	(350,000)	0	0	0.8
Personal services base reduction	(344,984)	(341,063)	(2,371)	(1,550)	0	0.0
Alternative fuels rebate	(310,601)	0	(310,601)	0	0	0.0
Program adjustments	(200,000)	(200,000)	0	0	0	0.0
Other	(2,700)	0	(2,700)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$46,195,034	\$43,311,934	\$1,991,610	\$167,789	\$723,701	328.4
\$ Change from prior year	(\$801,762)	(\$143,115)	(\$661,704)	(\$394)	\$3,451	(23.6)
% Change from prior year	(1.7)%	(0.3)%	(24.9)%	(0.2)%	0.5%	(6.7)%

/1 For purposes of complying with the limitation on state fiscal year spending imposed by Section 20 (2) (d) of Article X of the State Constitution, these moneys are included for informational purposes. These amounts are continuously appropriated by a permanent statute or constitutional provision and shall not be deemed to be an appropriation subject to the limitations of Section 24-75-201.1, C.R.S.

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Federal funding adjustment:** The bill reflects a federal funding adjustment for the Mineral Lease Audit program.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Fund source adjustment:** The bill includes an increase in General Fund offset by an decrease in cash funds.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Alternative fuels rebate:** The bill reflects the elimination of the program pursuant to S.B. 11-163.

**Program adjustments:** The bill reflects the Legislative Council Staff Economic Forecast of expenditures for this program. An increase of \$200,000 in the cigarette tax rebate is offset by a decrease of \$400,000 in the old age heat and fuel and property tax assistance grant program.

**Other:** The bill includes other minor adjustments.

**Division of Motor Vehicles:** This division is responsible for licensing drivers; titling and registering motor vehicles; regulating commercial driving schools; enforcing the state's emissions program; and administering the Motorist Insurance Identification Database program.

Division of Motor Vehicles	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$33,660,695	\$0	\$33,660,695	\$0	\$0	449.7
Long Bill Supplemental	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>FY 2010-11 Adjusted Appropriation</b>	\$33,660,695	\$0	\$33,660,695	\$0	\$0	449.7
<i>Changes from FY 2010-11 Appropriation</i>						
Driver's license document workload increase	1,373,272	0	1,373,272	0	0	0.0
Restore one-time personal services reduction	424,755	0	424,755	0	0	0.0
National Motor Vehicle Title Information System	95,000	0	95,000	0	0	0.0
Funding driver and vehicle services	0	0	0	0	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(30.9)
Annualize prior year funding	(871,832)	0	(871,832)	0	0	(1.1)
Personal services base reduction	(320,597)	0	(320,597)	0	0	0.0
Other	5,016	0	5,016	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$34,366,309	\$0	\$34,366,309	\$0	\$0	417.7
\$ Change from prior year	\$705,614	\$0	\$705,614	\$0	\$0	(32.0)
% Change from prior year	2.1%	n/a	2.1%	n/a	n/a	(7.1)%

### Issue Descriptions

**Long Bill Supplemental:** The bill refinances \$1.3 million of funding from the Licensing Services Cash Fund with Highway User Tax Fund "off-the-top" moneys.

**Driver's license document workload increase:** The bill includes funding to provide for a workload increase in the issuance of driver's licenses and identification cards related to a 2005 law that provided for licenses and ID cards issued after 2005 have a five-year expiration date.

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to PERA pursuant to S.B. 10-146.

**National Motor Vehicle Title Information System:** The bill includes funding to provide for the State's payment to the National Motor Vehicle Title Information System operated by the American Association of Motor Vehicle Administrators pursuant to federal law.

**Funding driver and vehicle services:** The bill refinances \$2.3 million cash funds from the Licensing Services Cash Fund with funding from the Highway Users Tax Fund (HUTF) "off-the-top" moneys.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Other:** The bill includes other minor adjustments.

**Motor Carrier Services Division:** This division is responsible for registering motor carriers; collecting registration fees charged to fuel distributors, petroleum storage companies, and interstate carriers; and enforcing laws concerning both owners and operators of motor carriers.

Motor Carrier Services Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$7,936,806	\$593,570	\$7,237,387	\$10,480	\$95,369	134.4
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reductions	163,792	12,045	151,747	0	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(9.4)
Annualize prior year funding	(114,413)	0	(8,564)	(10,480)	(95,369)	(1.2)
Personal services base reduction	(105,587)	(8,514)	(97,073)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$7,880,598	\$597,101	\$7,283,497	\$0	\$0	123.8
\$ Change from prior year	(\$56,208)	\$3,531	\$46,110	(\$10,480)	(\$95,369)	(10.6)
% Change from prior year	(0.7)%	0.6%	0.6%	(100.0)%	(100.0)%	(7.9)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Enforcement Business Group:** This division regulates the limited gaming industry; regulates horse and dog racing events; enforces the state's liquor, medical marijuana, and tobacco laws; and licenses liquor retailers, wholesalers, and manufacturers and medical marijuana retailers and manufacturing and cultivation facilities. This division also regulates the distribution of motor vehicles and manages adjudication hearings related to drivers licenses, certain racing licenses, and some tax disputes.

<b>Enforcement Business Group</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$52,454,046	\$181,774	\$52,148,054	\$124,218	\$0	304.0
<i>Changes from FY 2010-11 Appropriation</i>						
Limited Gaming Commission adjustments	966,655	0	966,655	0	0	0.0
Restore one-time personal services reductions	286,325	3,351	280,174	2,800	0	0.0
Fund source adjustment	0	(4,922)	27,032	(22,110)	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(15.6)
FTE reduction	(1,415,427)	0	(1,415,427)	0	0	(51.6)
Annualize prior year funding	(426,111)	0	(426,111)	0	0	0.0
Personal services base reduction	(262,059)	(2,597)	(257,907)	(1,555)	0	0.0
Indirect cost assessment	(33,389)	0	(33,389)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$51,570,040	\$177,606	\$51,289,081	\$103,353	\$0	236.8
\$ Change from prior year	(\$884,006)	(\$4,168)	(\$858,973)	(\$20,865)	\$0	(67.2)
% Change from prior year	(1.7)%	(2.3)%	(1.6)%	(16.8)%	n/a	(22.1)%

## Issue Descriptions

**Limited Gaming Commission adjustments:** The bill reflects Limited Gaming Commission approved adjustments to the appropriations for personal services, operating expenses, and payments to other State agencies.

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items, and a reduced State contribution to PERA pursuant to S.B. 10-146.

**Fund source adjustment:** The bill includes an increase in cash funds offset by a decrease in General Fund and reappropriated funds.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**FTE reduction:** The bill reflects a reduction of 51.7 FTE and the associated moneys (\$1.4 million).

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill includes a net decrease in indirect cost assessments.

**State Lottery Division:** This division regulates and administers the State Lottery. This Division is designated as an enterprise under the provisions of TABOR per Section 20 of Article X of the Colorado Constitution.

State Lottery Division	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$530,170,308	\$0	\$530,170,308	\$0	\$0	126.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	166,428	0	166,428	0	0	0.0
Eliminate unused FTE authority	0	0	0	0	0	(8.9)
Eliminate Prizes and Powerball Prize variances	(432,627,016)	0	(432,627,016)	0	0	0.0
Personal services base reduction	(136,464)	0	(136,464)	0	0	0.0
Indirect Cost Assessment	(37,075)	0	(37,075)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$97,536,181	\$0	\$97,536,181	\$0	\$0	117.1
\$ Change from prior year	(\$432,634,127)	\$0	(\$432,634,127)	\$0	\$0	(8.9)
% Change from prior year	(81.6)%	n/a	(81.6)%	n/a	n/a	(7.1)%

## Issue Descriptions

**Restore one-time personal services reduction:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to PERA pursuant to S.B. 10-146.

**Eliminate unused FTE authority:** The bill eliminates unused FTE authority to more closely align appropriations with actual FTE usage for the Department of Revenue.

**Eliminate Prizes and Powerball Prize variances:** The bill eliminates the appropriations for these line items as permitted by Section 24-35-210 (1), C.R.S., which specifically excludes prizes as an expense of the Lottery Division.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.



## Department of State

**Department Description:** The Department of State is responsible for the following activities: (1) administers statutory provisions that pertain to elections; (2) collects, maintains, and provides public access to filings by business and nonprofit entities, such as annual reports, articles of incorporation, and liens; (3) registers lobbyists and monitors the filing of required disclosure reports; (4) regulates charitable gaming laws; (5) regulates notaries public and enforces related laws; (6) implements the provisions of the federal Help America Vote Act (HAVA); (7) administers the initiative and referendum process, including signature verification; and (8) manages the statewide computerized voter registration database.

Summary Table for Department of State						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$21,496,775	\$0	\$21,496,775	\$0	\$0	135.1
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Administration	(884,383)	0	(884,383)	0	0	(2.6)
Special Purpose	6,271	0	6,271	0	0	0.0
Information Technology Services	(1,848,424)	0	(1,848,424)	0	0	(3.6)
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$18,770,239	\$0	\$18,770,239	\$0	\$0	128.9
\$ Change from prior year	(\$2,726,536)	\$0	(\$2,726,536)	\$0	\$0	(6.2)
% Change from prior year	(12.7)%	n/a	(12.7)%	n/a	n/a	(4.6)%

### Appropriation Highlights:

1. Increases the appropriation by \$318,000 for one-time personal services reductions.
2. Increases the appropriation by \$106,000 for the Help America Vote Act program.
3. Reduces the appropriation by \$1,486,000 and 4.2 FTE so that the Department's appropriation better reflects its actual expenditures.
4. Reduces the appropriation by \$745,000 and 2.0 FTE to reflect the second-year impact of S.B. 10-148, which transfers the statewide IT disaster data recovery center to the Office of Information Technology over a period of three years.
5. Reduces the appropriation by \$132,000 to reflect a 1.5 percent reduction to the base appropriation for Personal Services line items.
6. Reduces the appropriation by \$100,000 to reflect an anticipated decrease in the number of elections-related petitions that are submitted to the Department.

## Appropriation Detail by Long Bill Division

**Administration:** The Administration Division provides general management supervision for the entire Department, including budgeting, accounting, and human resources services. Most of the Department's functions are carried out by sections within this Division, including Business Filings, Elections, and Licensing and Enforcement.

Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$9,290,222	\$0	\$9,290,222	\$0	\$0	96.0
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	219,369	0	219,369	0	0	0.0
Address Confidentiality Program	17,785	0	17,785	0	0	0.0
Reduce excess spending authority and FTE	(560,391)	0	(560,391)	0	0	(2.6)
Statewide IT common policy adjustments	(302,304)	0	(302,304)	0	0	0.0
Annualize prior-year legislation	(121,522)	0	(121,522)	0	0	0.0
Personal services base reduction	(85,892)	0	(85,892)	0	0	0.0
Centrally appropriated line items	(40,177)	0	(40,177)	0	0	0.0
Indirect cost assessment	(11,251)	0	(11,251)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$8,405,839</b>	<b>\$0</b>	<b>\$8,405,839</b>	<b>\$0</b>	<b>\$0</b>	<b>93.4</b>
\$ Change from prior year	(\$884,383)	\$0	(\$884,383)	\$0	\$0	(2.6)
% Change from prior year	(9.5)%	n/a	(9.5)%	n/a	n/a	(2.7)%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Address Confidentiality Program:** The bill increases the appropriation for the Address Confidentiality Program due to its growing enrollment and the receipt of a grant from the Division of Criminal Justice's Victims and Law Enforcement (VALE) fund.

**Reduce excess spending authority and FTE:** The bill reduces the appropriation so that the spending authority better reflects the Department's actual expenditures.

**Statewide IT common policy adjustments:** The bill includes adjustments to line items appropriated for: purchase of services from the computer center and multiuse network payments.

**Annualize prior-year funding:** The bill reduces the appropriation to reflect the impact of legislation that passed during the 2010 legislative session.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line items for state contributions to health, life, and dental benefits, state contributions to the Public Employees' Retirement Association (PERA) pension fund, workers' compensation, legal services, administrative law judge services, purchase of services from the state's computer center, the multiuse network, payments to risk management and property funds, and vehicle leases.

**Indirect cost assessment:** The bill reflects a decrease in the Department's statewide indirect cost recoveries assessment.

**Special Purpose:** This division includes funds for the following: (1) Help America Vote Act (HAVA) program; (2) reimbursements for certain local election expenses; and (3) administering the State's initiative and referendum laws.

Special Purpose	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$4,887,702	\$0	\$4,887,702	\$0	\$0	6.0
<i>Changes from FY 2010-11 Appropriation</i>						
Help America Vote Act	106,271	0	106,271	0	0	0.0
Initiative and referendum	(100,000)	0	(100,000)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$4,893,973	\$0	\$4,893,973	\$0	\$0	6.0
\$ Change from prior year	\$6,271	\$0	\$6,271	\$0	\$0	0.0
% Change from prior year	0.1%	n/a	0.1%	n/a	n/a	0.0%

### Issue Descriptions

**Help America Vote Act (HAVA):** The bill increases the appropriation for the Department's activities related to the Help America Vote Act. Pursuant to Section 1-1.5-106 (2) (b), C.R.S., these funds are continuously appropriated and are included in the Long Bill for informational purposes only.

**Initiative and referendum:** The bill reduces the appropriation by \$100,000 because the Department receives fewer initiative petitions during an odd-year election.

**Information Technology Services:** This Division provides information technology (IT) support for the department and maintains the statewide computerized voter registration database.

Information Technology Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$7,318,851	\$0	\$7,318,851	\$0	\$0	33.1
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	98,715	0	98,715	0	0	0.0
Reduce excess spending authority and FTE	(925,750)	0	(925,750)	0	0	(1.6)
Transfer data recovery center	(745,005)	0	(745,005)	0	0	(2.0)

<b>Information Technology Services</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Annualize prior year funding	(230,400)	0	(230,400)	0	0	0.0
Personal services base reduction	(45,984)	0	(45,984)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$5,470,427	\$0	\$5,470,427	\$0	\$0	29.5
\$ Change from prior year	(\$1,848,424)	\$0	(\$1,848,424)	\$0	\$0	(3.6)
% Change from prior year	(25.3)%	n/a	(25.3)%	n/a	n/a	(10.9)%

## Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal services reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Reduce excess spending authority and FTE:** The bill reduces the appropriation so that the appropriation better reflects the Department's actual expenditures.

**Transfer data recovery center:** The bill reduces the appropriation to reflect the transfer of the statewide disaster data recovery center to the Office of Information Technology. The reduction reflects the second year of a three-year time frame for the transfer.

**Annualize prior year funding:** The bill removes one-time funding that was made available due to legislation passed during the 2010 legislative session.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

## Department of Transportation

**Department Description:** The Department is responsible for operating and maintaining Colorado's 9,156-mile state highway system under the policy direction of the eleven-member Transportation Commission, and maintaining the statewide aviation system plan. These responsibilities include managing highway construction projects, implementing the state's Highway Safety Plan, repairing and maintaining roads, providing technical support to local airports regarding aviation safety, and administering reimbursement of aviation fuel tax revenues and discretionary grants to local airports.

Summary Table for Department of Transportation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,032,417,169	\$0	\$658,329,628	\$4,986,153	\$369,101,388	3,307.5
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Administration	1,141,792	0	1,229,702	(87,910)	0	0.0
Construction, Maintenance, and Operations	54,876,423	0	19,832,788	0	35,043,635	8.0
High Performance Transportation Enterprise	0	0	0	0	0	0.0
First Time Drunk Driving Offenders Account	0	0	0	0	0	0.0
Statewide Bridge Enterprise	19,968,133	0	19,968,133	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$1,108,403,517</b>	<b>\$0</b>	<b>\$699,360,251</b>	<b>\$4,898,243</b>	<b>\$404,145,023</b>	<b>3,315.5</b>
\$ Change from prior year	\$75,986,348	\$0	\$41,030,623	(\$87,910)	\$35,043,635	8.0
% Change from prior year	7.4%	n/a	6.2%	(1.8)%	9.5%	0.2%

### Appropriation Highlights:

1. Reflects a \$41.0 million increase in the Department's estimated share of cash funds relative to the FY 2010-11 Long Bill appropriation, including an additional \$20.0 million in revenues for the Statewide Bridge Enterprise created by S.B. 09-108.
2. Reflects a \$35.0 million increase in the Department's estimated allocation of federal funds.
3. Includes a \$1.1 million increase to the Administration line item, largely as a result of increases in centrally-appropriated line items.
4. Recognizes 8.0 additional FTE shown for informational purposes in the Construction, Maintenance, and Operations line item to reflect positions approved by the Transportation Commission.

## Appropriation Detail by Long Bill Division

**Administration:** The Administration section consists of the following: the Transportation Commission; the Office of the Executive Director, the Office of Government Relations, the Public Relations Office, the Office of Information Technology, the Office of Financial Management and Budget, the Accounting Branch, the Chief Engineer and Regional Directors, the multi-agency fleet vehicle garage, the Division of Human Resources and Administration, the Division of Audit, and other centralized administrative costs for the Department.

Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$23,630,403	\$0	\$21,660,054	\$1,970,349	\$0	192.5
<i>Changes from FY 2010-11 Appropriation</i>						
Centrally appropriated line items	1,474,477	0	1,475,015	(538)	0	0.0
Restore one-time personal services reduction	332,891	0	318,477	14,414	0	0.0
Indirect cost assessment	15,741	0	15,741	0	0	0.0
Fund mix adjustment	0	0	9,295	(9,295)	0	0.0
Transportation base reduction	(430,000)	0	(350,000)	(80,000)	0	0.0
Personal services base reduction	(251,317)	0	(238,826)	(12,491)	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$24,772,195	\$0	\$22,889,756	\$1,882,439	\$0	192.5
\$ Change from prior year	\$1,141,792	\$0	\$1,229,702	(\$87,910)	\$0	0.0
% Change from prior year	4.8%	n/a	5.7%	(4.5)%	n/a	0.0%

### Issue Descriptions

**Centrally-appropriated line items:** The bill includes adjustments to centrally appropriated line items for the following: state contributions to health, life, and dental benefits; short-term disability; shift differential; state contributions to the Public Employees' Retirement Association (PERA) pension fund; workers' compensation; legal services; and payments to risk management and property funds.

**Restore one-time personal services reductions:** The bill restores a one-time reduction to the State contribution to the Public Employees Retirement Association (PERA) pursuant to S.B. 10-146.

**Indirect cost assessment:** The bill includes a net increase in indirect cost assessments.

**Fund mix adjustment:** The bill reflects an adjustment to allocate funds to the programs within the Administration Division that are funded with reappropriated funds (the Print Shop and the multi-agency fleet vehicle maintenance garage).

**Transportation base reduction:** The bill includes a reduction in appropriations for operating expenses to better align with prior years' expenditures.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for Personal Services line items.

**Construction, Maintenance, and Operations:** This division is responsible for transportation planning, inter-modal transportation programs, and all phases of highway operation including engineering, construction, and maintenance. The amounts shown are revenue estimates and are included for informational purposes only.

<b>Construction, Maintenance, and Operations</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$933,454,899	\$0	\$561,337,707	\$3,015,804	\$369,101,388	3,114.0
<i>Changes from FY 2010-11 Appropriation</i>						
Federal funds	35,043,635	0	0	0	35,043,635	0.0
State highway funds (HUTF)	32,465,486	0	32,465,486	0	0	0.0
FTE reconciliation	0	0	0	0	0	8.0
Cash funds (aeronautics, locals, miscellaneous, etc.)	(12,632,698)	0	(12,632,698)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$988,331,322	\$0	\$581,170,495	\$3,015,804	\$404,145,023	3,122.0
\$ Change from prior year	\$54,876,423	\$0	\$19,832,788	\$0	\$35,043,635	8.0
% Change from prior year	5.9%	n/a	3.5%	0.0%	9.5%	0.3%

## Issue Descriptions

**Federal funds:** The bill reflects the Department's estimated apportionment of federal funds in FY 2011-12.

**State highway funds (HUTF):** The bill represents the Department's forecasted share of Highway User Tax Fund (HUTF) revenues per statutory formula.

**FTE reconciliation:** The bill reflects FTE added by the Transportation Commission above the amount included in the FY 2010-11 appropriation.

**Cash funds (aeronautics, locals, miscellaneous, etc.):** The bill reflects the Department's current estimate of revenues available from cash fund sources other than the State Highway Fund, including funding for the Division of Aeronautics, funding from local government matches, and miscellaneous cash funds including those for the Motorcycle Operator Safety Training (MOST) program.

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**High Performance Transportation Enterprise:** This section, created in S.B. 09-108, replaced the Statewide Tolling Enterprise created pursuant to S.B. 02-179 and H.B. 02-1310. In addition to taking over the responsibilities of the former Tolling Enterprise, the High Performance Transportation Enterprise was established to pursue public-private partnerships and other means of completing surface transportation projects, including collecting tolls on existing roadways if such projects are approved by local transportation entities. The section is granted enterprise status as long as it retains the authority to issue revenue bonds and receives less than 10.0 percent of its total revenues from grants from state and local governments. The amounts shown are revenue estimates from the existing toll lanes on Interstate 25 and are included for informational purposes only.

<b>High Performance Transportation Enterprise</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$2,500,000	\$0	\$2,500,000	\$0	\$0	1.0
<i>Changes from FY 2010-11 Appropriation</i>						
No changes	0	0	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,500,000	\$0	\$2,500,000	\$0	\$0	1.0
\$ Change from prior year	\$0	\$0	\$0	\$0	\$0	0.0
% Change from prior year	0.0%	n/a	0.0%	n/a	n/a	0.0%

**First Time Drunk Driving Offender Account:** This section provides funding for increased high visibility drunk driving law enforcement action undertaken pursuant to H.B. 08-1194.

<b>First Time Drunk Driving Offender Account</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$1,000,000	\$0	\$1,000,000	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
No changes	0	0	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,000,000	\$0	\$1,000,000	\$0	\$0	0.0
\$ Change from prior year	\$0	\$0	\$0	\$0	\$0	0.0
% Change from prior year	0.0%	n/a	0.0%	n/a	n/a	n/a

**Statewide Bridge Enterprise:** This section was created by S.B. 09-108 and is funded through the bridge safety surcharge created in S.B. 09-108. The enterprise's purpose is to facilitate the repair or replacement of bridges rated as in poor condition and either structurally deficient or functionally obsolete. The enterprise is funded through the bridge safety surcharge created in S.B. 09-108 and has the authority to issue revenue bonds and borrow funds from the Transportation Commission. The section can maintain enterprise status as long as it retains the authority to issue revenue bonds and receives less than 10.0 percent of its total revenues from grants from state and local governments. The amounts shown are revenue estimates and are included for informational purposes only.

<b>Statewide Bridge Enterprise</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2010-11 Appropriation</b>	\$71,831,867	\$0	\$71,831,867	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide Bridge Enterprise	19,968,133	0	19,968,133	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$91,800,000	\$0	\$91,800,000	\$0	\$0	0.0
\$ Change from prior year	\$19,968,133	\$0	\$19,968,133	\$0	\$0	0.0
% Change from prior year	27.8%	n/a	27.8%	n/a	n/a	n/a



## Issue Description

**Statewide Bridge Enterprise:** The bill reflects the Department's estimate of revenues for the Statewide Bridge Enterprise in FY 2011-12.

## Department of the Treasury

**Department Description:** The Department has the following duties: (1) acts as the State's banker and investment officer, providing investment, accounting, and cash management services and preparing related reports; (2) administers the Unclaimed Property Program and transmits moneys from the Unclaimed Property Trust Fund to CoverColorado; (3) disburses Senior Citizen and Disabled Veteran Property Tax Exemption payments to local governments; (4) provides short-term interest-free financing to school districts by issuing tax and revenue anticipation notes and making loans from the General Fund; (5) assists charter schools with long-term financing by making direct bond payments; (6) transfers moneys to the Fire and Police Pension Association (FPPA) for local "old hire" pension plans; (7) distributes Highway Users Tax Fund (HUTF) revenues to counties and municipalities; and (8) distributes federal "mineral leasing funds" received for the State's share of sales, bonuses, royalties, and rentals of public lands within Colorado.

Summary Table for Department of the Treasury						
	Total Funds	General Fund/1,2	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$356,965,488	\$2,362,955	\$354,602,533	\$0	\$0	31.5
<i>Changes from FY 2010-11 by Long Bill Division</i>						
Administration	207,058	218,918	(11,860)	0	0	0.0
Unclaimed Property Program	18,557	0	18,557	0	0	0.0
Special Purpose	29,279,490	25,350,277	3,929,213	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$386,470,593	\$27,932,150	\$358,538,443	\$0	\$0	31.5
\$ Change from prior year	\$29,505,105	\$25,569,195	\$3,935,910	\$0	\$0	0.0
% Change from prior year	8.3%	1082.1%	1.1%	n/a	n/a	0.0%

/1 Includes \$25,321,079 General Fund exempt for payments to the Fire and Police Pension Association for the old-hire pension plans.

/2 Includes amounts (\$1,670,802 for FY 2010-11 and \$1,700,000 for FY 2011-12) that are not subject to the statutory limitation on General Fund appropriations set forth in Section 24-75-201.1, C.R.S. See Division Detail for more information.

### Appropriation Highlights:

1. Reflects a \$25.3 million General Fund exempt increase in payments to the Fire and Police Pension Association.
2. Reflects a \$7.0 million increase in the amount that is anticipated to be transferred from the Unclaimed Property Trust Fund to CoverColorado.
3. Reflects a \$3.1 million cash funds decrease in the projected disbursements of Highway Users Tax Fund revenues to counties and municipalities, *compared to amounts reflected in the FY 2010-11 Long Bill.*

### Appropriation Detail by Long Bill Division

**Administration:** This office is responsible for the operation and oversight of the Department. The Division provides accounting, cash management, and investment services for the State.

Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,824,861	\$692,153	\$1,132,708	\$0	\$0	16.0
<i>Changes from FY 2010-11 Appropriation</i>						
Statewide IT common policy adjustments	128,251	128,251	0	0	0	0.0
Annualize prior year funding	31,676	184,529	(152,853)	0	0	0.0
Restore one-time personal services reduction	31,599	31,599	0	0	0	0.0
Centrally appropriated line items	19,917	8,923	10,994	0	0	0.0
Increase in NAST dues	800	800	0	0	0	0.0
Fund source adjustment	0	(129,999)	129,999	0	0	0.0
Personal services base reduction	(5,185)	(5,185)	0	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$2,031,919	\$911,071	\$1,120,848	\$0	\$0	16.0
\$ Change from prior year	\$207,058	\$218,918	(\$11,860)	\$0	\$0	0.0
% Change from prior year	11.3%	31.6%	(1.0)%	n/a	n/a	0.0%

## Issue Descriptions

**Statewide IT common policy adjustments:** The bill includes adjustments for purchases of services from the computer center.

**Annualize prior year funding:** The bill includes adjustments related to prior year legislation and budget actions.

**Restore one-time personal services reductions:** The bill restores one-time personal reductions for FY 2010-11, including a 1.0 percent General Fund reduction for certain personal services line items and a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Centrally appropriated line items:** The bill includes adjustments to centrally appropriated line item appropriations for the following: health, life, and dental benefits; short-term disability; amortization equalization disbursement; supplemental amortization equalization disbursement; workers' compensation; legal services; payment to risk management and property funds; and Capitol complex leased space.

**Increase in NAST dues:** The bill includes an increase in dues for membership in the National Association of State Treasurers (NAST).

**Fund source adjustment:** The bill refinances General Fund to reflect the amount of revenue available from cash management transaction fees pursuant to Section 24-36-120, C.R.S.

**Personal services base reduction:** The bill includes a 1.5 percent reduction for General Fund personal services line items.

**Unclaimed Property Program:** Pursuant to the Unclaimed Property Act, the State takes possession of dormant properties held by a wide range of institutions and attempts to return the properties to their rightful owners. The Department deposits recovered moneys in the Unclaimed Property Trust Fund, using the principal and interest to pay claims as well as the costs of operating the program. The remaining principal and interest help support the CoverColorado health insurance program. The Department holds recovered securities for at least a year and then sells those that have not been returned, depositing sales proceeds in the Unclaimed Property Tourism Promotion Trust Fund. The State uses the interest earned by this fund to promote tourism and the State Fair. The fund source for this section is the Unclaimed Property Trust Fund.

Unclaimed Property Program	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$1,938,825	\$0	\$1,938,825	\$0	\$0	15.5
<i>Changes from FY 2010-11 Appropriation</i>						
Restore one-time personal services reduction	16,824	0	16,824	0	0	0.0
Leased space	1,733	0	1,733	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$1,957,382	\$0	\$1,957,382	\$0	\$0	15.5
\$ Change from prior year	\$18,557	\$0	\$18,557	\$0	\$0	0.0
% Change from prior year	1.0%	0.0%	1.0%	n/a	n/a	0.0%

### Issue Descriptions

**Restore one-time personal services reductions:** The bill restores one-time personal reductions for FY 2010-11, including a reduced State contribution to the Public Employees' Retirement Association (PERA) pursuant to S.B. 10-146.

**Leased space:** The bill reflects an increase due to escalators in the program's lease agreement.

**Special Purpose:** This section reflects various disbursements and transfers the Treasurer is required to make, including the following: (1) reimbursements to local governments for property taxes lost due to the senior citizen and disabled veteran property tax exemption; (2) transfers to the Fire and Police Pension Association (FPPA) for "old hire" fire and police pension plans; (3) transmittals from the Unclaimed Property Trust Fund to CoverColorado; and (4) allocations of Highway Users Tax Fund (HUTF) revenues to local governments. The General Fund and General Fund Exempt appropriations for the senior citizen and disabled veteran property tax exemption and FPPA are not subject to the statutory limit on General Fund appropriations.

Special Purpose	Total Funds	General Fund/1,2	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<b>FY 2010-11 Appropriation</b>	\$353,201,802	\$1,670,802	\$351,531,000	\$0	\$0	0.0
<i>Changes from FY 2010-11 Appropriation</i>						
FPPA old-hire pension plan payments	25,321,079	25,321,079	0	0	0	0.0
Transfer to CoverColorado	7,000,000	0	7,000,000	0	0	0.0
Senior citizen and disabled veteran property tax exemption	29,198	29,198	0	0	0	0.0

Special Purpose	Total Funds	General Fund/1,2	Cash Funds	Reappropriated Funds	Federal Funds	FTE
HUTF disbursements	(3,070,787)	0	(3,070,787)	0	0	0.0
<b>Total FY 2011-12 Long Bill Appropriation</b>	\$382,481,292	\$27,021,079	\$355,460,213	\$0	\$0	0.0
\$ Change from prior year	\$29,279,490	\$25,350,277	\$3,929,213	\$0	\$0	0.0
% Change from prior year	8.3%	1,517.3%	1.1%	n/a	n/a	n/a

/1 Includes \$25,321,079 General Fund Exempt for payments to the Fire and Police Pension Association for old-hire pension plans. Senate Bill 09-227 suspended these payments for three fiscal years (FY 2008-09, FY 2009-10, and FY 2010-11). Payments are scheduled to resume in FY 2011-12.

/2 Includes amounts (\$1,000,000 for FY 2010-11 and \$93,400,000 for FY 2011-12) that are not subject to the statutory limitation on General Fund appropriations set forth in Section 24-75-201.1, C.R.S., for the senior citizen and disabled veteran property tax exemption (enactment of Article X, Section 3.5 of the State Constitution constitutes voter approval of a weakening of the limitation). Senate Bill 10-190 suspends the exemption for two fiscal years (FY 2010-11 and FY 2011-12) for senior citizens, but continues the exemption for disabled veterans.

General Fund Summary (Special Purpose Division)	Total General Fund	General Fund	General Fund Exempt
<b>FY 2010-11 Appropriation</b>	<b>\$1,670,802</b>	<b>\$1,670,802</b>	<b>\$0</b>
Senior Citizen Property Tax Exemption	29,198	29,198	0
FPPA old-hire pension plan payments	<u>25,321,079</u>	<u>0</u>	<u>25,321,079</u>
<b>Total FY 2011-12 Long Bill Appropriation</b>	<b>\$27,021,079</b>	<b>\$1,700,000</b>	<b>\$25,321,079</b>

## General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap<sup>1</sup>, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt that the bill appropriates from the General Fund Exempt Account for purposes of funding retirement plans for firefighters and police officers pursuant to Sections 24-77-103.6 (2) and 24-77-104.5 (1) (a), C.R.S.

## Issue Descriptions

**FPPA old-hire pension plan payments:** The bill reflects the restoration of payments to the Fire and Police Pension Association ( FPPA) old-hire pension plans which, pursuant to S.B. 09-227, were suspended for the 2008-09, 2009-10, and 2010-11 fiscal years.

**Transfer to CoverColorado:** The bill reflects a \$7.0 million increase in the amount that is anticipated to be transferred from the Unclaimed Property Trust Fund to CoverColorado, compared to the amount reflected in

<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

the FY 2010-11 Long Bill. The bill amount is based on projections of program costs, as well as other sources of revenues available to CoverColorado.

**Senior citizen and disabled veterans property tax exemption:** The bill reflects a \$29,000 increase in payments to local governments to offset the local property tax revenues that will be foregone for tax year 2010 pursuant to Article X, Section 3.5, of the Colorado Constitution. Pursuant to Section 39-3-203 (1), C.R.S., this property tax exemption for seniors was suspended for tax year 2010 and 2011.

**HUTF disbursements:** The bill reflects a \$3.1 decrease in the projected disbursements of Highway Users Tax Fund (HUTF) revenues to counties and municipalities, compared to amounts reflected in the FY 2010-11 Long Bill.

## CAPITAL CONSTRUCTION

	Appropriations from the Capital Construction Fund					
	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	Cumulative
Prior Appropriations	\$258,329,285	\$150,251,265	\$41,143,881	\$19,954,062	\$1,304,714	\$470,983,207
<i>Changes</i>						
Long Bill	0	0	0	0	48,987,765	48,987,765
<b>Long Bill Appropriation</b>	\$258,329,285	\$150,251,265	\$41,143,881	\$19,954,062	\$50,292,479	\$519,970,972
\$ Change	\$0	\$0	\$0	\$0	\$48,987,765	\$48,987,765
% Change	0.0%	0.0%	0.0%	0.0%	N.A.	10.4%

### Appropriation Highlights:

1. Provides \$50.3 million spending authority from the Capital Construction Fund in FY 2011-12 for:
  - a. Statutory appropriations for sentencing bills;
  - b. Lease purchase payments;
  - c. Level I (life safety) Controlled Maintenance through score 5;
  - d. Colorado Integrated Tax Architecture;
  - e. Windsor Readiness Center (armory) construction;
  - f. Cumbres and Toltec Scenic Railroad track rehabilitation; and
  - g. Highway construction projects.
  
2. Transfers \$48.3 million from the General Fund to the Capital Construction Fund in FY 2011-12. This transfer is made through separate legislation.

The table on the following page summarizes the state funds available for capital construction, expenditures, and the transfer from the General Fund to the Capital Construction Fund.

	Transfers from the General Fund					
	Fund Source					
	State Funds	Capital Construction Fund	Corrections Expansion Reserve	Federal Funds	FML Revenues Fund	Fitzsimons Trust Fund
Uncommitted balance from prior year	(\$180,000)	(\$180,000)	\$0	\$0	\$0	\$0
Statutory General Fund transfers - sentencing bills	1,304,714	0	1,304,714	0	0	0
Interest (projection of FY 2010-11 earnings)	900,000	900,000	0	0	0	0
Tobacco distribution	7,231,814	0	0	0	0	7,231,814
Federal match for readiness center, and one controlled maintenance project at an existing readiness center	8,651,425	0	0	8,651,425	0	0
Higher Education Federal Mineral Lease Revenues Fund	<u>8,379,790</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,379,790</u>	<u>0</u>
<b>Funds Available for Construction</b>	\$26,287,743	\$720,000	\$1,304,714	\$8,651,425	\$8,379,790	\$7,231,814
Lease Purchase of Academic Facilities at Fitzsimons	(13,144,350)	(5,912,536)	0	0	0	(7,231,814)
Lease Purchase of Colorado State Penitentiary II	(18,434,900)	(17,130,186)	(1,304,714)	0	0	0
Higher Education Federal Mineral Lease Revenues Fund (lease purchase of various academic buildings)	(12,446,300)	(4,066,510)	0	0	(8,379,790)	0
Level I (life safety) Controlled Maintenance	(10,842,613)	(10,514,313)	0	(328,300)	0	0
Colorado Integrated Tax Architecture	(7,063,864)	(7,063,864)	0	0	0	0
Windsor Readiness Center	(11,923,481)	(3,600,356)	0	(8,323,125)	0	0
Cumbres and Toltec Scenic Railroad track rehabilitation	(200,000)	(200,000)	0	0	0	0
Highway Construction Projects	<u>(500,000)</u>	<u>(500,000)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>	(\$74,555,508)	(\$48,987,765)	(\$1,304,714)	(\$8,651,425)	(\$8,379,790)	(\$7,231,814)
<b>Transfers from the General Fund</b>	(\$48,267,765)	(\$48,267,765)	\$0	\$0	\$0	\$0



<b>General Fund Summary</b>	<b>Total General Fund</b>	<b>General Fund</b>	<b>General Fund Exempt</b>
<b>FY 2010-11 Appropriations &amp; Transfers</b>	\$3,219,762	\$3,219,762	\$0
Capital Construction transfer bill	<u>16,762,506</u>	<u>16,262,506</u>	<u>500,000</u>
<b>FY 2010-11 Adjusted Appropriations &amp; Transfers</b>	<b>\$19,982,268</b>	<b>\$19,482,268</b>	<b>\$500,000</b>
Statutory transfers for sentencing bills	\$1,304,714	\$1,304,714	\$0
Capital Construction transfer bill	<u>48,267,765</u>	<u>47,767,765</u>	<u>500,000</u>
<b>Total FY 2011-12 Appropriations &amp; Transfers</b>	<b>\$49,572,479</b>	<b>\$49,072,479</b>	<b>\$500,000</b>

### General Fund Exempt

Referendum C, passed by Colorado voters in November 2005, allows the State to retain and spend all revenue that is collected in excess of the TABOR limit for FY 2005-06 through FY 2009-10. For FY 2010-11 and subsequent fiscal years, Referendum C allows the State to retain all revenues that are in excess of the TABOR limit, but less than the excess state revenues cap<sup>1</sup>, for that fiscal year. This revenue must be placed in the General Fund Exempt Account. The above table shows the amount of General Fund Exempt to be appropriated for FY 2010-11 and FY 2011-12 from the General Fund Exempt Account for strategic transportation projects pursuant to Section 24-77-103.6 (2) (d), Colorado Revised Statutes.

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<sup>1</sup> The "excess state revenues cap" is equal to the highest annual total state revenues from FY 2005-06 through FY 2009-10, adjusted each subsequent fiscal year for inflation, the percentage change in state population, enterprises, and debt service changes.

**APPENDIX A - SUMMARY OF SECTIONS  
ADJUSTING PRIOR YEAR APPROPRIATIONS**

<b>Bill Section</b>	<b>Fiscal Year</b>	<b>Department</b>	<b>Description</b>
4	2009-10	Health Care Policy & Financing	Adjusts appropriations for the Children's Basic Health Plan to reflect an interim supplemental request approved by the Joint Budget Committee in June 2010
5	2010-11	Headnotes	Adjusts the sources of funds designated to constitute the state emergency reserve
6	2010-11	Education	See Narrative section for Education
7	2010-11	Health Care Policy & Financing	See Narrative section for Health Care Policy & Financing
8	2010-11	Higher Education	See Narrative section for Higher Education
9	2010-11	Human Services	See Narrative section for Human Services
10	2010-11	Judicial	See Narrative section for Judicial
11	2010-11	Law	See Narrative section for Law
12	2010-11	Revenue	See Narrative section for Revenue
13	2008-09	Capital Construction	Adjusts an appropriation to the Department of Higher Education
14	2009-10	Capital Construction	Adjusts an appropriation to the Department of Human Services
15	2010-11	Capital Construction	Adds an appropriation to the Department of Public Safety
16	2009-10	Health Care Policy & Financing	Adjusts the appropriation in H.B. 09-1293, as amended by H.B. 10-1372
17	2010-11	Health Care Policy & Financing	Adjusts the appropriation in HB 10-1378

## **APPENDIX B - GENERAL POLICIES**

The appropriations for many line items are determined by general policies applied consistently to all agencies. A brief explanation for each of these line items and policies is provided below.

### Administrative Law Judge Services

Funds for Administrative Law Judge (ALJ) services are included for the twelve departments that use these services. The recommended billing is calculated by identifying the prior fiscal year's actual costs, then distributing these costs for the upcoming fiscal year according to percentage use. For FY 2011-12, statewide spending authority for ALJ services totals approximately \$4.3 million.

### ADP Capital Outlay and Information Technology Asset Maintenance

These line items fund the replacement or addition of automated data processing equipment. Automated Data Processing (ADP) Capital Outlay is the common title for one-time, incidental information technology appropriations. The Information Technology Asset Maintenance line item is used by departments to fund network maintenance, hardware and software maintenance contracts, and anti-virus software. Requests for these items are reviewed by the Governor's Office of Information Technology.

### Capitol Complex Leased Space

This line item is for departments occupying space in the Capitol Complex, the North Campus facility, the Pierce Street Building, the Grand Junction State Office Building, and Camp George West, which is located in Golden. This line item appears in each department's Executive Director's Office, with some exceptions. The funding amount per square foot varies according to each building's location and intended use.

### Communication Services Payments

This line item appears in each department's Executive Director's Office, with some exceptions, and represents each department's share of the overhead related to the State's public safety communications infrastructure. Billings are sufficient to fund personal services, operating expenses, and indirect costs for the Communication Services program in the Governor's Office of Information Technology (OIT). For FY 2011-12, the bill includes recoverable costs totaling \$4.9 million.

### Community Provider Rates

Historically, community provider rate adjustments have been applied to programs and services which, if not provided by contracted provider organizations or county staff, would need to be provided by state staff. The bill does not include any common policy statewide community provider rate adjustments. However, in the Department of Health Care Policy and Financing, the bill includes a 0.75 percent reduction to medical provider rates and a 0.5 percent reduction to home- and- community-based program provider rates. In the Department of Human Services, cost containment measures for services for people with developmental disabilities are anticipated to include provider rate reductions.

### Health, Life, and Dental

This line item appears in each department's Executive Director's Office. For FY 2011-12, the total statewide appropriations for health, life, and dental benefits, except for the non-appropriated portions of the Departments of Higher Education and Transportation, is approximately \$153.2 million (\$86.7 million General Fund). The State has not yet finalized its provider contracts for FY 2011-12, and the specific cost allocation by employee is still unknown at this time.

### Indirect Costs

Indirect costs are the overhead costs associated with the operation of general government functions and departmental administrative duties. Indirect cost recoveries are intended to offset the costs of providing central services for cash-funded and federally-funded programs that otherwise would be supported by General Fund. For FY 2011-12, the statewide indirect cost recovery plan is estimated to recover \$18.2 million from cash- and federally-funded programs.

### Lease Purchase

The bill continues existing lease purchase agreements. Requests for additional lease purchase funds are examined on an individual department basis and funded where appropriate. Moneys may not be expended for lease purchase unless they are specifically appropriated for that purpose.

### Leased Space

This line item appears in each department's Executive Director's Office, with some exceptions. The intent is to ensure that each Executive Director reviews and manages a department's use of leased space.

### Legal Services

This line item appears in the Executive Director's Office of most departments. The bill's appropriations allow departments to purchase necessary legal services from the Department of Law, much as they would purchase legal services from a private-sector law firm. For FY 2011-12, agencies will pay a blended legal rate of \$75.71 per hour for legal services, which are provided by both attorneys and paralegals. The payments that client agencies make to the Department of Law are sufficient to pay all the direct and indirect costs of supplying the services. The Department of Law expects to provide 351,000 hours of legal services to client agencies.

### Management and Administration of OIT

This line item appears in each department's Executive Director's Office, with some exceptions, and represents each department's share of the division-level management of the Governor's Office of Information Technology (OIT) and "back office" functions as authorized by S.B. 08-155. For FY 2011-12, the bill includes recoverable costs totaling \$7.5 million.

### Multiuse Network Payments

This line item appears in each department's Executive Director's Office, with some exceptions, and represents each department's share of the State's data, voice, video, text, and graphics communications needs. Costs for the multiuse network include the Governor's Office of Information Technology (OIT) overhead, internet access, and contractual obligations that provide the State with a reserved amount of bandwidth at each network access point. For FY 2011-12, the bill includes recoverable costs totaling \$17.6 million.

### Operating Expenses

For FY 2011-12, the bill funds operating expenses at a continuation level of funding, with some individual exceptions. The General Assembly has periodically provided inflationary increases for operating expenses related to food, medical, and laboratory services in departments for which these costs are not incidental. The bill does not include inflationary increases for any operating expenses for FY 2011-12.

### Payment to Risk Management and Property Funds

This line item appears in each department's Executive Director's Office. The bill represents each department's share of the statewide cost of property and liability insurance coverage, based on a three-year average loss history as verified by an independent actuarial firm. Spending authority is provided to the Department of Personnel and Administration to pay the State's administrative, legal, and claims costs, as well as to pay premiums. There is an aggregate deductible of \$2.25 million for each policy year for the State's property insurance policies. For FY 2011-12, the bill's appropriation for the risk management and property program line item is \$16.5 million.

### Personal Services

The bill's FY 2011-12 appropriations for Personal Services line items include a 1.5 percent base reduction for vacancy savings, with some exceptions. These savings are generated when a department holds a position vacant, or when a senior employee is replaced by someone who earns a smaller salary. Certain Personal Services line items also include an additional 1.0 percent General Fund reduction.

### Purchase of Services from Computer Center

This line item appears in each department's Executive Director's Office, with some exceptions, and represents each department's share of the State's data center and computing infrastructure. For FY 2011-12, the bill includes recoverable costs totaling \$62.9 million.

### S.B. 04-257 Amortization Equalization Disbursement (AED)

Pursuant to S.B. 04-257, the State contributes additional funds to assist in the amortization of the Public Employees' Retirement Association's (PERA) unfunded liability. The appropriation amount is based on employees' base salaries, including shift differential pay. The contribution amount will increase by 0.4 percent each calendar year until it reaches the maximum contribution rate of 5.0 percent in calendar year 2017. The contribution rate is 2.6 percent for calendar year 2011, and 3.0 percent for calendar

year 2012. The bill's appropriations for FY 2011-12 total approximately \$40.3 million, including \$21.6 million General Fund.

#### S.B. 06-235 Supplemental Amortization Equalization Disbursement (SAED)

In addition to the AED contribution amounts, S.B. 06-235 provides a second supplemental PERA contribution. The intended fund source is money that would otherwise be available for use but not yet awarded as salary increases. However, the General Assembly still appropriates money for this purpose even though the bill does not include salary increases for FY 2011-12. The appropriation amount is based on employees' base salaries, including shift differential pay. It will increase by 0.5 percent each calendar year until it reaches its maximum contribution rate of 5.0 percent in 2017. The contribution rate is 2.0 percent for calendar year 2011, and 2.5 percent for calendar year 2012.

#### Salary Survey and Senior Executive Service

The bill does not include appropriations for salary survey increases for FY 2011-12. Salary survey increases for department staff, when provided, are funded through centrally-appropriated line items in the Department's Executive Director's Office in the year of the award, and are incorporated into the base funds for each division for the subsequent year.

#### Performance-based Pay Awards

The bill does not include appropriations for performance-based pay increases for FY 2011-12.

#### Shift Differential

This line item appears in each applicable department's Executive Director's Office, with the exception of the Department of Higher Education. Shift differential payments provide higher wages for evening, night, and weekend shifts. The FY 2011-12 appropriations were calculated based on 60.0 percent of a department's actual shift differential expenditures for FY 2009-10. For FY 2011-12, shift differential payments for state employees will total \$8.4 million, including approximately \$6.8 million General Fund.

#### Short-term Disability

All state employees are eligible for employer-paid, short-term disability insurance. The bill's appropriations are calculated based on 0.177 percent employees' base salaries, including shift differential pay. This line item appears in each department's Executive Director's Office and cannot be expended for any other purpose. The statewide short-term disability appropriation for FY 2011-12 is approximately \$2.5 million, including \$1.4 million General Fund.

#### Vehicle Lease Payments

Pursuant to Section 24-30-1117, C.R.S., motor vehicles may only be purchased through the Fleet Management Program in the Department of Personnel and Administration. The bill's appropriations are based on the amount necessary for each department's vehicle lease payments, which vary according

to vehicle model and type. For FY 2011-12, the bill includes funding to replace 285 vehicles, and to acquire eight new vehicles. The appropriations for FY 2011-12 total \$15.5 million.

### Workers' Compensation

This line item appears in each department's Executive Director's Office. The bill represents each department's share of the statewide cost of workers' compensation coverage, based on a three-year average loss history as verified by an independent actuarial firm. The State is self-insured and provides coverage for employees in all departments (except the University of Colorado and the Colorado State University, which operate separate self-insured programs). The Department's appropriation totals \$36.4 million for workers' compensation premiums for FY 2011-12.