



Joint Budget Committee

Staff Figure Setting FY 2026-27

Department of Revenue

Prepared by:
Jon Catlett, JBC Staff
February 17, 2026

Joint Budget Committee Staff

200 E. 14th Avenue, 3rd Floor

Denver, Colorado 80203

Telephone: (303) 866-2061

leg.colorado.gov/agencies/joint-budget-committee

Contents

Department Overview	1
Summary of Staff Recommendations	2
Major Differences from The Request	6
Decision Items Affecting Multiple Divisions	7
→ R1 General Fund Reductions	7
(1) The Executive Director’s Office	9
Line Item Detail – The Executive Director’s Office.....	9
(2) The Taxation Business Group	28
→ R3 Taxation Services Resources	28
Line-Item Detail – Taxation Business Group	33
(3) Division of Motor Vehicles	46
Decision Items.....	46
→ R2a General Fund Reduction.....	46
→ R2b DMV Reorganization	47
Line Item Detail – Division of Motor Vehicles.....	48
(C) Vehicle Services	55
(4) Specialized Business Group.....	63
Line Item Detail-Specialized Business Group.....	63
(5) State Lottery Division	80
Line Item Detail - State Lottery Division	80
Long Bill Footnotes and Requests for Information.....	86
Long Bill Footnotes.....	86
Requests For Information	86
Indirect Cost Assessments.....	87
Description of Indirect Cost Assessment Methodology.....	87
Indirect Cost Pool.....	87
Indirect Cost Base	87
Indirect Cost Rate.....	88
Additional Balancing Options	89
Revenue Enhancements	90
Expenditure Reductions.....	90
Appendix A: Numbers Pages	A-1

How to Use this Document

The Department Overview contains a table summarizing the staff recommended incremental changes followed by brief explanations of each incremental change. A similar overview table is provided for each division, but the description of incremental changes is not repeated, since it is available under the Department Overview. More

details about the incremental changes are provided in the sections following the Department Overview and the division summary tables.

Decision items, both department-requested items and staff-initiated items, are discussed either in the Decision Items Affecting Multiple Divisions or at the beginning of the most relevant division. Within a section, decision items are listed in the requested priority order, if applicable.

Department Overview

The Department of Revenue regulates, enforces, and administers the state's tax laws. The Department also issues and maintains records related to drivers' licenses, vehicle emission testing stations, registration and titling of motor vehicles, limited stakes gaming, liquor and tobacco retailers, horse racing and pari-mutuel betting, the automobile sales industry, and medical and recreational marijuana retailers, growing facilities, and manufacturing facilities. In addition, the Department operates the State Lottery, including state and multi-state games. The Department is divided into five divisions or business groups, four of which provide direct services to the citizens of the State, and one that provides support for the four direct-service providers.

The Executive Director's Office

- Provides overall leadership and administration for the Department, including the central budget office, accounting and financial services, information technology, internal audit, human resources administration, and includes the Office of Research and Analysis, a citizens' advocate, and the Hearings Division.

The Taxation Business Group

- Is responsible for the collection, administration, and enforcement of individual and corporate income taxes, sales and use taxes, gasoline and special fuel taxes, and severance taxes, as well as all other taxes collected by the State;
- Provides assistance and information to taxpayers about compliance with Colorado's tax laws;
- Attempts to resolve taxpayer disputes before they reach the court system;
- Administers the cigarette tax rebate and the Amendment 35 distribution of cigarette taxes to the cities and counties; and
- Administers the Old Age Heat and Fuel and Property Tax Rebate Program.

The Division of Motor Vehicles (DMV)

- Is responsible for enforcement and administration of the laws governing driver licensing and vehicle registration;
- Licenses drivers, maintains records of licensed drivers, and applies administrative sanctions against drivers who violate traffic laws, including for drunk driving and for excessive points;
- Oversees the vehicle emissions testing stations (including mobile testing stations);
- Registers and titles motor vehicles; and
- Administers the motor vehicle insurance identification database to prevent the registration of vehicles that are not insured.

The Specialized Business Group

- Regulates and enforces laws related to the limited stakes gaming industry in three historic mining towns;
- Regulates and enforces laws related to the sports betting industry;
- Enforces laws regarding liquor and tobacco retailers, including laws against selling those products to minors, and licenses retailers and special events where alcohol is served;
- Regulates horse racing (dog racing is currently inactive) and pari-mutuel betting (including off-track betting);

- Regulates retailers and sales agents in the motor vehicle sales industry; and
- Regulates medical and recreational marijuana dispensaries, cultivation, and manufacturing facilities.

The State Lottery Division

Operates the State Lottery, which sells scratch ticket games and tickets for jackpot games (e.g. Powerball, Lotto, Cash 5, Pick 3, and Mega Millions). The net proceeds of the Lottery benefit the following funds and programs:

- The Conservation Trust Fund;
- Colorado Division of Parks and Wildlife;
- Great Outdoors Colorado;
- The Public School Capital Construction Assistance Fund;
- The Outdoor Equity Grant Program.

Summary of Staff Recommendations

Department of Revenue

Item	Total Funds	General Funds	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$557,041,568	\$154,621,461	\$392,122,764	\$9,445,211	\$852,132	1,817.2
Other legislation	-276,450	-302,775	23,345	2,980	0	2.1
Total	\$556,765,118	\$154,318,686	\$392,146,109	\$9,448,191	\$852,132	1,819.3
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$556,765,118	\$154,318,686	\$392,146,109	\$9,448,191	\$852,132	1,819.3
R1 General fund reductions	-1,275,000	-1,275,000	0	0	0	0.0
R2a General Fund reduction	-21,498	-21,498	0	0	0	0.0
R2b DMV realignment	0	0	0	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Employee compensation common policies	14,266,838	6,517,901	7,706,959	41,978	0	0.0
Technical adjustments	3,153,326	1,672,079	1,481,247	0	0	0.0
Operating common policies	1,999,832	-28,735	1,458,814	569,753	0	0.0
Impacts driven by other agencies	-310,247	-105,705	-204,542	0	0	1.5
Prior year actions	-135,116	288,253	-420,389	-2,980	0	6.5
Total	\$574,443,253	\$161,365,981	\$402,168,198	\$10,056,942	\$852,132	1,827.3
Changes from FY 2025-26	\$17,678,135	\$7,047,295	\$10,022,089	\$608,751	\$0	8.0
Percentage Change	3.2%	4.6%	2.6%	6.4%	0.0%	0.0
FY 2026-27 Executive Request	\$576,642,925	\$163,499,981	\$402,233,870	\$10,056,942	\$852,132	1,850.3
Staff Rec. Above/-Below Request	-\$2,199,672	-\$2,134,000	-\$65,672	\$0	\$0	-23.0

R1 General Fund reductions: Staff recommends approval of the Department’s request for General Fund reductions across various line items in the Executive Director’s Office and Division of Motor Vehicles as a budget balancing action.

Year 1: - \$1,275,000 General Fund.

The Department states that these ongoing budget reductions can be absorbed through vacancy savings, employee attrition, the suspension of professional development programs, and decreased discretionary spending on items like computer upgrades for employees. Below are the proposed General Fund reductions:

- \$500,000 reduction to Personal Services in the Executive Director’s Office
- \$250,000 reduction to Operating Expenses in the Executive Director’s Office
- \$250,000 reduction to Leased Space in the Executive Director’s Office
- \$275,000 reduction to Operating Expenses in the Division of Motor Vehicles

R2a General Fund reductions: Staff recommends approval of the Department’s requests for a \$21,498 General Fund reduction in the Division of Motor Vehicles.

Year 1: - \$21,498 General Fund.

R2b DMV realignment: Staff recommends denial of the Department’s request to realign cash fund spending authority within the Division of Motor Vehicles. The Department’s budget-neutral ask would reallocate \$1.1 million cash fund spending authority and 21.0 full-time equivalent positions from the Driver Services Division to the Vehicle Services and Administration Divisions within the DMV.

R3 Taxation services resources: Staff recommends denial of the Department’s request for additional Taxation Services resources.

The Department asks that the Committee approve additional resources to assist Colorado taxpayers and promote accurate state level return filing and compliance under the revised federal tax code. The proposal costs \$2.1 million General Fund in FY 2026-27 and includes 23.0 FTE positions.

Employee compensation common policies: The recommendation includes a net increase of \$14.3 million total funds for employee compensation common policies. A common policy refers to general policies applied consistently to all departments.

Employee compensation common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Health, life, and dental	\$5,809,265	\$2,663,760	\$3,135,852	\$9,653	\$0	0.0
Salary survey	4,627,939	2,097,151	2,512,351	18,437	0	0.0
Health, life, dental budget amendment	1,962,579	846,470	1,108,502	7,607	0	0.0
Step plan	999,436	559,885	435,311	4,240	0	0.0
Unfunded liability amortization payments	741,492	333,304	406,249	1,939	0	0.0
Shift differential	88,180	0	88,180	0	0	0.0
Paid family and medical leave insurance	33,367	14,998	18,281	88	0	0.0
Short-term disability	4,580	2,333	2,233	14	0	0.0
Total	\$14,266,838	\$6,517,901	\$7,706,959	\$41,978	\$0	0.0

Technical adjustments: The recommendation includes an increase of \$3.2 million for various technical adjustments related to contractual agreements and inflation-related cost changes. Adjustments are outlined in the table below, followed by a brief description of each adjustment.

Technical adjustments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Responsible gaming grant escalator	\$505,000	\$0	\$505,000	\$0	\$0	0.0
IDS print production	494,400	494,400	\$0	0	0	0.0
Postage	483,442	457,764	25,678	0	0	0.0
License plate ordering	315,446	0	315,446	0	0	0.0
Contract escalator GovOs & Alvara (SUTS)	292,913	292,913	0	0	0	0.0
Occupational licensing & case mgt	220,269	0	220,269	0	0	0.0
Document management	208,573	208,573	0	0	0	0.0
Fast Enterprises contract escalator	200,544	200,544	0	0	0	0.0
Contract escalator DRIVES	196,239	0	196,239	0	0	0.0
Driver's license documents	187,226	0	187,226	0	0	0.0
SCAIC contract escalator	33,996	0	33,996	0	0	0.0
Joint audit program fee adjustment	15,278	15,278	0	0	0	0.0
Total	\$3,153,326	\$1,669,472	\$1,483,854	\$0	\$0	0.0

- Responsible Gaming Grant Program escalator - adjusted on an annual basis based off a percentage of the projected revenue within the Responsible Gaming Grant Fund.
- IDS print production - calculation for the print work that is provided to the Department of Revenue from Department of Personnel's print facility.
- Postage - based on the number of mailings that the Taxation Division is statutorily required to mail.
- License Plate ordering - based on population and expected material costs for license plate production.
- GovOs & Avalara (SUTS) – based on the vendor contract administering the statewide sales/use-tax portal
- Occupational licensing and case management –adjustment based on the increase for the ongoing contractual maintenance cost of the new licensing and case management system in the Specialized Business Group.
- Document management – common policy calculated by the Department of Personnel.
- Fast Enterprises contract escalator - contractual obligation the Department of Revenue has with Fast Enterprises for the GenTax system.
- DRIVES contract escalator - contractual obligation the Department of Revenue has with Fast Enterprises for the DRIVES system.
- SAIC contract escalator – contractual obligation to the vendor for IT maintenance expenses within our County Support Services division within the DMV.
- Joint Audit Program - adjustment based on the projected increases in membership assessment produced by the Multi-State Tax Commission for the Joint Audit Budget Package.

Operating common policies: The recommendation includes a net increase of \$2.0 million for operating common policies.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Office of Information Technology services	\$1,548,873	\$665,925	\$882,948	\$0	\$0	0.0
State accounting system (CORE)	665,135	253,748	411,387	0	0	0.0
Indirect costs	569,753	-569,753	569,753	569,753	0	0.0
Workers' compensation	96,411	36,770	59,641	0	0	0.0
Leased space	76,006	76,006	0	0	0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
PERA direct distribution	24,010	-43,334	67,344	0	0	0.0
Digital trunked radios	20,804	0	20,804	0	0	0.0
Administrative law judge services	4,131	0	4,131	0	0	0.0
Capitol Complex leased space	1,005	420	585	0	0	0.0
Legal services	-508,417	-267,202	-241,215	0	0	0.0
Risk management & property	-465,302	-176,916	-288,386	0	0	0.0
Vehicle lease payments	-32,577	-4,399	-28,178	0	0	0.0
Total	\$1,999,832	-\$28,735	\$1,458,814	\$569,753	\$0	0.0

Impacts driven by other agencies: The request includes a net decrease of \$310,247 for requests from other state agencies. These are also called “non-prioritized requests.” The amount shown in the table below applies only to this department and does not necessarily reflect the total value of the request.

Impacts driven by other agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
NP IT accessibility	\$182,762	\$0	\$182,762	\$0	\$0	0.9
NP Statewide enable AI	88,256	69,972	18,284	0	0	0.0
BA Language access	47,719	0	47,719	0	0	0.5
NP Disability opportunity office	27,000	0	27,000	0	0	0.0
NP SB24-205 AI compliance	11,108	11,108	0	0	0	0.1
NP IT operating offset	-514,276	-143,997	-370,279	0	0	0.0
NP IT efficiencies	-152,816	-42,788	-110,028	0	0	0.0
Total	-\$310,247	-\$105,705	-\$204,542	\$0	\$0	1.5

Prior year actions: The request includes a net decrease of \$135,116 for the impact of prior year budget decisions and legislation.

Prior year actions

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
HB 26-1168 Department of Revenue supplemental	\$540,967	\$617,295	-\$73,348	-\$2,980	\$0	0.0
FY26 R3 Lottery optimization	182,080	0	182,080	0	0	3.2
SB25-003 Semiautomatic firearms and rapid-fire devices	80,000	80,000	0	0	0	0.0
HB 24-1325 Tax credits quantum industry	78,237	78,237	0	0	0	0.0
HB 24-1360 CO disability opportunity office	77,926	0	77,926	0	0	0.0
SB 25-310 Proposition 130 implementation	75,857	75,857	0	0	0	0.0
HB 24-1250 Driving improvement course	72,419	0	72,419	0	0	0.4
SB25-319 Mod higher ed expense income tax	70,859	70,859	0	0	0	1.5
HB 25-1296 Tax expenditure adjustment	66,331	66,331	0	0	0	0.0
HB 24-1249 Tax credit agricultural stewardship	53,942	53,942	0	0	0	0.0
HB 24-1295 Creative industry comm revitalization	50,109	50,109	0	0	0	0.0
SB24-190 Rail & coal transition	48,956	48,956	0	0	0	0.0
HB 24-1365 Opportunity now grants	48,719	48,719	0	0	0	0.0
HB 24-1240 Americorps tax subtraction	40,016	40,016	0	0	0	0.0
HB 25B-1004 Sale of tax credits	39,547	39,547	0	0	0	0.0
HB 25-1189 Vehicle registration reform & fees	31,162	0	31,162	0	0	0.0
HB 24-1089 Vehicle electronic notifications	24,912	0	24,912	0	0	2.8
HB 25-1274 Healthy school meals for all	19,684	19,684	0	0	0	0.0
HB 24-11344 Tax expenditures to reduce burden	19,058	19,058	0	0	0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SB 25-008 Adjust necessary doc program	14,716	0	14,716	0	0	0.0
HB 25B-1002 Corporate income tax foreign	12,815	12,815	0	0	0	0.0
HB 25-1083 Vehicle deployed military families	8,006	0	8,006	0	0	0.0
HB 25-1039 Commercial vehicle muffler	5,414	0	5,414	0	0	0.0
HB 25-1189 Motor vehicle registration reform	2,555	0	2,555	0	0	0.0
SB 25-320 Motor vehicle transportation	108	0	108	0	0	0.0
SB 24-214 Implement state climate goals	-318,088	0	-318,088	0	0	0.0
HB 24-1021 Motor vehicle education standards	-177,675	0	-177,675	0	0	2.1
HB 24-1353 Firearms dealer req and permits	-177,600	-177,600	0	0	0	0.0
HB 24-1340 Incentives post-secondary education	-131,103	-131,103	0	0	0	-1.0
HB 25-1312 Transgender legal protect	-127,775	-153,969	26,194	0	0	-1.7
SB 24-182 Immigration ID document	-126,615	0	-126,615	0	0	0.0
HB 25B-1005 Eliminate sales tax vendor fee	-88,720	-88,720	0	0	0	-0.3
HB 24-1268 Financial assistance low income	-88,278	-88,278	0	0	0	-0.5
HB 24-1312 State income tax credit care worker	-73,925	-73,925	0	0	0	0.0
HB 24-1288 Earned income tax credit data sharing	-70,000	-70,000	0	0	0	0.0
SB 24-230 Oil & gas production fees	-60,963	-60,963	0	0	0	0.0
HB 24-1311 Family affordability tax credit	-47,002	-47,002	0	0	0	0.0
HB 24-1439 Financial incentive internship	-44,289	-44,289	0	0	0	0.0
HB 24-1157 Employee-owned business tax credit	-40,428	-40,428	0	0	0	0.0
SB 24-100 Commercial vehicle safety measures	-32,356	0	-32,356	0	0	0.0
HB 24-1316 Housing tax credit	-23,514	-23,514	0	0	0	0.0
HB 25-1154 Communication services disabilities	-21,467	0	-21,467	0	0	0.0
SB 24-192 Motor vehicle lemon law	-20,025	0	-20,025	0	0	0.0
HB 25-1311 Sports betting deductions	-17,135	0	-17,135	0	0	0.0
HB 24-1369 Agriculture special license plate	-16,111	0	-16,111	0	0	0.0
HB 24-1105 Chicano special license plate	-15,169	0	-15,169	0	0	0.0
SB 25-026 Adjusting tax expenditures	-13,137	-13,137	0	0	0	0.0
SB 24-019 Renumeration exempt placards	-10,843	0	-10,843	0	0	0.0
HB 24-1269 Modification of recording fees	-10,764	0	-10,764	0	0	0.0
SB 24-210 Modifications to election laws	-10,764	0	-10,764	0	0	0.0
HB 24-1142 Reduce income tax ss benefits	-9,901	-9,901	0	0	0	0.0
SB25-018 Online search of sales & use tax	-9,718	-9,718	0	0	0	0.0
SB 24-065 Electronic devices & driving	-7,040	0	-7,040	0	0	0.0
HB 24-1319 Fire fighters plate expiration	-3,779	0	-3,779	0	0	0.0
HB 25-1299 Animal protection voluntary contribution	-2,904	0	-2,904	0	0	0.0
HB24-1135 Offenses related to operating vehicle	-1,020	0	-1,020	0	0	0.0
SB 24-016 Tax credit for contributions intermediaries	-561	-561	0	0	0	0.0
HB 24-1135 Offenses related to operating vehicle	-463	0	-463	0	0	0.0
HB 24-1319 Fire fighters plate expiration	-315	0	-315	0	0	0.0
HB 24-1235 Reduce aviation impacts	-64	-64	0	0	0	0.0
Total	\$135,116	\$288,253	-\$420,389	-\$2,980	\$0	6.5

Major Differences from The Request

JBC Staff recommendation includes the following differences from the Department request:

- Denial of the R2b (DMV realignment) request for a reorganization within the Division of Motor Vehicles.
- Denial of the R3 (Taxation Services Resources) request for additional resources in the Taxation Business Group.

Decision Items Affecting Multiple Divisions

→ R1 General Fund Reductions

Request

The Department requests General Fund reductions across various line items in the Executive Director's Office and Division of Motor Vehicles as a budget balancing action.

Year 1: The total savings is \$1,275,000 General Fund.

Recommendation

Staff recommends approval of the request.

Analysis

The Department states that these budget reductions can be absorbed through vacancy savings, employee attrition, the suspension of professional development programs, and decreased discretionary spending on items like computer upgrades for employees. Below are the proposed General Fund reductions:

- \$500,000 reduction to Personal Services in the Executive Director's Office
- \$250,000 reduction to Operating Expenses in the Executive Director's Office
- \$250,000 reduction to Leased Space in the Executive Director's Office
- \$275,000 reduction to Operating Expenses in Driver Services in the Division of Motor Vehicles

In FY 2024–25, the Department reported multiple areas of underspending within the Executive Director's Office (EDO). The EDO realized \$475,000 in General Fund Personal Services vacancy savings and is proposing \$500,000 reduction in this category. In addition, the EDO experienced a \$407,000 underspend in General Fund operating expenses. The proposed reduction in operating expenditures will be managed through the suspension of an ongoing professional development program and reductions in discretionary spending. These discretionary reductions include limiting expenditures on items such as employee computer replacements.

The Department also reported a \$133,000 underspend in General Fund leased space in FY 2024–25. The reduction in General Fund–supported leased space costs will be achieved through continued space consolidation efforts and the use of an ongoing annual analysis to ensure appropriate allocation of leased space costs between the General Fund and various cash funds.

Reductions to General Fund in the Division of Motor Vehicles (DMV) will increase reliance on the DRIVES Cash Fund to support ongoing operations. As outlined in the Departmental Briefing, the DRIVES Cash Fund is projected to reach insolvency under its current fee structure, with a negative fund balance anticipated beginning in FY 2027–28.

The fund has operated with negative cash flow since the merger with the Licensing Services Cash Fund in FY 2023–24. While the merger temporarily delayed the projected insolvency date, it did not resolve the underlying structural imbalance between revenues and expenditures. Instead, it postponed the depletion of reserves without altering the long-term fiscal trajectory of the fund.

The Department indicates that it is exploring options to maintain the solvency of the DRIVES Cash Fund, but to date have provided no further details. Staff note concerns regarding the DRIVES Cash Fund’s ongoing negative cash flow and long-term solvency. However, given the current budget environment and the State’s broader fiscal constraints, staff recommend acceptance of the proposed General Fund reductions offered by the Department.

Evidence Designation

The Department indicates that the request is ineligible because there is no outcome evaluation. Staff finds that the request does not meet the definition of a program or practice and a level of evidence is therefore not applicable.

(1) The Executive Director's Office

The Executive Director's Office provides central budgeting, fiscal note coordination, revenue and expenditure accounting, purchasing and contract administration, human resources, internal auditing, project management, facilities safety, and security, and a hearings division for the Department. The office is funded through direct and indirect costs charged to divisions. Additionally, the Executive Director's Office supports the Office of Research and Analysis that develops reports, such as the Department's annual report and monthly and quarterly sales tax reports. They also develop analytical data and estimate the refunding of State of Colorado excess revenues under Article X, Section 20 of the State Constitution.

Executive Director's Office

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$113,763,223	\$48,763,150	\$56,495,125	\$8,504,948	\$0	235.9
Other legislation	-\$386,610	-\$470,929	\$81,339	\$2,980	\$0	0.0
Total FY 2025-26	\$113,376,613	\$48,292,221	\$56,576,464	\$8,507,928	\$0	235.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$113,376,613	\$48,292,221	\$56,576,464	\$8,507,928	\$0	235.9
R1 General fund reductions	-1,000,000	-1,000,000	0	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Employee compensation common policies	14,266,838	6,517,901	7,706,959	41,978	0	0.0
Operating common policies	1,488,157	-28,735	947,139	569,753	0	0.0
Impacts driven by other agencies	-337,247	-105,705	-231,542	0	0	1.5
Technical adjustments	483,442	457,764	25,678	0	0	0.0
Prior year actions	-3,510,944	-1,070,732	-2,437,232	-2,980	0	0.0
Total FY 2026-27	\$124,766,859	\$53,062,714	\$62,587,466	\$9,116,679	\$0	237.4
Changes from FY 2025-26	\$11,390,246	\$4,770,493	\$6,011,002	\$608,751	\$0	1.5
Percentage Change	10.0%	9.9%	10.6%	7.2%	0.0%	0.6%
FY 2026-27 Executive Request	\$125,378,954	\$53,611,744	\$62,650,531	\$9,116,679	\$0	237.4
Staff Rec. Above/-Below Request	-\$612,095	-\$549,030	-\$63,065	\$0	\$0	0.0

Line Item Detail – The Executive Director's Office

A. Administration and Support

Personal Services

This line item pays for program staff salary and contract services. The staff are responsible for the Department's administration, auditing, accounting, budgeting, personnel management, and research functions. Typical

adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 24-50-101 et seq., C.R.S.

Request: The Department's request is summarized in the table below. The request includes the following annualization adjustments:

- S.B. 25-008 Adjust Necessary Document Program
- S.B. 24-019 Remuneration-Exempt Identifying Placards
- S.B. 25-026 Adjusting Certain Tax Expenditures
- S.B. 24-100 Commercial Vehicle Safety Measures
- S.B. 24-182 Immigrant Identification Document Issuance
- S.B. 24-192 Motor Vehicle Lemon Law
- S.B. 24-210 Modifications to Laws Regarding Elections
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-230 Oil & Gas Production Fees
- S.B. 25-310 Proposition 130 Implementation
- H.B. 25B-1002 Corporate Income Tax Foreign Jurisdictions
- H.B. 25B-1004 Sale of Tax Credits
- H.B. 24-1021 Eliminate State Sales Tax Vendor Fee
- H.B. 25-1039 Commercial Vehicle Muffler Requirements
- H.B. 25-1083 Vehicle Transactions Deployed Military
- H.B. 24-1105 Creating the Chicano Special License Plate
- H.B. 24-1135 Offenses Related to Operating a Vehicle
- H.B. 24-1142 Reduce Income Tax Social Security Benefits
- H.B. 25-1154 Communication Services People with Disabilities Enterprise
- H.B. 24-1157 Employee-Owned Business Office & Income Tax Credit
- H.B. 25-1189 Motor Vehicle Registration Reform & Fees
- H.B. 24-1249 Tax Credit Agricultural Stewardship Practices
- H.B. 24-1250 Driving Improvement Course Driver's License Points
- H.B. 24-1268 Financial Assistance for Certain Low-Income Individuals
- H.B. 24-1269 Modification of Recording Fees
- H.B. 25-1274 Healthy School Meals for All Program
- H.B. 24-1295 Creative Industry Community Revitalization Incentives
- H.B. 25-1296 Tax Expenditure Adjustment
- H.B. 25-1299 Animal Protection Fund Voluntary Contribution
- H.B. 24-1319 Fire Fighters License Plate Expiration on Transfer
- H.B. 25-1311 Deductions for Net Sports Betting Proceeds
- H.B. 25-1312 Legal Protections for Transgender Individuals
- H.B. 24-1316 Middle-Income Housing Tax Credit
- H.B. 24-1325 Tax Credits Quantum Industry
- H.B. 24-1340 Incentives Post Secondary Education
- H.B. 24-1365 Opportunity Now Grants
- H.B. 24-1369 Agriculture Special License Plate

- H.B. 24-1169 Department of Revenue Supplemental
- H.B. 24-1311 Family Affordability Tax Credit
- H.B. 24-1312 State Income Tax Credit for Careworkers

Recommendation: Staff recommends approval of the request, as outlined in the table below.

Executive Director's Office, Administration and Support, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$21,169,941	\$9,305,854	\$3,557,533	\$8,306,554	\$0	202.6
Other legislation	-233,539	-241,134	7,595	0	0	0.0
Total FY 2025-26	\$20,936,402	\$9,064,720	\$3,565,128	\$8,306,554	\$0	202.6
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$20,936,402	\$9,064,720	\$3,565,128	\$8,306,554	\$0	202.6
Prior year actions	617,582	642,520	-41,571	16,633	0	0.0
Impacts driven by other agencies	195,206	69,874	125,332	0	0	1.5
Operating common policies	0	-569,753	0	569,753	0	0.0
R1 General fund reductions	-500,000	-500,000	0	0	0	0.0
Total FY 2026-27	\$21,249,190	\$8,707,361	\$3,648,889	\$8,892,940	\$0	204.1
Changes from FY 2025-26	\$312,788	-\$357,359	\$83,761	\$586,386	\$0	1.5
Percentage Change	1.5%	-3.9%	2.3%	7.1%	n/a	0.7%
FY 2026-27 Executive Request	\$21,249,190	\$8,707,361	\$3,648,889	\$8,892,940	\$0	204.1
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Health, Life, and Dental

This line item provides funding for the employer's share of the cost of group benefit plans providing health, life, and dental insurance for state employees. The reappropriated funds portion of this line item corresponds to the health, life, and dental benefits of employees whose salaries are included in the indirect cost recovery plan.

Statutory Authority: Sections 24-50-609, 24-50-611, and 24-50-104 (1) (a) (II), C.R.S.

Request: The Department's request is summarized in the table below.

Recommendation: Staff recommendation is provided in the table below. Staff requests permission to make adjustments as necessary to reflect the Committee's final action on total compensation policy.

Executive Director's Office, Administration and Support, Health, Life, and Dental

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$23,958,192	\$10,442,285	\$13,413,341	\$102,566	\$0	0.0
Other legislation	\$593,502	\$200,744	\$389,778	\$2,980	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2025-26	\$24,551,694	\$10,643,029	\$13,803,119	\$105,546	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$24,551,694	\$10,643,029	\$13,803,119	\$105,546	\$0	0.0
Employee compensation common policies	7,771,844	3,510,230	4,244,354	17,260	0	0.0
Impacts driven by other agencies	7,430	0	7,430	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Prior year actions	-530,728	-200,744	-327,004	-2,980	0	0.0
Total FY 2026-27	\$31,800,240	\$13,952,515	\$17,727,899	\$119,826	\$0	0.0
Changes from FY 2025-26	\$7,248,546	\$3,309,486	\$3,924,780	\$14,280	\$0	0.0
Percentage Change	29.5%	31.1%	28.4%	13.5%	n/a	n/a
FY 2026-27 Executive Request	\$32,171,736	\$14,324,011	\$17,727,899	\$119,826	\$0	0.0
Staff Rec. Above/-Below Request	-\$371,496	-\$371,496	\$0	\$0	\$0	0.0

Short Term Disability

This line item provides funding for the employer's share of the state employees' short-term disability insurance premiums.

Statutory Authority: Sections 24-51-701 and 24-50-104(1) (a) (II), C.R.S.

Request: The Department's request is summarized in the table below.

Recommendation: Staff recommendation is provided in the table below. Staff requests permission to make adjustments as necessary to reflect the Committee's final action on total compensation policy.

Executive Director's Office, Administration and Support, Short-term Disability

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$91,492	\$41,189	\$49,935	\$368	\$0	0.0
Total FY 2025-26	\$91,492	\$41,189	\$49,935	\$368	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$91,492	\$41,189	\$49,935	\$368	\$0	0.0
Employee compensation common policies	4,580	2,333	2,233	14	0	0.0
Prior year actions	345	0	345	0	0	0.0
Impacts driven by other agencies	30	0	30	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$96,447	\$43,522	\$52,543	\$382	\$0	0.0
Changes from FY 2025-26	\$4,955	\$2,333	\$2,608	\$14	\$0	0.0
Percentage Change	5.4%	5.7%	5.2%	3.8%	n/a	n/a

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$97,306	\$44,381	\$52,543	\$382	\$0	0.0
Staff Rec. Above/-Below Request	-\$859	-\$859	\$0	\$0	\$0	0.0

Unfunded Liability Amortization Payments

This line item provides funding for amortization and supplemental amortization payments to increase the funded states of the Public Employees' Retirement Association (PERA).

Statutory Authority: Section 24-51-411, C.R.S.

Request: The Department's request is summarized in the table below.

Recommendation: Staff recommendation is provided in the table below. Staff requests permission to make adjustments as necessary to reflect the Committee's final action on total compensation policy.

Executive Director's Office, Administration and Support, Unfunded Liability Amortization Payments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$12,983,142	\$5,884,150	\$7,046,382	\$52,610	\$0	0.0
Total FY 2025-26	\$12,983,142	\$5,884,150	\$7,046,382	\$52,610	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$12,983,142	\$5,884,150	\$7,046,382	\$52,610	\$0	0.0
Employee compensation common policies	741,492	333,304	406,249	1,939	0	0.0
Prior year actions	16,809	0	16,809	0	0	0.0
Impacts driven by other agencies	4,284	0	4,284	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$13,745,727	\$6,217,454	\$7,473,724	\$54,549	\$0	0.0
Changes from FY 2025-26	\$762,585	\$333,304	\$427,342	\$1,939	\$0	0.0
Percentage Change	5.9%	5.7%	6.1%	3.7%	n/a	n/a
FY 2026-27 Executive Request	\$13,868,509	\$6,340,236	\$7,473,724	\$54,549	\$0	0.0
Staff Rec. Above/-Below Request	-\$122,782	-\$122,782	\$0	\$0	\$0	0.0

PERA Direct Distribution

This line item is included as a common policy allocation payment for the state portion of the PERA Direct Distribution created in Section 24-51-414, C.R.S., enacted in S.B. 18-200.

Statutory Authority: Section 24-51-414, (2) C.R.S.

Request: The Department's request is summarized in the table below.

Recommendation: Staff recommendation is pending Committee action on PERA Direct Distribution comeback to be presented by the Total Compensation analyst. Staff requests permission to make adjustments if necessary based on the Committee's final action on total compensation policy.

Executive Director's Office, Administration and Support, PERA Direct Distribution

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$2,358,908	\$1,132,328	\$1,226,580	\$0	\$0	0.0
Total FY 2025-26	\$2,358,908	\$1,132,328	\$1,226,580	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$2,358,908	\$1,132,328	\$1,226,580	\$0	\$0	0.0
Operating common policies	24,010	-43,334	67,344	0	0	0.0
Total FY 2026-27	\$2,382,918	\$1,088,994	\$1,293,924	\$0	\$0	0.0
Changes from FY 2025-26	\$24,010	-\$43,334	\$67,344	\$0	\$0	0.0
Percentage Change	1.0%	-3.8%	5.5%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$2,382,918	\$1,088,994	\$1,293,924	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Salary Survey

This line item funds salary increases. Salary survey increases may include across-the-board increases, movement to minimum related to salary range adjustments, and specified classification increases.

Statutory Authority: Section 24-50-104, C.R.S.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommendation is provided in the table below. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action on total compensation policy.

Executive Director's Office, Administration and Support, Salary Survey

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,538,396	\$1,614,887	\$1,909,039	\$14,470	\$0	0.0
Total FY 2025-26	\$3,538,396	\$1,614,887	\$1,909,039	\$14,470	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,538,396	\$1,614,887	\$1,909,039	\$14,470	\$0	0.0
Employee compensation common policies	4,627,939	2,097,151	2,512,351	18,437	0	0.0
Prior year actions	-3,538,396	-1,614,887	-1,909,039	-14,470	0	0.0
Total FY 2026-27	\$4,627,939	\$2,097,151	\$2,512,351	\$18,437	\$0	0.0
Changes from FY 2025-26	\$1,089,543	\$482,264	\$603,312	\$3,967	\$0	0.0
Percentage Change	30.8%	29.9%	31.6%	27.4%	n/a	n/a
FY 2026-27 Executive Request	\$4,627,939	\$2,097,151	\$2,512,351	\$18,437	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Step Pay

This line item provides detail on the amount of funding appropriated to each department as a result of the step pay plan. The step pay plan takes effect in FY 2024-25 and is a result of negotiations between the State of Colorado and Colorado Workers for Innovative and New Solutions (COWINS).

Statutory Authority: Section 24-50-1101, C.R.S., et seq.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommendation is provided in the table below. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action on total compensation policy.

Executive Director's Office, Administration and Support, Step Plan

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$863,127	\$328,160	\$532,804	\$2,163	\$0	0.0
Total FY 2025-26	\$863,127	\$328,160	\$532,804	\$2,163	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$863,127	\$328,160	\$532,804	\$2,163	\$0	0.0
Employee compensation common policies	999,436	559,885	435,311	4,240	0	0.0
Prior year actions	-863,127	-328,160	-532,804	-2,163	0	0.0
Total FY 2026-27	\$999,436	\$559,885	\$435,311	\$4,240	\$0	0.0
Changes from FY 2025-26	\$136,309	\$231,725	-\$97,493	\$2,077	\$0	0.0
Percentage Change	15.8%	70.6%	-18.3%	96.0%	n/a	n/a
FY 2026-27 Executive Request	\$999,436	\$559,885	\$435,311	\$4,240	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Shift Differential

This line item pays for the incremental costs associated with higher compensation rates for employees who work beyond regular working hours.

Statutory Authority: Section 24-50-104, C.R.S.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommends appropriating \$282,618 cash funds. The recommendation reflects Committee action on statewide compensation. Adjustments are outlined in the following table.

Executive Director's Office, Administration and Support, Shift Differential

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$194,438	\$0	\$194,438	\$0	\$0	0.0
Total FY 2025-26	\$194,438	\$0	\$194,438	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$194,438	\$0	\$194,438	\$0	\$0	0.0
Employee compensation common policies	88,180	0	88,180	0	0	0.0
Total FY 2026-27	\$282,618	\$0	\$282,618	\$0	\$0	0.0
Changes from FY 2025-26	\$88,180	\$0	\$88,180	\$0	\$0	0.0
Percentage Change	45.4%	n/a	45.4%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$282,618	\$0	\$282,618	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Workers' Compensation

This line item pays the Department's estimated share for inclusion in the State's worker's compensation program for state employees.

Statutory Authority: Section 24-30-150.7, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommend approving the request. The recommendation reflects Committee action on common policies. Adjustments are outlined in the following table.

Executive Director's Office, Administration and Support, Workers' Compensation

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$439,608	\$167,660	\$271,948	\$0	\$0	0.0
Total FY 2025-26	\$439,608	\$167,660	\$271,948	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$439,608	\$167,660	\$271,948	\$0	\$0	0.0
Operating common policies	96,411	36,770	59,641	0	0	0.0
Total FY 2026-27	\$536,019	\$204,430	\$331,589	\$0	\$0	0.0
Changes from FY 2025-26	\$96,411	\$36,770	\$59,641	\$0	\$0	0.0
Percentage Change	21.9%	21.9%	21.9%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$529,838	\$202,072	\$327,766	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$6,181	\$2,358	\$3,823	\$0	\$0	0.0

Operating Expenses

This line item funds operating expenses for the Executive Director's Office, including office supplies and materials, telecommunications, travel, training, printing, variable vehicle expenses including maintenance, fuel and insurance for the Department's assigned fleet vehicles, information technology updates and equipment maintenance and replacement, and capital outlay.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

The request includes annualization adjustments for the following:

S.B. 24-214 Implement State Climate Goals

H.B. 26-1168 Department of Revenue Supplemental

Recommendation: Staff recommend approving the request. Adjustments are outlined in the following table.

Executive Director's Office, Administration and Support, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,945,448	\$2,678,401	\$1,243,197	\$23,850	\$0	0.0
Other legislation	-125,000	-125,000	0	0	0	0.0
Total FY 2025-26	\$3,820,448	\$2,553,401	\$1,243,197	\$23,850	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,820,448	\$2,553,401	\$1,243,197	\$23,850	\$0	0.0
Prior year actions	122,869	125,000	-2,131	0	0	0.0
Impacts driven by other agencies	93,212	0	93,212	0	0	0.0
R1 General fund reductions	-250,000	-250,000	0	0	0	0.0
Total FY 2026-27	\$3,786,529	\$2,428,401	\$1,334,278	\$23,850	\$0	0.0
Changes from FY 2025-26	-\$33,919	-\$125,000	\$91,081	\$0	\$0	0.0
Percentage Change	-0.9%	-4.9%	7.3%	0.0%	n/a	n/a
FY 2026-27 Executive Request	\$3,786,529	\$2,428,401	\$1,334,278	\$23,850	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Postage

Due to the volume of mail that it handles, the Department operates its own mail center. The Department mails a wide variety of items to taxpayers and licensees, including tax forms, motor vehicle titles, driver license renewal applications, reminders, bill, refund warrants, inquiries, licenses, hearing notices, tax booklets, and other miscellaneous documents. This line item was added in FY 2014-15.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommend approving the request.

Executive Director's Office, Administration and Support, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,945,448	\$2,678,401	\$1,243,197	\$23,850	\$0	0.0
Other legislation	-125,000	-125,000	0	0	0	0.0
Total FY 2025-26	\$3,820,448	\$2,553,401	\$1,243,197	\$23,850	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,820,448	\$2,553,401	\$1,243,197	\$23,850	\$0	0.0
Prior year actions	122,869	125,000	-2,131	0	0	0.0
Impacts driven by other agencies	93,212	0	93,212	0	0	0.0
R1 General fund reductions	-250,000	-250,000	0	0	0	0.0
Total FY 2026-27	\$3,786,529	\$2,428,401	\$1,334,278	\$23,850	\$0	0.0
Changes from FY 2025-26	-\$33,919	-\$125,000	\$91,081	\$0	\$0	0.0
Percentage Change	-0.9%	-4.9%	7.3%	0.0%	n/a	n/a
FY 2026-27 Executive Request	\$3,786,529	\$2,428,401	\$1,334,278	\$23,850	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Legal Services

This line item provides funding for the Department to purchase legal services from the Department of Law.

Statutory Authority: Section 24-31-101, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: The staff recommendation is pending the Committee common policy decision for this line item. Staff requests permission to adjust line item to reflect final Committee action on common policy.

Executive Director's Office, Administration and Support, Legal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$6,167,197	\$3,241,209	\$2,925,988	\$0	\$0	0.0
Total FY 2025-26	\$6,167,197	\$3,241,209	\$2,925,988	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$6,167,197	\$3,241,209	\$2,925,988	\$0	\$0	0.0
Operating common policies	-508,417	-267,202	-241,215	0	0	0.0
Total FY 2026-27	\$5,658,780	\$2,974,007	\$2,684,773	\$0	\$0	0.0
Changes from FY 2025-26	-\$508,417	-\$267,202	-\$241,215	\$0	\$0	0.0
Percentage Change	-8.2%	-8.2%	-8.2%	n/a	n/a	n/a

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$5,658,780	\$2,974,007	\$2,684,773	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Administrative Law Judge Services

This line item provides funding for the Department to purchase Administrative Law Judge services from the Office of Administrative Courts in the Department of Personnel.

Statutory Authority: Sections 24-30-1001 (3) and 24-30-1002, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: The staff recommendation is pending the Committee common policy decision for this line item. Staff requests permission to adjust line item to reflect final Committee action on common policy.

Executive Director's Office, Administration and Support, Administrative Law Judge Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$11,373	\$0	\$11,373	\$0	\$0	0.0
Total FY 2025-26	\$11,373	\$0	\$11,373	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$11,373	\$0	\$11,373	\$0	\$0	0.0
Operating common policies	4,751	0	4,751	0	0	0.0
Total FY 2026-27	\$16,124	\$0	\$16,124	\$0	\$0	0.0
Changes from FY 2025-26	\$4,751	\$0	\$4,751	\$0	\$0	0.0
Percentage Change	41.8%	n/a	41.8%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$16,124	\$0	\$16,124	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Payment to Risk Management and Property Funds

This line item provides funding for the Department's share of liability and property insurance from Risk Management in the Department of Personnel.

Statutory Authority: Section 24-30-1510 and 24-30-1510.5, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommend approving the request. The recommendation reflects Committee action on common policies.

Executive Director's Office, Administration and Support, Payment to Risk Management and Property Funds

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$820,278	\$311,884	\$508,394	\$0	\$0	0.0
Total FY 2025-26	\$820,278	\$311,884	\$508,394	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$820,278	\$311,884	\$508,394	\$0	\$0	0.0
Operating common policies	-466,526	-177,381	-289,145	0	0	0.0
Total FY 2026-27	\$353,752	\$134,503	\$219,249	\$0	\$0	0.0
Changes from FY 2025-26	-\$466,526	-\$177,381	-\$289,145	\$0	\$0	0.0
Percentage Change	-56.9%	-56.9%	-56.9%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$353,752	\$134,503	\$219,249	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Vehicle Lease Payments

This line item provides funding for payments to Fleet Management in the Department of Personnel for the cost of lease-purchase payments for Department vehicles.

Statutory Authority: Section 24-30-1104 (2), C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommend approving the request. The recommendation reflects Committee action on common policies.

Executive Director's Office, Administration and Support, Vehicle Lease Payments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,047,509	\$141,451	\$906,058	\$0	\$0	0.0
Other legislation	-194,037	-26,195	-167,842	0	0	0.0
Total FY 2025-26	\$853,472	\$115,256	\$738,216	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$853,472	\$115,256	\$738,216	\$0	\$0	0.0
Prior year actions	194,037	26,195	167,842	0	0	0.0
Operating common policies	-32,577	-4,399	-28,178	0	0	0.0
Total FY 2026-27	\$1,014,932	\$137,052	\$877,880	\$0	\$0	0.0
Changes from FY 2025-26	\$161,460	\$21,796	\$139,664	\$0	\$0	0.0
Percentage Change	18.9%	18.9%	18.9%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,014,932	\$137,052	\$877,880	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Leased Space

This line-item funds leasing costs for more than 80 office locations throughout the state, mostly for Driver's License Offices and State Lottery Offices.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommend approving the request.

Executive Director's Office, Administration and Support, Leased Space

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$7,289,345	\$909,496	\$6,379,849	\$0	\$0	0.0
Other legislation	-125,000	-125,000	0	0	0	0.0
Total FY 2025-26	\$7,164,345	\$784,496	\$6,379,849	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$7,164,345	\$784,496	\$6,379,849	\$0	\$0	0.0
Prior year actions	125,000	125,000	0	0	0	0.0
Operating common policies	76,006	76,006	0	0	0	0.0
R1 General fund reductions	-250,000	-250,000	0	0	0	0.0
Total FY 2026-27	\$7,115,351	\$735,502	\$6,379,849	\$0	\$0	0.0
Changes from FY 2025-26	-\$48,994	-\$48,994	\$0	\$0	\$0	0.0
Percentage Change	-0.7%	-6.2%	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$7,115,351	\$735,502	\$6,379,849	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Capitol Complex Leased Space

This line item pays for the Department's share of costs for space in the Department of Personnel's, Capitol Complex property management program.

Statutory Authority: Section 24-30-1104 (4), C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Executive Director's Office, Administration and Support, Capitol Complex Leased Space

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$73,921	\$30,915	\$43,006	\$0	\$0	0.0
Total FY 2025-26	\$73,921	\$30,915	\$43,006	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$73,921	\$30,915	\$43,006	\$0	\$0	0.0
Operating common policies	1,005	420	585	0	0	0.0
Total FY 2026-27	\$74,926	\$31,335	\$43,591	\$0	\$0	0.0
Changes from FY 2025-26	\$1,005	\$420	\$585	\$0	\$0	0.0
Percentage Change	1.4%	1.4%	1.4%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$75,862	\$31,727	\$44,135	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$936	-\$392	-\$544	\$0	\$0	0.0

Payments to OIT

This line item represents payments to the Governor’s Office of Information Technology for information technology services.

Statutory Authority: Section 24-37.5-104, C.R.S.

Request: The Department request is summarized in the table below.

Staff Recommendation: The staff recommendation is pending the Committee common policy decision for this line item. Staff requests permission to adjust the amount in this line according to the Committee’s decision. The table below reflects the Department’s request.

Executive Director's Office, Administration and Support, Payments to OIT

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$23,373,032	\$11,909,223	\$11,463,809	\$0	\$0	0.0
Other legislation	-302,536	-154,344	-148,192	0	0	0.0
Total FY 2025-26	\$23,070,496	\$11,754,879	\$11,315,617	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$23,070,496	\$11,754,879	\$11,315,617	\$0	\$0	0.0
Operating common policies	1,506,607	623,659	882,948	0	0	0.0
Prior year actions	275,113	154,344	120,769	0	0	0.0
Impacts driven by other agencies	-637,602	-175,579	-462,023	0	0	0.0
Total FY 2026-27	\$24,214,614	\$12,357,303	\$11,857,311	\$0	\$0	0.0
Changes from FY 2025-26	\$1,144,118	\$602,424	\$541,694	\$0	\$0	0.0
Percentage Change	5.0%	5.1%	4.8%	n/a	n/a	n/a

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$24,214,614	\$12,357,303	\$11,857,311	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Digital trunk radio payments

This line item provides funding for payments to the Office of Public Safety Communications in the Department of Public Safety related to digital trunk radio user charges. This is a new line item that reflects the transfer of digital trunk radio administration from the Office of Information Technology to the Office of Public Safety Communications as created by H.B. 22-1353 (Public Safety Communications Transfer).

Statutory Authority: Section 24-33.5-2508, C.R.S.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommendation is pending Committee action on common policy for this line item. Staff requests permission to update pending line items and apply necessary fund split adjustments once Committee policy is established. The table below reflects the Department’s request.

Executive Director's Office, Administration and Support, Digital Trunk Radio Payments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$138,247	\$0	\$138,247	\$0	\$0	0.0
Total FY 2025-26	\$138,247	\$0	\$138,247	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$138,247	\$0	\$138,247	\$0	\$0	0.0
Operating common policies	20,804	0	20,804	0	0	0.0
Total FY 2026-27	\$159,051	\$0	\$159,051	\$0	\$0	0.0
Changes from FY 2025-26	\$20,804	\$0	\$20,804	\$0	\$0	0.0
Percentage Change	15.0%	n/a	15.0%	n/a	n/a	n/a
FY 2026-27 Executive Request						
FY 2026-27 Executive Request	\$159,051	\$0	\$159,051	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

CORE Operations

This line item provides funds for the Department’s share of the operational costs of Colorado Operations Resource Engine (CORE), the statewide accounting system.

Statutory Authority: Section 24-30-209, C.R.S.

Request: The Department requests is summarized in the table below.

Recommendation: Staff recommendation is outlined in the table below.

Executive Director's Office, Administration and Support, CORE Operations

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$199,018	\$75,925	\$123,093	\$0	\$0	0.0
Total FY 2025-26	\$199,018	\$75,925	\$123,093	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$199,018	\$75,925	\$123,093	\$0	\$0	0.0
Operating common policies	707,401	296,014	411,387	0	0	0.0
Total FY 2026-27	\$906,419	\$371,939	\$534,480	\$0	\$0	0.0
Changes from FY 2025-26	\$707,401	\$296,014	\$411,387	\$0	\$0	0.0
Percentage Change	355.4%	389.9%	334.2%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,023,701	\$422,738	\$600,963	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$117,282	-\$50,799	-\$66,483	\$0	\$0	0.0

Utilities

This line item provides funding to support the cost of utilities at the Department's state-owned facilities that include driver's license offices and gaming offices.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Executive Director's Office, Administration and Support, Utilities

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Total FY 2025-26	\$83,703	\$0	\$83,703	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Operating common policies	0	0	0	0	0	0.0
Total FY 2026-27	\$83,703	\$0	\$83,703	\$0	\$0	0.0
Changes from FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$83,703	\$0	\$83,703	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

B. Hearings Division

This division conducts hearings in a variety of areas including driver's license suspensions, revocations, probationary licenses, cancellation or denial of medical and physical disability, habitual traffic offenders, horse and dog racing licenses, and other actions that affect the licensing rights of citizens. The division also provides computer support and data analysis for public awareness programs related to traffic safety. Starting in FY 2016-17 the Hearings Division budget moved from the Enforcement Division to the Executive Director's Office.

Personal Services

This line item pays for the program staff, benefits, and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 42-2-132, and 12-6-123, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Executive Director's Office, Hearings Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,641,627	\$0	\$3,641,627	\$0	\$0	33.3
Total FY 2025-26	\$3,641,627	\$0	\$3,641,627	\$0	\$0	33.3
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,641,627	\$0	\$3,641,627	\$0	\$0	33.3
Prior year actions	68,795	0	68,795	0	0	0.0
Total FY 2026-27	\$3,710,422	\$0	\$3,710,422	\$0	\$0	33.3
Changes from FY 2025-26	\$68,795	\$0	\$68,795	\$0	\$0	0.0
Percentage Change	1.9%	n/a	1.9%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$3,710,422	\$0	\$3,710,422	\$0	\$0	33.3
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Sections 42-2-132, 12-6-123, and 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Executive Director's Office, Hearings Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Total FY 2025-26	\$110,412	\$0	\$110,412	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Total FY 2026-27	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$110,412	\$0	\$110,412	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this program, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Executive Director's Office, Hearings Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$222,226	\$0	\$222,226	\$0	\$0	0.0
Total FY 2025-26	\$222,226	\$0	\$222,226	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$222,226	\$0	\$222,226	\$0	\$0	0.0
Operating common policies	58,078	0	58,078	0	0	0.0
Total FY 2026-27	\$280,304	\$0	\$280,304	\$0	\$0	0.0
Changes from FY 2025-26	\$58,078	\$0	\$58,078	\$0	\$0	0.0
Percentage Change	26.1%	n/a	26.1%	n/a	n/a	n/a

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$280,304	\$0	\$280,304	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(2) The Taxation Business Group

The Taxation Business Group is charged with the collection, administration, audit, and enforcement responsibilities pertaining to all taxes, fees, bonds, and licenses covered under Colorado’s tax laws. The business group is directed by an administrative section. Senior management, policy-making, and budgetary support for the division are contained in this section. This division is primarily funded with General Fund, but does receive some funding from the Highway Users Tax Fund (HUTF) and federal programs.

Taxation Business Group

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$102,451,552	\$98,233,010	\$2,949,042	\$417,368	\$852,132	460.1
Other legislation	\$348,582	\$305,654	\$42,928	\$0	\$0	3.1
Total FY 2025-26	\$102,800,134	\$98,538,664	\$2,991,970	\$417,368	\$852,132	463.2
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$102,800,134	\$98,538,664	\$2,991,970	\$417,368	\$852,132	463.2
R3 Taxation services resources	0	0	0	0	0	0.0
Technical adjustments	1,211,708	1,214,315	-2,607	0	0	0.0
Prior year actions	828,061	1,089,648	-261,587	0	0	-2.0
Total FY 2026-27	\$104,839,903	\$100,842,627	\$2,727,776	\$417,368	\$852,132	461.2
Changes from FY 2025-26	\$2,039,769	\$2,303,963	-\$264,194	\$0	\$0	-2.0
Percentage Change	2.0%	2.3%	-8.8%	0.0%	0.0%	-0.4%
FY 2026-27 Executive Request	\$106,427,480	\$102,427,597	\$2,730,383	\$417,368	\$852,132	484.2
Staff Rec. Above/-Below Request	-\$1,587,577	-\$1,584,970	-\$2,607	\$0	\$0	-23.0

→ R3 Taxation Services Resources

Request

The Department requests additional resources to assist Colorado taxpayers and promote accurate state level return filing and compliance under the recent changes resulting from federal H.R. 1.

Year 1: \$2.1 million General Fund in FY 2026-27 and 23.0 FTE positions.

Recommendation

Staff recommends denial of the request.

Discussion

The Taxation Services Division administers the State of Colorado's tax programs and provides assistance and information to taxpayers. Recent federal legislative changes, specifically the enactment of H.R. 1, are creating new demands on the Division's operations.

H.R. 1 introduces significant changes to federal taxable income, including expanded deductions and exemptions. Because Colorado generally reconciles to the federal tax code through rolling conformity, these changes are expected to reduce the state's taxable income base. As a result, individual income tax revenues are projected to decline. Similar effects on corporate taxes, which are also tied to income, further contribute to an overall decrease in state tax revenue, with a substantial portion attributable to reduced income tax collections.

To address the projected revenue shortfall, the General Assembly has passed legislation that selectively decouples Colorado from the federal tax code in certain scenarios, including:

- H.B. 25-1296 Tax Expenditure Adjustment
- H.B. 25B-1001 Qualified Business Income Deduction Add-Back
- H.B. 25B-1002 Corporate Income Tax Foreign Jurisdictions

The novelty and complexity of these adjustments may increase the risk of errors in tax return filing by Colorado taxpayers. According to the Department of Revenue, these developments create an opportunity to enhance tax-related services for Coloradans. The Department is requesting additional funding to support the resources and programming necessary to implement changes resulting from H.R. 1. According to the Department, current staffing and resources are insufficient to manage the increased workload and the required updates to technology systems.

Background

The Taxation Services Division (TPS) employs a variety of methods to assist in the collection of state revenue, including bankruptcy claims, recording and releasing tax liens and judgments, garnishment of wages and bank accounts, income tax distraint warrants, dispute resolution, and the use of private collection agencies. TPS also audits Colorado tax returns through its Discovery Program at the Department and the Field Audit program at business locations.

In addition to revenue collection, TPS administers the State's tax programs and provides information and assistance to Colorado taxpayers. The Division operates five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, along with a dedicated tax information call center. It conducts public information campaigns, offers tax classes to promote voluntary compliance, and distributes educational materials on state tax laws and policies. TPS also processes tax forms and refund requests, resolves taxpayer issues, and intercepts refunds to satisfy debts owed to other state agencies or the Internal Revenue Service.

The table below summarizes the total number of paper and electronic income tax returns processed over the past five fiscal years, covering individual, corporate, fiduciary, and partnership returns. It also shows the Long Bill appropriation for TPS FTE and the returns processed per allocated FTE. Note that returns processed in a given fiscal year may include filings from multiple income tax years. The Taxation Services Division (TPS) employs a variety of methods to assist in the collection of state revenue, including bankruptcy claims, recording and releasing tax liens and judgments, garnishment of wages and bank accounts, income tax distraint warrants,

dispute resolution, and the use of private collection agencies. TPS also audits Colorado tax returns through its Discovery Program at the Department and the Field Audit program at business locations.

In addition to revenue collection, TPS administers the State’s tax programs and provides information and assistance to Colorado taxpayers. The Division operates five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, along with a dedicated tax information call center. It conducts public information campaigns, offers tax classes to promote voluntary compliance, and distributes educational materials on state tax laws and policies. TPS also issues licenses and permits, processes tax forms and refund request, resolves taxpayer issues, and intercepts refunds to satisfy debts owed to other state agencies or the Internal Revenue Service.

The table below summarizes the total number of paper and electronic income tax returns processed over the past five fiscal years, covering individual, corporate, fiduciary, and partnership returns. It also shows the Long Bill appropriation for TPS FTE and the returns processed per allocated FTE. Note that returns processed in a given fiscal year may include filings from multiple income tax years. Furthermore, a taxpayer may have more than one return recorded in a fiscal year due to late or amended returns.

Colorado Tax Returns processed per fiscal year & Taxpayer Services FTE

	2020	2021	2022	2023	2024
Tax Returns Processed	3,161,591	4,056,397	3,658,821	3,835,506	4,031,475
Taxpayer Services FTE	413.9	436.4	440.0	432.9	444.6
Returns / FTE	7638.5	9295.1	8315.5	8860.0	9067.6

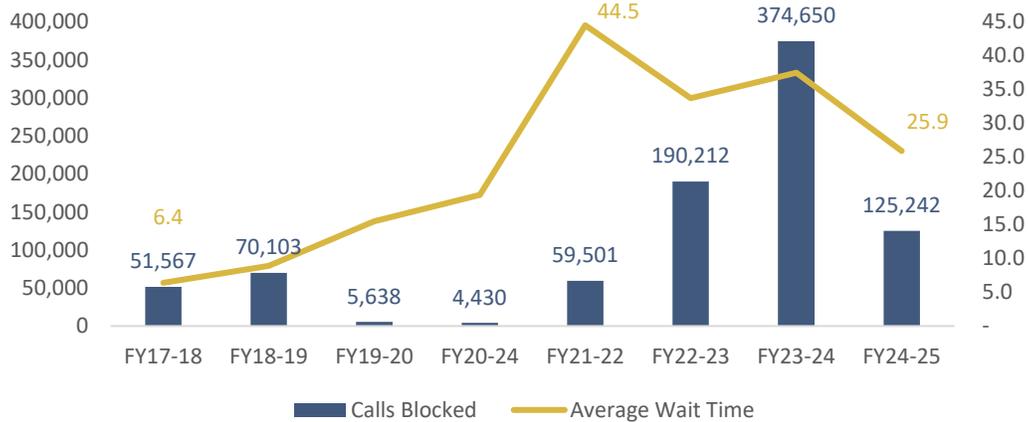
Staff note that the number of returns processed in recent years has not shifted significantly. Fewer returns were processed in 2024 than in 2021. However, the Department would indicate that the request is not driven by an increase in workload related to processing a higher volume of returns, but rather by the novelty and complexity of changes resulting from federal H.R. 1 and their impact on the division’s workload.

Taxpayer Services Call Center

One of the primary roles of the Taxation Services Division (TPS) is to assist Colorado taxpayers with questions about filing their taxes. The Department operates a call center that handles incoming calls. During the budget process for fiscal year 2023-24, the Department requested, and the Committee approved, funding for R1 (Taxation Call Center) to establish an appointment-based call center. This funding added 6.0 FTE and required an appropriation of \$479,522 from the General Fund.

The graph below shows the average wait time of Colorado taxpayers calling into TPS, as well as the number of blocked calls. Call blocking is a common practice in the industry where, once the number of callers in a queue reaches a specific limit, additional callers are "blocked" and do not receive assistance. While this practice can reduce the average wait time for callers seeking help, it also means some individuals are unable to reach a customer service representative. This approach can have negative implications for customer service and may lead to unfavorable perceptions of the State's taxation department and state agencies more broadly. The Department has reported some call center success from the additional resources, and this appears to be reflected in the data provided by the Department.

The number of calls blocked and average wait time (minutes) at the TPS call center have both decreased in recent years.



Taxpayer Services Vacancy Rates

The Department provided the following data regarding employee vacancies within Taxpayer Services as of the 2nd quarter of FY 2025-26. Note that the vacancy rate across all job classifications has dropped from 10.7 percent in FY 2023-24 to 3.0 percent in FY 2025-26.

FY 2025-26 Job Class	Staffing Plan	Vacant as of Q2	Vacancy Rate
Tax Examiner I	146.0	3.0	2.1%
Tax Examiner II	68.7	2.0	1.5%
Tax Examiner III	33.0	0.0	3.0%
Auditor I	17.0	3.0	17.6%
Auditor II	24.0	1.0	4.2%
Auditor III	25.0	1.0	4.0%
Auditor IV	13.0	0.0	0.0%
Tax Conferee I	8.0	0.0	12.5%
Total:	334.7	10.0	3.0%

Request Summary

The enactment of federal H.R. 1 is anticipated to increase demands on the Taxation Services Division. The Department states that these resources are being requested to support Colorado taxpayers and ensure that individuals are accurately filing their returns and complying with the new tax code.

The Department has indicated that in the absence of these resources Colorado will likely experience:

1. Less than estimated revenue collection;
2. Delayed tax returns;
3. Heightened potential for taxpayer noncompliance; and
4. Negative impact on service availability, especially for underserved populations who rely heavily on call-center support.

The Department’s FY 26-27 R3 (Taxation Services Resources) request includes 23.0 FTE and \$2.1 million in General Fund for these additional personnel resources within the Taxation Services Division. The request and out year impact is summarized in the table below.

R3 Taxation Services Resources

Job Class	FY 2026-27 Request	FTE	FY 2027-28 Request	FTE	Position Description
Tax Examiner I	\$345,800	7.0	\$395,200	8.0	Service/Call Center
Tax Examiner II	54,444	1.0	108,888	2.0	Service/Call Center
Tax Examiner III	63,050	1.0	63,050	1.0	Service/Call Center
Tax Examiner I	98,800	2.0	98,800	2.0	Data validation
Tax Examiner I	296,400	6.0	296,400	6.0	Discovery
Tax Examiner III	63,050	1.0	63,050	1.0	Discovery
Tax Examiner I	98,800	2.0	98,800	2.0	Collections
Auditor I	114,348	2.0	114,348	2.0	TAC
Tax Conferee I	93,132	1.0	186,264	2.0	Conferee
Total Salary Compensation	\$1,227,824	23.0	\$1,424,800	26.0	
Employee Benefits / PERA / FICA	661,261		798,195		
Operating Expenses	177,905		40,110		
GenTax Programming	21,249		0		
Total Request	\$2,088,239		\$2,263,105		

Recommendation Rationale

Staff acknowledge the Department’s request and recognize the increasing workload pressures within the Taxation Services Division. The implementation of federal H.R. 1 will generate additional operational demands, particularly within the call center. Under less constrained fiscal circumstances, staff might evaluate this request differently.

However, given the projected TABOR surplus in FY 2026-27, significant fiscal challenges facing the State, and ongoing structural budget imbalances in the current and future years, staff cannot recommend adding 23.0 FTE at this time.

Evidence Designation

The Department indicates the request is ineligible because it relates to an existing administrative function, tax administration, expanding to meet new statutory requirements. This request does not constitute a "program or practice" as defined by statute. The resources requested are for basic administrative functions such as hiring staff and updating IT systems. Staff agree and find the request does not meet the definition of a program or practice, so a level of evidence is not applicable.

Line-Item Detail – Taxation Business Group

(A) Administration

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 24-50-101, et seq., and 24-35-101, et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Taxation Business Group, Administration, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$635,608	\$615,257	\$20,351	\$0	\$0	5.0
Total FY 2025-26	\$635,608	\$615,257	\$20,351	\$0	\$0	5.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$635,608	\$615,257	\$20,351	\$0	\$0	5.0
Prior year actions	9,611	9,611	0	0	0	0.0
Total FY 2026-27	\$645,219	\$624,868	\$20,351	\$0	\$0	5.0
Changes from FY 2025-26	\$9,611	\$9,611	\$0	\$0	\$0	0.0
Percentage Change	1.5%	1.6%	0.0%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$645,219	\$624,868	\$20,351	\$0	\$0	5.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds general office expenses and the Group's share of a high-volume printer that is capable of producing the forms and mass billings that the Group requires.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Taxation Business Group, Administration, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
------	-------------	--------------	------------	-----------------	---------------	-----

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Total FY 2025-26	\$12,543	\$12,543	\$0	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Total FY 2026-27	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2026-27 Executive Request	\$12,543	\$12,543	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Tax Administration IT System (GenTax) Support

This line item provides funding for the managed services contract that supports and maintains the Department's GenTax software tax collection and administration system. The GenTax software is the culmination of the Colorado Integrated Tax Architecture (CITA) project, a five-phase project to replace the Department of Revenue's tax collection systems. The project received \$53.6 million of capital construction funding.

Statutory Authority: Section 24-35-101, *et seq.*, C.R.S.

Request: The Department request is summarized in the table below, and includes the following annualization adjustments:

- S.B. 25-018 Online Search of Sales and Use Tax
- S.B. 25-026 Support Surface Transportation Infrastructure
- S.B. 24-190 Implement State Climate Goals
- S.B. 24-230 Oil and Gas Production Fees
- S.B. 25-310 Proposition 130 Implementation
- H.B. 25B-1004 Sale of Tax Credits
- H.B. 25B-1005 Eliminate Sales Tax Vendor Fee
- H.B. 24-1134 Tax Expenditures to Reduce Burden
- H.B. 24-1142 Reduce Income Tax Social Security Benefit
- H.B. 25-1154 Communication Services Disability
- H.B. 24-1157 Employee-Owned Business Tax Credit
- H.B. 24-1240 AmeriCorps Tax Subtraction
- H.B. 24-1249 Tax Credit Agricultural Stewardship
- H.B. 24-1268 Financial Assistance for Certain Low Income
- H.B. 25-1274 Health School Meals for All Financial Assistance for Certain
- H.B. 24-1295 Creative Industry Community Revitalization Incentives
- H.B. 25-1296 Tax Expenditure Adjustment
- H.B. 25-1299 Animal Protection Voluntary Contribution
- H.B. 25-1311 Deductions for Net Sports Betting Proceeds
- H.B. 24-1316 Housing Tax Credit

- H.B. 24-1325 Tax Credits Quantum Industry
- H.B. 24-1340 Incentives for Post-Secondary Education
- H.B. 24-1365 Opportunity Now Grants & Tax Credit
- H.B. 24-1439 Financial Incentives Expand Apprenticeship Programs
- H.B. 24-1312 State Income Tax Credit for Careworkers

Recommendation: Staff recommends approving the request.

Taxation Business Group, Administration, Tax Administration IT System (GenTax) Support

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$7,868,539	\$7,748,553	\$119,986	\$0	\$0	0.0
Other legislation	\$54,497	\$27,381	\$27,116	\$0	\$0	0.0
Total FY 2025-26	\$7,923,036	\$7,775,934	\$147,102	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$7,923,036	\$7,775,934	\$147,102	\$0	\$0	0.0
Technical adjustments	200,544	200,544	0	0	0	0.0
Prior year actions	10,660	37,776	-27,116	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$8,134,240	\$8,014,254	\$119,986	\$0	\$0	0.0
Changes from FY 2025-26	\$211,204	\$238,320	-\$27,116	\$0	\$0	0.0
Percentage Change	2.7%	3.1%	-18.4%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$8,155,489	\$8,035,503	\$119,986	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$21,249	-\$21,249	\$0	\$0	\$0	0.0

IDS Print Production

This line item provides funding for consolidated printing and mail services provided by Integrated Document Solutions in the Department of Personnel.

Statutory Authority: Sections 24-30-1104 and 24-35-105, C.R.S.

Request: The Department request is summarized in the table below. The appropriation to this line item is set by the Document Solutions Group (DSG) Common Policy established by the Department of Personnel.

Recommendation: Staff recommends approving the request.

Taxation Business Group, Administration, IDS Print Production

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$6,270,031	\$6,223,252	\$46,779	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2025-26	\$6,270,031	\$6,223,252	\$46,779	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$6,270,031	\$6,223,252	\$46,779	\$0	\$0	0.0
Technical adjustments	494,400	494,400	0	0	0	0.0
Prior year actions	-70,507	-70,507	0	0	0	0.0
Total FY 2026-27	\$6,693,924	\$6,647,145	\$46,779	\$0	\$0	0.0
Changes from FY 2025-26	\$423,893	\$423,893	\$0	\$0	\$0	0.0
Percentage Change	6.8%	6.8%	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$6,693,924	\$6,647,145	\$46,779	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(B) Taxation Services

The Taxation Services Division (TPS) utilizes various methods to assist in the collection of monies due the State including: filing bankruptcy claims; recording and releasing tax liens and judgments; garnishment of wages and bank accounts; income tax distraint warrants; resolution of taxpayer disputes; and the utilization of private collection agencies. The Division also audits or examines Colorado tax returns both at the Department through its Discovery Program and at business locations through its Field Audit program. Audits are also conducted for the purpose of ascertaining whether royalties have been properly submitted to the State from operating and royalty mineral interests in Colorado.

This division conducts more than 7,000 field audits each year, primarily for retail sales tax, consumer use tax, corporate income tax, and mineral royalties. Tax agents are located in Denver and in six district offices around Colorado, as well as out-of-state offices located in the New York City metro area, Chicago, Houston, Dallas, Los Angeles, and San Francisco. The Division also manages the Joint Audit Program, the Joint Federal/State Motor Fuel Tax program and the Mineral Audit Program.

The Taxpayer Service Division administers the State's tax programs and provides assistance and information to Colorado taxpayers. The Division maintains five service centers in Colorado Springs, Denver, Fort Collins, Grand Junction, and Pueblo, as well as a tax information call center. The Division produces public information campaigns, administers tax classes to promote voluntary compliance, and distributes information to the public to explain the State's tax laws and policies. TPS also issues licenses and permits, processes tax forms and requests for refunds, resolves taxpayer problems, and intercepts income tax refunds for payment of debts owed to other State agencies and the Internal Revenue Service.

The Division also collects local sales taxes on behalf of non-home-rule cities, counties, and special districts. The division administers the property tax/rent heat/fuel grant program; severance taxes; the gasoline, special fuel, and aviation fuel environmental response surcharge; the International Fuel Tax Agreement; cigarette, tobacco, liquor and marijuana excise taxes; public utility assessments; and food service licensing.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Prior to consolidation, the Seasonal Tax Processing line item was added in FY 2014-15 and funds the seasonal processing expenses that occur during the individual income tax filing season.

Statutory Authority: Sections 24-50-101, *et seq.*, and 24-35-101 *et seq.*, C.R.S.

Request: The Department request is summarized in the table below, and includes the following annualization adjustments:

- S.B. 25-018 Online Search of Sales and Use Tax
- S.B. 25-026 Adjusting Tax Expenditures
- S.B. 24-190 Rail and Coal Transition
- S.B. 24-214 Implement State Climate Goals
- S.B. 24-230 Oil & Gas Production Fees
- S.B. 25-310 Proposition 130 Implementation
- S.B. 25-319 Modification Higher Education Expenses Income Tax Incentive
- H.B. 25B-1002 Corporate Income Tax Foreign Jurisdictions
- H.B. 25B-1004 Sale of Tax Credits
- H.B. 25B-1005 Eliminate Sales Tax Vendor Fee
- H.B. 24-1134 Adjustments to Tax Expenditures to Reduce Burden
- H.B. 24-1142 Reduce Income Tax Social Security Benefits
- H.B. 25-1154 Communication Services Disabilities
- H.B. 24-1157 Employee-Owned Business Tax Credit
- H.B. 24-1235 Reduce Aviation Impacts
- H.B. 24-1240 Americorps Tax Subtraction
- H.B. 24-1249 Tax Credit Agricultural Stewardship
- H.B. 24-1268 Financial Assistance Low Income
- H.B. 25-1274 Healthy School Meals for All
- H.B. 24-1295 Creative Industry Community Revitalization
- H.B. 25-1296 Tax Expenditure Adjustment
- H.B. 25-1299 Animal Protection Voluntary Contribution
- H.B. 25-1311 Sports Betting Deductions
- H.B. 25-1312 Transgender Legal Protections
- H.B. 24-1316 Housing Tax Credit
- H.B. 24-1325 Tax Credits Quantum Industry
- H.B. 24-1340 Incentives Post Secondary Education
- H.B. 24-1365 Opportunity Now Grants
- H.B. 24-1439 Financial Incentive Internship

Recommendation: Staff recommendation is reflected in the table below, and includes denial of the Department's R3 (Taxation Services Resources) request.

Taxation Business Group, Taxation Services, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$37,134,692	\$35,138,061	\$1,742,546	\$254,085	\$0	431.3
Other legislation	\$206,710	\$194,572	\$12,138	\$0	\$0	3.1
Total FY 2025-26	\$37,341,402	\$35,332,633	\$1,754,684	\$254,085	\$0	434.4
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$37,341,402	\$35,332,633	\$1,754,684	\$254,085	\$0	434.4
Prior year actions	980,828	1,207,411	-226,583	0	0	-2.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$38,322,230	\$36,540,044	\$1,528,101	\$254,085	\$0	432.4
Changes from FY 2025-26	\$980,828	\$1,207,411	-\$226,583	\$0	\$0	-2.0
Percentage Change	2.6%	3.4%	-12.9%	0.0%	n/a	-0.5%
FY 2026-27 Executive Request	\$39,610,538	\$37,828,352	\$1,528,101	\$254,085	\$0	454.4
Staff Rec. Above/-Below Request	-\$1,288,308	-\$1,288,308	\$0	\$0	\$0	-22.0

Operating Expenses

This line item funds the out-of-state travel needs of senior auditors, as well as providing the general office expenses for the subdivision and the expenses of five programs: Office Collection; Office Audit; Protest Resolution; Field Compliance; and Field Audit. It also funds general office supplies and expenses.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below, and includes the following annualization adjustments:

- S.B. 24-214 Implement State Climate Goals
- S.B. 25-319 Modification Higher Education Expenses Income Tax Incentive
- H.B. 25B-1005 Eliminate Sales Tax Vendor Fee
- H.B. 24-1268 Financial Assistance Low Income
- H.B. 25-1312 Transgender Legal Protection
- H.B. 24-1340 Incentives Post Secondary Education

Recommendation: Staff recommendation is reflected in the table below.

Taxation Business Group, Taxation Services, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$4,841,409	\$4,818,262	\$23,147	\$0	\$0	0.0
Other legislation	\$47,318	\$47,318	\$0	\$0	\$0	0.0
Total FY 2025-26	\$4,888,727	\$4,865,580	\$23,147	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$4,888,727	\$4,865,580	\$23,147	\$0	\$0	0.0
Technical adjustments	292,913	292,913	0	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Prior year actions	-130,164	-125,950	-4,214	0	0	0.0
Total FY 2026-27	\$5,051,476	\$5,032,543	\$18,933	\$0	\$0	0.0
Changes from FY 2025-26						
Changes from FY 2025-26	\$162,749	\$166,963	-\$4,214	\$0	\$0	0.0
Percentage Change	3.3%	3.4%	-18.2%	n/a	n/a	n/a
FY 2026-27 Executive Request						
FY 2026-27 Executive Request	\$5,221,646	\$5,202,713	\$18,933	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$170,170	-\$170,170	\$0	\$0	\$0	0.0

Joint Audit Program

This line item, previously included in the Taxation and Compliance Division, provides funding for the state's membership in the Multi-State Tax Commission (MTC). The MTC conducts audits on out-of-state businesses, which complements the Department's efforts in the Field Audit Program. The Department has had a partnership with the MTC for over 20 years.

Statutory Authority: Section 24-35-101, *et seq.*, C.R.S.

Request: The Department requests a continuation appropriation of \$352,259 General Fund.

Recommendation: Staff recommends appropriating \$352,259 General Fund.

Taxation Business Group, Taxation Services, Joint Audit Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$352,259	\$352,259	\$0	\$0	\$0	0.0
Total FY 2025-26	\$352,259	\$352,259	\$0	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$352,259	\$352,259	\$0	\$0	\$0	0.0
Technical adjustments	15,278	15,278	0	0	0	0.0
Total FY 2026-27	\$367,537	\$367,537	\$0	\$0	\$0	0.0
Changes from FY 2025-26						
Changes from FY 2025-26	\$15,278	\$15,278	\$0	\$0	\$0	0.0
Percentage Change	4.3%	4.3%	n/a	n/a	n/a	n/a
FY 2026-27 Executive Request						
FY 2026-27 Executive Request	\$367,537	\$367,537	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Mineral Audit Program

This line item, previously located in the Taxation and Compliance Division, provides funding for the Mineral Audit Program. Pursuant to Section 24-35-115, C.R.S., the Department audits royalties associated with oil, gas, and mineral mining activity on federal, state, and private land. Audits are conducted by a work group in the Department, which statutorily can have no other duties. The majority of the funding comes from the federal government, with the remainder from the State Land Board and the Oil and Gas Conservation Commission (OGCC), both in the Department of Natural Resources. Federal funds are from the Federal Minerals Management Service (MMS) as the Department conducts audits on their behalf on lands under federal control.

Statutory Authority: Section 24-35-115, C.R.S.

Request: The Department requests a continuation appropriation of \$918,132 total funds, including \$66,000 reappropriated funds and \$852,132 federal funds, and 10.2 FTE. The reappropriated funds are comprised of \$65,500 from the State Land Board and \$500 from the Oil and Gas Conservation Commission.

Recommendation: Staff recommends appropriating \$918,132 total funds, including \$66,000 reappropriated funds and \$852,132 federal funds, and 10.2 FTE.

Taxation Business Group, Taxation Services, Mineral Audit Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$918,132	\$0	\$0	\$66,000	\$852,132	10.2
Total FY 2025-26	\$918,132	\$0	\$0	\$66,000	\$852,132	10.2
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$918,132	\$0	\$0	\$66,000	\$852,132	10.2
Total FY 2026-27	\$918,132	\$0	\$0	\$66,000	\$852,132	10.2
Percentage Change	0.0%	n/a	n/a	0.0%	0.0%	0.0%
FY 2026-27 Executive Request	\$918,132	\$0	\$0	\$66,000	\$852,132	10.2
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Document Management

This line item, previously located in the Taxpayer Service Division, provides funding for the data entry services provided by the Department of Personnel to capture information from paper tax forms and from driver's license documentation, and image and store tax returns and related documentation primarily for audit purposes, account error resolutions, or taxpayer requests and inquiries.

Statutory Authority: Sections 24-30-1104 and 24-35-105, C.R.S.

Request: The Department request is summarized in the table below, and includes the following annualizations:

- S.B. 25-016 Tax Credit for Contributions via Intermediaries
- S.B. 24-190 Rail and Coal Transition

- H.B. 25B-1002 Corporate Income Tax Foreign Jurisdictions
- H.B. 25B-1004 Sale of Tax Credits
- H.B. 25B-1005 Eliminate Sales Tax Vendor Fee
- H.B. 24-1134 Adjustments to Tax Expenditures to Reduce Burden
- H.B. 25-1154 Communication Services Disabilities
- H.B. 24-1157 Employee-Owned Business Tax Credit
- H.B. 24-1249 Tax Credit Agricultural Stewardship
- H.B. 24-1268 Financial Assistance Low Income
- H.B. 25-1274 Healthy School Meals for All
- H.B. 24-1295 Creative Industry Community Revitalization
- H.B. 25-1296 Tax Expenditure Adjustment
- H.B. 25-1312 Transgender Legal Protections
- H.B. 24-1316 Housing Tax Credit
- H.B. 24-1325 Tax Credits Quantum Industry
- H.B. 24-1365 Opportunity Now Grants
- H.B. 24-1439 Financial Incentive Internship
- H.B. 24-1311 Family Affordability Tax Credit

Recommendation: Staff recommends approving the request

Taxation Business Group, Taxation Services, Document Management

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$5,679,805	\$5,677,198	\$2,607	\$0	\$0	0.0
Other legislation	\$40,057	\$36,383	\$3,674	\$0	\$0	0.0
Total FY 2025-26	\$5,719,862	\$5,713,581	\$6,281	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$5,719,862	\$5,713,581	\$6,281	\$0	\$0	0.0
Technical adjustments	208,573	208,573	0	0	0	0.0
Prior year actions	-7,874	-4,200	-3,674	0	0	0.0
Total FY 2026-27	\$5,920,561	\$5,917,954	\$2,607	\$0	\$0	0.0
Changes from FY 2025-26	\$200,699	\$204,373	-\$3,674	\$0	\$0	0.0
Percentage Change	3.5%	3.6%	-58.5%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$5,920,561	\$5,917,954	\$2,607	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Tax Conferee

The Tax Conferee serves as an intermediary in the hearing process and acts as the Executive Director’s official designee for tax hearings, which can include tax assessment disputes and refund denials. Employees in this unit conduct reviews, legal research, investigations, interviews, and negotiations. They also help taxpayers clarify

decisions. If a hearing with the Tax Conferee does not resolve the issue, a formal hearing with the Executive Director is granted. If resolution is still not reached, the aggrieved party may take the dispute to the judicial system. Under Section 29-2-106.1, C.R.S., Department staff may hear appeals of final decisions from home rule cities and counties.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Reappropriated funds in this line item are from the Governor's Economic Development Commission – General Economic Incentives and Marketing line item.

Statutory Authority: Sections 39-21-103, 39-21-104, 29-2-106.1, and 24-50-101, *et seq.*, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Taxation Business Group, Tax Conferee, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,760,001	\$1,662,718	\$0	\$97,283	\$0	13.6
Total FY 2025-26	\$1,760,001	\$1,662,718	\$0	\$97,283	\$0	13.6
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,760,001	\$1,662,718	\$0	\$97,283	\$0	13.6
Prior year actions	35,507	35,507	0	0	0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$1,795,508	\$1,698,225	\$0	\$97,283	\$0	13.6
Changes from FY 2025-26	\$35,507	\$35,507	\$0	\$0	\$0	0.0
Percentage Change	2.0%	2.1%	n/a	0.0%	n/a	0.0%
FY 2026-27 Executive Request	\$1,895,623	\$1,798,340	\$0	\$97,283	\$0	14.6
Staff Rec. Above/-Below Request	-\$100,115	-\$100,115	\$0	\$0	\$0	-1.0

Operating Expenses

This line item funds subscriptions to legal research materials and phone charges, plus general office supplies and expenses.

Statutory Authority: Sections 39-21-103, 39-21-104, 29-2-106.1, and 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Taxation Business Group, Tax Conferee, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Total FY 2025-26	\$60,905	\$60,905	\$0	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$60,905	\$60,905	\$0	\$0	\$0	0.0
R3 Taxation services resources	0	0	0	0	0	0.0
Total FY 2026-27	\$60,905	\$60,905	\$0	\$0	\$0	0.0
Changes from FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2026-27 Executive Request	\$68,640	\$68,640	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$7,735	-\$7,735	\$0	\$0	\$0	0.0

(D) Special Purpose

This section of the Long Bill provides funding for five "pass-through" programs administered by the Department. The oversight costs are relatively small and are absorbed by other divisions within the Taxation Business Group.

Cigarette Tax Rebate

Pursuant to Section 39-22-623, C.R.S., this program distributes 27 percent of the gross state revenue from state cigarette tax to incorporated cities and towns that levy taxes and adopt formal budgets as well as to counties. These distributions are made in proportion to the state sales taxes collected in the jurisdiction to the total state sales taxes collected, which the Department of Revenue annually certifies to the State Treasurer. In order to qualify for the rebate, units of local government are prohibited from imposing fees, licenses, or taxes on cigarettes.

This appropriation is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S. and is included in the Long Bill for informational purposes.

Statutory Authority: Section 39-22-623, C.R.S.

Request: The Department requests that \$6,036,300 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

Recommendation: Staff recommends reflecting an appropriation based on the March 2026 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation included in the Long Bill.

Amendment 35 Distribution to Local Governments

House Bill 05-1262 implemented Amendment 35, passed by the voters in November 2004. Three percent of the total revenue and interest earned on proceeds deposited into the Tobacco Tax Cash Fund are earmarked for municipal and county governments to "compensate proportionately for tax Revenue reductions attributable to lower cigarette and tobacco sales resulting from implementation of the tax." This money is allocated to local governments according to the provisions set forth in Section 39-22-623, C.R.S. The Department of Revenue receives part of the 3 percent allocation to the General Fund (20%), the Old Age Pension Medical Fund (50%), and the Department of Revenue (30%).

This appropriation is authorized by Section 21 of Article X of the Colorado Constitution and thus, is not subject to the limitation on state fiscal year spending imposed by Section 20 of Article X of the State Constitution. The appropriation is included in the Long Bill for informational purposes.

Statutory Authority: Section 21, Article X, Colorado Constitution.

Request: The Department requests an appropriation of \$873,102 cash funds from the Tobacco Tax Cash Fund.

Recommendation: Staff recommends reflecting an appropriation of \$873,102 cash funds. If the Committee makes any adjustments to the Tobacco Revenue Allocation, staff requests permission to reflect final action.

Old Age Heat and Fuel and Property Tax Assistance Grant

Pursuant to Sections 39-31-101 and 104, C.R.S., the Department distributes heat, fuel, and property tax assistance grants to qualified low-income individuals age 65 and over or disabled. This appropriation is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S. and is included in the Long Bill for informational purposes. Both the Governor's Office of State Planning and Budgeting and Legislative Council often refer to this program as the "Aged Property Tax & Heating Credit".

Statutory Authority: Section 39-31-101, *et seq.*, C.R.S.

Request: The Department requests that \$11,128,945 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

Recommendation: Staff recommends reflecting an appropriation based on the March 2026 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

Commercial Vehicle Enterprise Sales Tax Refund

Section 42-1-225, C.R.S., requires the Department of Revenue to issue sales tax refunds for entities that paid sales taxes on qualified purchases or lease of commercial vehicles used for interstate commerce. The sales tax refund comes from the Commercial Vehicle Enterprise Tax Fund. Deposits into the cash fund are derived from a portion of the fines on overweight vehicles and pursuant to Section 42-1-225 (1), C.R.S., the fund is continuously appropriated to the Department of Revenue for the purpose of paying tax refunds.

Statutory Authority: Section 42-1-225, C.R.S.

Request: The Department requests a continuation, informational appropriation of \$120,524 cash funds from the Commercial Vehicle Enterprise Tax Fund.

Recommendation: Staff recommends reflecting an informational appropriation of \$120,524 cash funds.

Retail Marijuana Sales Tax Distribution to Local Governments

This line item was added in FY 2013-14. Section 39-28.8-203 (1)(a)(V), C.R.S., requires that money apportioned to local governments as a result of the Proposition AA special sales tax on retail marijuana products be included for informational purposes in the Long Bill or in supplemental appropriation bills. Statute provides that this funding is exempt from the limits on General Fund appropriations as set forth in Section 24-75-201.1 (1) (a) (II.5), C.R.S.

Statutory Authority: Section 39-28.8-203, C.R.S.

Request: The Department requests that \$18,758,757 General Fund exempt from spending and appropriations limits be reflected in the Long Bill as the informational appropriation. This amount represents a continuation appropriation.

Recommendation: Staff recommends reflecting an appropriation based on the March 2026 economic forecast that the JBC adopts as its revenue forecast. Staff requests permission to reflect that estimate as the informational appropriation in the Long Bill.

(3) Division of Motor Vehicles

The Division of Motor Vehicles consists of Administration, Driver Services, and Vehicle Services sections. These sections are responsible for the enforcement and administration of the laws governing driver licensing and vehicle registration.

Division of Motor Vehicles

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
FY 2025-26 Appropriation					
SB 25-206 Long Bill	\$81,714,575	\$5,364,701	\$76,161,546	\$188,328	545.6
Other legislation	-\$134,252	-\$137,500	\$3,248	\$0	0.0
Total FY 2025-26	\$81,580,323	\$5,227,201	\$76,164,794	\$188,328	545.6
FY 2026-27 Recommended Appropriation					
FY 2025-26 Appropriation	\$81,580,323	\$5,227,201	\$76,164,794	\$188,328	545.6
R1 General fund reductions	-275,000	-275,000	0	0	0.0
R2a General Fund reduction	-21,498	-21,498	0	0	0.0
R2b DMV realignment	0	0	0	0	0.0
Operating common policies	734,806	0	734,806	0	0.0
Impacts driven by other agencies	27,000	0	27,000	0	0.0
Technical adjustments	732,907	0	732,907	0	0.0
Prior year actions	1,515,911	361,523	1,154,388	0	5.3
Total FY 2026-27	\$84,294,449	\$5,292,226	\$78,813,895	\$188,328	550.9
Changes from FY 2025-26	\$2,714,126	\$65,025	\$2,649,101	\$0	5.3
Percentage Change	3.3%	1.2%	3.5%	0.0%	1.0%
FY 2026-27 Executive Request	\$84,294,449	\$5,292,226	\$78,813,895	\$188,328	550.9
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	0.0

Decision Items

→ R2a General Fund Reduction

Request

The request is for a \$21,498 General Fund reduction impacting two lines in the Division of Motor Vehicles

Recommendation

Staff recommends approving the request.

Analysis

The Department states this reduction will eliminate the small General Fund appropriation to two Division of Motor Vehicles line items:

- Division of Motor Vehicles, Administration, DRIVES Maintenance and Support
- Division of Motor Vehicles, Driver Services, Driver License Documents

These reductions are negligible and will not impact customer service. Staff agree and note the reduction is approximately 0.1 percent of the appropriation to these line items.

→ R2b DMV Reorganization

Request

The Department requests a budget neutral reorganization within the DMV, shifting \$1.1 million cash fund spending authority and 21 FTE from Driver Services to Vehicle Services and Administration.

Recommendation

Staff recommends denial of the request.

Analysis

Staff has concerns with the submission of this request. The R2 (General Fund Reductions & Alignment) request as submitted does not reflect the substantive changes to the division being proposed. Furthermore, the request makes little to no mention of why these changes are necessary. The opaque nature of the request begs the question: why is this reorganization presented as a General Fund reduction when that reduction represents the least substantive component of the proposed changes?

In follow up conversations with the Department, the Department stated that this reorganization has already taken place, approximately 3 years ago. The request seeks to align the Long Bill with Department operations. Staff notes that there are several other instances where the Department does not align with the Long Bill, and has not for many years. It is unclear why this reorganization proposal is a priority.

In follow-up discussions, the Department indicates that the 21.0 FTE positions currently budgeted within Driver Services are assigned to functions outside the core Driver Services program. According to the Department, these positions fall into two distinct categories.

1. Motor Vehicle Investigations Unit (MVIU) – 12.0 FTE

A total of 12.0 FTE are fully dedicated to the Motor Vehicle Investigations Unit (MVIU). The MVIU's primary function is to support the Department of Motor Vehicles (DMV) as a whole through enforcement activities, regulatory compliance, and the investigation of identity- and vehicle-related fraud and misconduct.

Although these positions have historically been housed within and funded through the Driver Services budget, their operational responsibilities are department-wide in scope. According to the Department, their function is more accurately characterized as supporting the DMV broadly, rather than Driver Services specifically.

2. Loaned Positions to the Vehicle Services Division – 9.0 FTE

An additional 9.0 FTE have been “loaned” from Driver Services to the Vehicle Services Division for several years. These positions perform essential operational functions within Vehicle Services. However, despite their ongoing assignment and functional alignment with that division, they are reflected on the Driver Services organizational chart and within its budget.

Staff recommends denial of the request. The Department’s reorganization occurred three years ago, indicating that there is no clear urgency to implement the proposed Long Bill changes at this time. Should the Department choose to resubmit this request in the future, staff recommends that it address the following questions with the Committee:

1. Why did the Department not present this reorganization to the Joint Budget Committee (JBC) prior to implementing the changes?
2. Given the ongoing challenges faced by the Division of Motor Vehicles, Driver Services Division, is there merit in reevaluating the current organizational structure and considering whether resources should be shifted back to Driver Services to better align with both the existing Long Bill structure and the service needs of Colorado residents?

Evidence Designation

The Department indicates that the request is ineligible because there is no outcome evaluation. Staff finds that the request does not meet the definition of a program or practice and a level of evidence is therefore not applicable.

Line Item Detail – Division of Motor Vehicles

(A) Administration

The Administration subgroup includes the Senior Director, Deputy Director, administrative support staff, division financial staff, and the Investigations Unit. The Administration subgroup supports the administrative and financial management of all DMV operations. The Investigations Unit is responsible for conducting investigations on both driver and vehicle records. This unit is accountable for preserving and protecting the integrity of motor vehicle records by investigating and preventing fraud, ensuring statutory compliance, and providing victim advocacy. The unit is also responsible for all Exception Processing for Colorado residents who cannot meet the established requirements for driver licenses or identification cards.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 24-50-101, et seq. and 42-2-101, et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommendation outlined in the following table.

Division of Motor Vehicles, Administration, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,928,602	\$727,147	\$3,149,669	\$51,786	\$0	40.9
Total FY 2025-26	\$3,928,602	\$727,147	\$3,149,669	\$51,786	\$0	40.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,928,602	\$727,147	\$3,149,669	\$51,786	\$0	40.9
Prior year actions	97,663	19,753	77,910	0	0	0.0
R2b DMV realignment	0	0	0	0	0	0.0
Total FY 2026-27	\$4,026,265	\$746,900	\$3,227,579	\$51,786	\$0	40.9
Changes from FY 2025-26	\$97,663	\$19,753	\$77,910	\$0	\$0	0.0
Percentage Change	2.5%	2.7%	2.5%	0.0%	n/a	0.0%
FY 2026-27 Executive Request	\$4,718,328	\$746,900	\$3,919,642	\$51,786	\$0	52.9
Staff Rec. Above/-Below Request	-\$692,063	\$0	-\$692,063	\$0	\$0	-12.0

Operating Expenses

This line item funds telecommunications, general office supplies, and printing costs.

Statutory Authority: Sections 24-35-105, et seq. and 42-2-101, et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommendation outlined in the following table.

Division of Motor Vehicles, Administration, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
Total FY 2025-26	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
R2b DMV realignment	0	0	0	0	0	0.0
Total FY 2026-27	\$530,668	\$63,731	\$463,547	\$3,390	\$0	0.0
Changes from FY 2025-26	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	n/a	n/a

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$547,618	\$63,731	\$480,497	\$3,390	\$0	0.0
Staff Rec. Above/-Below Request	-\$16,950	\$0	-\$16,950	\$0	\$0	0.0

DRIVES Maintenance and Support

This line item was added in FY 2018-19 and provides funding for the managed services contract that supports and maintains the DRIVES IT system. The DRIVES project replaced the legacy driver's license system and the Colorado State Titling and Registration System. The DRIVES project received \$93.4 million of capital construction funding, including \$41.0 million in FY 2014-15 and \$52.4 million in FY 2015-16. This line item funds the maintenance and support contract with the DRIVES system vendor, FAST Enterprises, LLC.

Statutory Authority: Sections 24-35-105 and 42-2-101, et seq., C.R.S.

Request: The Department request is summarized in the table below and includes the following impacts from prior year actions.

- S.B 25-008 Adjust Necessary Document Program
- S.B. 24-019 Renumeration exempt placards
- S.B. 24-065 Mobile Electronic Devices & Motor Vehicle Driving
- S.B. 24-100 Commercial Vehicle Highway Safety Measures
- S.B. 24-182 Immigrant Identification Document Issuance
- S.B. 24-192 Motor Vehicle Lemon Law
- S.B. 24-210 Modifications to Laws Regarding Elections
- S.B. 25-320 Commercial Motor Vehicle Transportation
- H.B. 24-1021 Motor Vehicle Minor Driver Education Standards
- H.B. 25-1039 Commercial Vehicle Muffler Requirements
- H.B. 25-1083 Vehicle Transactions Deployed Military Families
- H.B. 24-1105 Creating the Chicano Special License Plate
- H.B. 25-1189 Motor Vehicle Registration Reform & Fees
- H.B. 24-1250 Driving Improvement Course Driver's License Points
- H.B. 24-1269 Modification of Recording Fees
- H.B. 25-1312 Legal Protections for Transgender Individuals
- H.B. 24-1319 Fire Fighters License Plate Expiration on Transfer
- H.B. 24-1360 Colorado Disability Opportunity Office
- H.B. 24-1369 Colorado Agriculture Special License Plate

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Administration, DRIVES Maintenance and Support

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$10,069,326	\$18,000	\$10,051,326	\$0	\$0	0.0
Other legislation	\$3,024	\$0	\$3,024	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total FY 2025-26	\$10,072,350	\$18,000	\$10,054,350	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$10,072,350	\$18,000	\$10,054,350	\$0	\$0	0.0
Technical adjustments	196,239	0	196,239	0	0	0.0
Impacts driven by other agencies	27,000	0	27,000	0	0	0.0
R2b DMV realignment	0	0	0	0	0	0.0
Prior year actions	-199,568	0	-199,568	0	0	0.0
R2a General Fund reduction	-18,000	-18,000	0	0	0	0.0
Total FY 2026-27	\$10,078,021	\$0	\$10,078,021	\$0	\$0	0.0
Changes from FY 2025-26	\$5,671	-\$18,000	\$23,671	\$0	\$0	0.0
Percentage Change	0.1%	-100.0%	0.2%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$10,078,021	\$0	\$10,078,021	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(B) Driver Services

The Driver Services subgroup includes three programs: Driver License (including the Commercial Driver License Program (CDL), Driver Control, and Ignition Interlock.

The Driver License Program is responsible for issuing driver licenses, instruction permits, identification cards, and commercial driver licenses to the citizens of Colorado. Additionally, this section also issues copies of driving records, oversees the curriculum and training of commercial driving schools, and licenses and oversees third-party testers who administer driving and motorcycle skill tests.

The Driver Control Program is responsible for collecting, maintaining, analyzing, and producing all driver records for the state. It receives and processes penalty assessment citations and processes fine payments and administers driver license sanctions by imposing license suspensions and revocations in accordance with the law. The Driver Control Program also supports law enforcement with a 24/7 communications center that provides information on drivers and vehicles and supports prosecutors and courts with the production of evidence packets. This section also monitors drive log data on interlock restricted drivers and imposes restraints.

The Ignition Interlock Program is discussed in detail at the line-item level.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. Cash funds are predominantly provided from the Licensing Services Cash Fund, as well as the following accounts of the Highway Users Tax Fund: The Colorado State Titling and Registration Account/Colorado DRIVES Vehicle Services Account, Driver's License Administrative Revocation Account, and the First-time Drunk Driving Offender Account; and several funds that provide minimal funding.

Statutory Authority: Sections 24-50-101, et seq. and 42-2-125, C.R.S.

Request: The Department request is provided in the table below, and includes the following annualizations:

- S.B. 25-008 Adjust Necessary Document Program
- S.B. 24-100 Commercial Vehicle Highway Safety Measures
- S.B. 24-192 Motor Vehicle Lemon Law
- H.B. 24-1021 Motor Vehicle Minor Driver Education Standards
- H.B. 25-1039 Commercial Vehicle Muffler
- H.B. 25-1083 Vehicle Deployed Military Family
- H.B. 24-1250 Driving Improvement Course Driver's License Points
- H.B. 24-1269 Modification of Recording Fees
- H.B. 25-1312 Legal Protections for Transgender Individuals

Recommendation: Staff recommendation is summarized in the following table.

Division of Motor Vehicles, Driver Services, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$29,013,349	\$3,550,791	\$25,339,576	\$122,982	\$0	426.9
Total FY 2025-26	\$29,013,349	\$3,550,791	\$25,339,576	\$122,982	\$0	426.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$29,013,349	\$3,550,791	\$25,339,576	\$122,982	\$0	426.9
Prior year actions	1,262,504	160,861	1,101,643	0	0	2.5
R2b DMV realignment	0	0	0	0	0	0.0
Total FY 2026-27	\$30,275,853	\$3,711,652	\$26,441,219	\$122,982	\$0	429.4
Changes from FY 2025-26	\$1,262,504	\$160,861	\$1,101,643	\$0	\$0	2.5
Percentage Change	4.4%	4.5%	4.3%	0.0%	n/a	0.6%
FY 2026-27 Executive Request	\$29,193,080	\$3,711,652	\$25,358,446	\$122,982	\$0	408.4
Staff Rec. Above/-Below Request	\$1,082,773	\$0	\$1,082,773	\$0	\$0	21.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Sections 24-35-105 and 42-2-101, et seq., C.R.S.

Request: The Department’s request is summarized in the table below. The request includes the following annualization adjustments:

- H.B. 24-1021 Motor Vehicle Minor Driver Education Standards
- H.B. 24-1250 Driving Improvement Course Driver's License Points
- H.B. 26-1168 Department of Revenue Supplemental

Recommendation: Staff recommendation is summarized in the following table.

Division of Motor Vehicles, Driver Services, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$2,654,959	\$414,260	\$2,230,529	\$10,170	\$0	0.0
Other legislation	-137,500	-137,500	0	0	0	0.0
Total FY 2025-26	\$2,517,459	\$276,760	\$2,230,529	\$10,170	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$2,517,459	\$276,760	\$2,230,529	\$10,170	\$0	0.0
Prior year actions	39,922	137,500	-97,578	0	0	0.0
R2b DMV realignment	0	0	0	0	0	0.0
R1 General fund reductions	-275,000	-275,000	0	0	0	0.0
Total FY 2026-27	\$2,282,381	\$139,260	\$2,132,951	\$10,170	\$0	0.0
Changes from FY 2025-26	-\$235,078	-\$137,500	-\$97,578	\$0	\$0	0.0
Percentage Change	-9.3%	-49.7%	-4.4%	0.0%	n/a	n/a
FY 2026-27 Executive Request	\$2,265,431	\$139,260	\$2,116,001	\$10,170	\$0	0.0
Staff Rec. Above/-Below Request	\$16,950	\$0	\$16,950	\$0	\$0	0.0

Driver's License Documents

This line item funds all material costs associated with the production of driver's licenses, instructional permits, and identification cards including related security features. The physical driver's license is produced by a third-party vendor under contract to the Department, who also mails the document to the customer. The line also provides funding for verification of Social Security information, and verification of an applicant's legal immigration/visa status. In addition to receiving funding from the Licensing Services Cash Fund, this line receives funding for security purposes from the Identification Security Fund.

Statutory Authority: Section 42-2-101, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Driver Services, Driver's License Documents

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Total FY 2025-26	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$8,143,739	\$3,498	\$8,140,241	\$0	\$0	0.0
Technical adjustments	187,226	0	187,226	0	0	0.0
R2b DMV realignment	0	0	0	0	0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
R2a General Fund reduction	-3,498	-3,498	0	0	0	0.0
Total FY 2026-27	\$8,327,467	\$0	\$8,327,467	\$0	\$0	0.0
Changes from FY 2025-26	\$183,728	-\$3,498	\$187,226	\$0	\$0	0.0
Percentage Change	2.3%	-100.0%	2.3%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$8,327,467	\$0	\$8,327,467	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Ignition Interlock Program

House Bill 08-1194 required first time drunk driving offenders to obtain an ignition interlock for their vehicle in order to reinstate their licenses. It increased the driver's license reinstatement fee by \$35 and credited that increase to the "First Time Drunk Driver Offender account". The money in the account is used to assist those who cannot afford an ignition interlock system to purchase them so they can continue to drive for employment related purposes. The fund also supports high-visibility drunk-driving enforcement actions administered by the Department of Transportation.

Statutory Authority: Section 42-2-125, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Driver Services, Ignition Interlock Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$742,960	\$0	\$742,960	\$0	\$0	6.9
Total FY 2025-26	\$742,960	\$0	\$742,960	\$0	\$0	6.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$742,960	\$0	\$742,960	\$0	\$0	6.9
Prior year actions	16,180	0	16,180	0	0	0.0
Total FY 2026-27	\$759,140	\$0	\$759,140	\$0	\$0	6.9
Changes from FY 2025-26	\$16,180	\$0	\$16,180	\$0	\$0	0.0
Percentage Change	2.2%	n/a!	2.2%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$759,140	\$0	\$759,140	\$0	\$0	6.9
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division

provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Sections 42-2-114.2, 42-2-132, and 24-75-1401, C.R.S

Request: The Department requests an appropriation of \$3,585,708 cash funds. The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Division of Motor Vehicles, Driver Services, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,649,617	\$0	\$3,649,617	\$0	\$0	0.0
Total FY 2025-26	\$3,649,617	\$0	\$3,649,617	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,649,617	\$0	\$3,649,617	\$0	\$0	0.0
Operating common policies	631,438	0	631,438	0	0	0.0
Total FY 2026-27	\$4,281,055	\$0	\$4,281,055	\$0	\$0	0.0
Changes from FY 2025-26	\$631,438	\$0	\$631,438	\$0	\$0	0.0
Percentage Change	17.3%	n/a	17.3%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$4,281,055	\$0	\$4,281,055	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Vehicle Services

The Vehicle Services subgroup includes the following programs: Titles, Registrations, Motor Insurance Identification Database (MIIDB), and Vehicle Emissions.

The *Titles Program* oversees titling of vehicles by the Department's authorized agents, the county clerks in each county in the state. It also maintains an inventory of license plates and is the agency that orders and distributes license plates to the counties. The *Registration Program* is operationally managed alongside the Titles Program. This program coordinates vehicle registration and license plate issuance activities through the 64 county clerks throughout the state and orders and monitors inventory of license plates and related products.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 24-50-101, et seq., 42-4-301, and 42-7-601, et seq., C.R.S.

Request: The Department request is summarized in the table below, and includes the following annualizations:

- S.B. 24-019 Renumeration Exempt Placards
- S.B. 24-182 Immigration ID Document
- S.B. 24-210 Modifications to Election Laws
- H.B. 24-1089 Vehicle Electronic Notifications
- H.B. 24-1105 Chicano Special License Plate
- H.B. 24-1135 Offenses Related to Operating a Motor Vehicle
- H.B. 25-1189 Vehicle Registration Reform & Fees
- H.B. 24-1269 Modification of Recording Fees
- H.B. 24-1319 Firefighters Plate Expiration
- H.B. 24-1369 Agricultura Special License Plate

Recommendation: Staff recommendation is outlined in the following table.

Division of Motor Vehicles, Vehicle Services, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,736,892	\$558,687	\$3,178,205	\$0	\$0	54.9
Other legislation	\$224	\$0	\$224	\$0	\$0	0.0
Total FY 2025-26	\$3,737,116	\$558,687	\$3,178,429	\$0	\$0	54.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,737,116	\$558,687	\$3,178,429	\$0	\$0	54.9
Prior year actions	319,032	43,409	275,623	0	0	2.8
R2b DMV realignment	0	0	0	0	0	0.0
Total FY 2026-27	\$4,056,148	\$602,096	\$3,454,052	\$0	\$0	57.7
Changes from FY 2025-26	\$319,032	\$43,409	\$275,623	\$0	\$0	2.8
Percentage Change	8.5%	7.8%	8.7%	n/a	n/a	5.1%
FY 2026-27 Executive Request	\$4,446,858	\$602,096	\$3,844,762	\$0	\$0	66.7
Staff Rec. Above/-Below Request	-\$390,710	\$0	-\$390,710	\$0	\$0	-9.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Sections 24-35-105, 42-4-301, and 42-7-601, et seq., C.R.S.

Request: The Department request is summarized in the table below, and includes the annualization of H.B. 24-1089 (Vehicle Electronic Notifications).

Recommendation: Staff recommendation is outlined in the following table.

Division of Motor Vehicles, Vehicle Services, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$408,920	\$28,587	\$380,333	\$0	\$0	0.0
Total FY 2025-26	\$408,920	\$28,587	\$380,333	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$408,920	\$28,587	\$380,333	\$0	\$0	0.0
Prior year actions	10,282	0	10,282	0	0	0.0
Total FY 2026-27	\$419,202	\$28,587	\$390,615	\$0	\$0	0.0
Changes from FY 2025-26	\$10,282	\$0	\$10,282	\$0	\$0	0.0
Percentage Change	2.5%	0.0%	2.7%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$419,202	\$28,587	\$390,615	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

License Plate Ordering

This line item funds payments to the Department of Correction, Correctional Industries for producing and distributing license plates, permits, placards, tabs, and other related items. These products are distributed to the State's 64 counties and the State offices for timely distribution to customers. The funding comes from the License Plate Cash Fund, which is funded by fees charged for license plates and associated products. The General Fund appropriation is provided to replace foregone revenue on plates and products for which the Division does not collect fees, pursuant to Section 42-3-213, C.R.S.

Statutory Authority: Sections 17-24-109 and 42-3-301, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommendation is outlined in the following table.

Division of Motor Vehicles, Vehicle Services, License Plate Ordering

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$13,715,065	\$0	\$13,715,065	\$0	\$0	0.0
Total FY 2025-26	\$13,715,065	\$0	\$13,715,065	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$13,715,065	\$0	\$13,715,065	\$0	\$0	0.0
Technical adjustments	315,446	0	315,446	0	0	0.0
Prior year actions	58,910	0	58,910	0	0	0.0
Total FY 2026-27	\$14,089,421	\$0	\$14,089,421	\$0	\$0	0.0
Changes from FY 2025-26	\$374,356	\$0	\$374,356	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	2.7%	n/a	2.7%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$14,089,421	\$0	\$14,089,421	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Motorist Insurance Identification Database Program

This program helps law enforcement officials verify owner compliance with motor vehicle insurance requirements and authorizes administrative suspension of driver's licenses that are held by motorists suspected of being uninsured. A \$0.10 motorist insurance identification fee is credited to the Motorist Insurance Identification (MII) Account, a special purpose account within the Highway Users Tax Fund (HUTF), whenever a motor vehicle is registered. All funding for the program is from the MII Account.

Statutory Authority: Section 42-7-601, et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Vehicle Services, Motorist Insurance Identification Database Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$358,928	\$0	\$358,928	\$0	\$0	1.0
Total FY 2025-26	\$358,928	\$0	\$358,928	\$0	\$0	1.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$358,928	\$0	\$358,928	\$0	\$0	1.0
Prior year actions	4,175	0	4,175	0	0	0.0
Total FY 2026-27	\$363,103	\$0	\$363,103	\$0	\$0	1.0
Changes from FY 2025-26	\$4,175	\$0	\$4,175	\$0	\$0	0.0
Percentage Change	1.2%	n/a	1.2%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$363,103	\$0	\$363,103	\$0	\$0	1.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Emissions Program

This program conducts inspections of emissions stations to ensure compliance with vehicle emissions testing standards under the Automobile Inspection and Readjustment (AIR) program. Staff is responsible for licensing all emissions stations and inspectors, and overseeing station operations to prevent fraud and abuse. All funding for the program is from the AIR account, a subaccount of the Highway Users Tax Fund.

Statutory Authority: Section 42-4-301, C.R.S

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, Vehicle Services, Emissions Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,312,850	\$0	\$1,312,850	\$0	\$0	15.0
Total FY 2025-26	\$1,312,850	\$0	\$1,312,850	\$0	\$0	15.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,312,850	\$0	\$1,312,850	\$0	\$0	15.0
Prior year actions	24,531	0	24,531	0	0	0.0
Total FY 2026-27	\$1,337,381	\$0	\$1,337,381	\$0	\$0	15.0
Changes from FY 2025-26	\$24,531	\$0	\$24,531	\$0	\$0	0.0
Percentage Change	1.9%	n/a	1.9%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$1,337,381	\$0	\$1,337,381	\$0	\$0	15.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Division of Motor Vehicles, Vehicle Services, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$583,975	\$0	\$583,975	\$0	\$0	0.0
Total FY 2025-26	\$583,975	\$0	\$583,975	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$583,975	\$0	\$583,975	\$0	\$0	0.0
Operating common policies	103,368	0	103,368	0	0	0.0
Total FY 2026-27	\$687,343	\$0	\$687,343	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2025-26	\$103,368	\$0	\$103,368	\$0	\$0	0.0
Percentage Change	17.7%	n/a	17.7%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$687,343	\$0	\$687,343	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(D) County Support Services

The DRIVES project replaced the legacy driver's license system and the Colorado State Titling and Registration System (CSTARS). CSTARS was the state's centralized database for the distribution of registration taxes between the state, all its counties, and the Highway Users Tax Fund (HUTF). CSTARS was created in 1983 to automate the distribution of vehicle registration taxes. CSTARS enabled Colorado's 64 county clerks' offices to issue more than 2 million vehicle titles and 4.3 million vehicle registrations every year. The appropriations fund hardware, software, and technical support to maintain the system and ensure adequate access for the county clerks.

In FY 2019-20, the Colorado DRIVES Vehicle Services Account in the Highway Users Tax Fund replaced the Colorado State Titling and Registration Account in the Highway Users Tax Fund, pursuant to Section 42-1-211 (2), C.R.S. Sources of Revenue include a share of fees and taxes for titling and registering motor vehicles; for titling manufactured homes; and for the sale of some special license plates.

Operating Expenses

This appropriation is primarily managed by the Department's OIT liaison and used for vendor-managed services for county equipment maintenance, building equipment maintenance at the Pierce and Capitol Annex buildings, renewals for software and hardware maintenance, and related supplies and administrative expenses. Other costs include telecommunications expenses, general office supplies, and printing expenses.

Statutory Authority: Sections 42-1-211 and 24-35-105, C.R.S.

Request: The Department requests an appropriation of \$2,233,571 cash funds.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, County Support Services, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$2,317,295	\$0	\$2,317,295	\$0	\$0	0.0
Total FY 2025-26	\$2,317,295	\$0	\$2,317,295	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$2,317,295	\$0	\$2,317,295	\$0	\$0	0.0
Technical adjustments	33,996	0	33,996	0	0	0.0
Prior year actions	-117,720	0	-117,720	0	0	0.0
Total FY 2026-27	\$2,233,571	\$0	\$2,233,571	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2025-26	-\$83,724	\$0	-\$83,724	\$0	\$0	0.0
Percentage Change	-3.6%	n/a	-3.6%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$2,233,571	\$0	\$2,233,571	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

County Office Asset Maintenance

This line item provides funding for replacement of infrastructure every four years (the OIT standard for replacement of this type of equipment is every three years).

Statutory Authority: Section 42-1-211, C.R.S.

Request: The Department requests an appropriation of \$511,430 cash funds.

Recommendation: Staff recommends approving the request.

Division of Motor Vehicles, County Support Services, County Office Asset Maintenance

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$511,430	\$0	\$511,430	\$0	\$0	0.0
Total FY 2025-26	\$511,430	\$0	\$511,430	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$511,430	\$0	\$511,430	\$0	\$0	0.0
Total FY 2026-27	\$511,430	\$0	\$511,430	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$511,430	\$0	\$511,430	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

County Office Improvements

This line item provides funding for improvements to and expansion of county offices to provide services related DRIVES. Counties are required by statute (Section 42-1-210, C.R.S.) to provide motor vehicle title and registration services in a manner that is convenient and easily accessible to the public. The State (Department of Revenue) is required to provide necessary data processing equipment, software, support, and training to support the counties (Section 42-1-211, C.R.S.) The line item was established to provide for a stable appropriation to fund the expansion and improvements to the DRIVES system. Funding requests for this line item are based on approval from the Colorado DRIVES County Governance Committee (Section 42-1-211 (4), C.R.S.), which receives and prioritizes requests from the counties for funding the expansions and improvements in county offices.

Statutory Authority: SECTION 42-1-211, C.R.S.

Request: The Department requests a continuation appropriation of \$36,000 cash funds.

Recommendation: Staff recommends approving the request.

(4) Specialized Business Group

This group regulates and enforces laws related to: limited gaming; sports betting; the State's liquor wholesalers and retailers and tobacco retailers; licenses liquor retailers, wholesalers, and manufacturers; issues alcohol licenses for special events; regulates live horse racing events and pari-mutuel wagering (including off-track simulcast establishments); regulates and licenses the motor vehicle dealer industry; and licenses and regulates the marijuana industry.

Specialized Business Group

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
FY 2025-26 Appropriation					
SB 25-206 Long Bill	\$89,746,534	\$2,260,600	\$87,151,367	\$334,567	459.7
Other legislation	-\$104,170	\$0	-\$104,170	\$0	-1.0
Total FY 2025-26	\$89,642,364	\$2,260,600	\$87,047,197	\$334,567	458.7
FY 2026-27 Recommended Appropriation					
FY 2025-26 Appropriation	\$89,642,364	\$2,260,600	\$87,047,197	\$334,567	458.7
Operating common policies	-391,225	0	-391,225	0	0.0
Technical adjustments	725,269	0	725,269	0	0.0
Prior year actions	684,778	-92,186	776,964	0	0.0
Total FY 2026-27	\$90,661,186	\$2,168,414	\$88,158,205	\$334,567	458.7
Changes from FY 2025-26	\$1,018,822	-\$92,186	\$1,111,008	\$0	0.0
Percentage Change	1.1%	-4.1%	1.3%	0.0%	0.0%
FY 2026-27 Executive Request	\$90,661,186	\$2,168,414	\$88,158,205	\$334,567	458.7
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	0.0

Line Item Detail-Specialized Business Group

(A) Administration

The Specialized Business Group's administrative functions are contained in this separate long bill group, which contains senior management, budget, and support functions of the Enforcement Business Group.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 24-50-101 et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Administration, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,213,998	\$8,427	\$875,942	\$329,629	\$0	11.0
Total FY 2025-26	\$1,213,998	\$8,427	\$875,942	\$329,629	\$0	11.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,213,998	\$8,427	\$875,942	\$329,629	\$0	11.0
Technical adjustments	220,269	0	220,269	0	0	0.0
Prior year actions	18,480	0	18,480	0	0	0.0
Total FY 2026-27	\$1,452,747	\$8,427	\$1,114,691	\$329,629	\$0	11.0
Changes from FY 2025-26	\$238,749	\$0	\$238,749	\$0	\$0	0.0
Percentage Change	19.7%	0.0%	27.3%	0.0%	n/a	0.0%
FY 2026-27 Executive Request	\$1,452,747	\$8,427	\$1,114,691	\$329,629	\$0	11.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Section 24-35-105, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Administration, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Total FY 2025-26	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Total FY 2026-27	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	n/a	n/a
FY 2026-27 Executive Request	\$13,934	\$111	\$8,885	\$4,938	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(B) Limited Gaming Division

This division licenses, regulates, and supervises any devices, persons, locations, and activities related to limited gaming in the cities of Black Hawk, Central City, and Cripple Creek. This includes conducting background checks on gaming license applicants, patrolling casinos to observe potential violations of gaming laws, and conducting audits to verify that regulated businesses remit the proper amount of gaming taxes. The Division also oversees the related sports betting industry in the three gaming cities and online through internet sports betting operators contracted by casinos.

The Colorado Limited Gaming Commission has the constitutional authority to allocate funds for the Division; funding is not subject to appropriation by the General Assembly. Thus, the appropriations for this Division are shown for informational purposes. The Commission has generally adopted the Committee's common policies where applicable. The source of cash funds is the Limited Gaming Fund created in Section 44-30-701 (1), C.R.S.

The Division's direct costs for Health, Life, and Dental and Short-term Disability Insurance, Amortization Equalization and Supplemental Amortization Equalization Disbursements, Worker's Compensation, Legal Services, Payment to Risk Management and Property Funds, Vehicle Lease Payments, and Leased Space for Gaming Site Offices are included in the Executive Director's Office centrally-appropriated budget lines.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 12-47.1-201, et seq., C.R.S.

Request: The Department's request reflects an informational appropriation of \$14,351,626 cash funds and 138.0 FTE.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Limited Gaming Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$14,052,041	\$0	\$14,052,041	\$0	\$0	138.0
Total FY 2025-26	\$14,052,041	\$0	\$14,052,041	\$0	\$0	138.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$14,052,041	\$0	\$14,052,041	\$0	\$0	138.0
Prior year actions	299,585	0	299,585	0	0	0.0
Total FY 2026-27	\$14,351,626	\$0	\$14,351,626	\$0	\$0	138.0
Changes from FY 2025-26	\$299,585	\$0	\$299,585	\$0	\$0	0.0
Percentage Change	2.1%	n/a	2.1%	n/a	n/a	0.0%

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$14,351,626	\$0	\$14,351,626	\$0	\$0	138.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Specialized Business Group, Limited Gaming Division, Personal Services

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies, and printing costs.

Statutory Authority: Section 12-47.1-201, et seq., C.R.S.

Request: The Department's request reflects an informational appropriation of \$1,996,196 cash funds.

Recommendation: Staff recommends approval of the request.

Specialized Business Group, Limited Gaming Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Total FY 2025-26	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Total FY 2026-27	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,996,196	\$0	\$1,996,196	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Payments to Other State Agencies

This line item funds the costs associated with other state agencies performing work for the Limited Gaming Division. These agencies include the Colorado State Patrol, Colorado Bureau of Investigations, Division of Fire Safety, and Department of Local Affairs.

Statutory Authority: Sections 12-47.1-1601, et seq., C.R.S.

Request: The Department request reflects an informational appropriation of \$5,030,021 cash funds.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Limited Gaming Division, Payments to Other State Agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Total FY 2025-26	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Total FY 2026-27	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$5,030,021	\$0	\$5,030,021	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Distribution to Gaming Cities and Counties

The Distribution to Gaming Cities and Counties line item reflects the net proceeds distribution of Limited Gaming Funds to eligible counties and cities, including Gilpin and Teller counties, and the Cities of Black Hawk, Central City, and Cripple Creek. The Constitutional provisions provide directions as to the distribution of revenues: funding for historic preservation in the three gaming cities as well as statewide funding for the host cities and counties for the impacts of gaming, and the General Fund for state impacts.

Actual expenditures reflected in the numbers pages appear to greatly exceed the appropriations for those years. The Office of the Controller accounts for all distributions, such as to the State Historical Society and other funds, through this line item, but codes each category differently. Distributions to the limited gaming cities and counties are coded as expenditures, while transfers to the State Historical Society and other transfers are coded as transfers. This makes the line item appear to be over-expended, while the actual expenditures are well within the informational appropriation.

Statutory Authority: Section 9, Article XVIII, Colorado Constitution and Section 12-47.1-701, et seq., C.R.S.

Request: The Department request reflects an informational appropriation of \$26,035,153 cash funds.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Limited Gaming Division, Distribution to Gaming Cities and Counties

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Total FY 2025-26	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Total FY 2026-27	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$26,035,153	\$0	\$26,035,153	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Responsible Gaming Grant Program

H.B. 22-1402 (Responsible Gaming Grant Program) created the Responsible Gaming Grant Program in the Department of Revenue to promote responsible gambling and address problem gambling. The Limited Gaming Control Commission, in collaboration with the Behavioral Health Administration in the Department of Human Services, must administer the program and award grants. The bill specifies the contents of grant applications and evaluation criteria for making awards.

Statutory Authority: Section 44-30-1701 et seq., C.R.S.

Request: The Department requests \$4.7 million cash funds.

Recommendation: Staff recommends approval of the request.

Specialized Business Group, Limited Gaming Division, Responsible Gaming Grant Program

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$4,220,000	\$0	\$4,220,000	\$0	\$0	0.0
Total FY 2025-26	\$4,220,000	\$0	\$4,220,000	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$4,220,000	\$0	\$4,220,000	\$0	\$0	0.0
Technical adjustments	505,000	0	505,000	0	0	0.0
Total FY 2026-27	\$4,725,000	\$0	\$4,725,000	\$0	\$0	0.0
Changes from FY 2025-26	\$505,000	\$0	\$505,000	\$0	\$0	0.0
Percentage Change	12.0%	n/a	12.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$4,725,000	\$0	\$4,725,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Specialized Business Group, Limited Gaming Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$978,858	\$0	\$978,858	\$0	\$0	0.0
Total FY 2025-26	\$978,858	\$0	\$978,858	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$978,858	\$0	\$978,858	\$0	\$0	0.0
Operating common policies	317,995	0	317,995	0	0	0.0
Total FY 2026-27	\$1,296,853	\$0	\$1,296,853	\$0	\$0	0.0
Changes from FY 2025-26	\$317,995	\$0	\$317,995	\$0	\$0	0.0
Percentage Change	32.5%	n/a	32.5%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,296,853	\$0	\$1,296,853	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(C) Liquor and Tobacco Enforcement Division

This Division licenses and regulates liquor wholesalers and retailers, licenses special events to serve alcohol, and enforces federal and state laws regarding the sales of liquor and tobacco products to minors. The major sources of funding are the Liquor Enforcement Division and State Licensing Authority Cash Fund, the Tobacco Education Programs Fund, the General Fund and the Reduced Cigarette Ignition Propensity Standards and Firefighter Protection Act Enforcement Fund.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 24-35-401, et seq., C.R.S.

Request: The Department requests an appropriation of \$5,832,556 total funds, including \$210,444 General Fund and \$5,622,112 cash funds, and 65.4 FTE.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Liquor and Tobacco Enforcement Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
------	-------------	--------------	------------	-----------------	---------------	-----

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$5,480,060	\$205,030	\$5,275,030	\$0	\$0	65.4
Total FY 2025-26	\$5,480,060	\$205,030	\$5,275,030	\$0	\$0	65.4
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$5,480,060	\$205,030	\$5,275,030	\$0	\$0	65.4
Prior year actions	352,496	5,414	347,082	0	0	0.0
Total FY 2026-27	\$5,832,556	\$210,444	\$5,622,112	\$0	\$0	65.4
Changes from FY 2025-26	\$352,496	\$5,414	\$347,082	\$0	\$0	0.0
Percentage Change	6.4%	2.6%	6.6%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$5,832,556	\$210,444	\$5,622,112	\$0	\$0	65.4
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Section 24-35-401, et seq., C.R.S.

Request: The Department requests an appropriation of \$539,856 total funds, including \$6,965 General Fund and \$532,891 cash funds.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Liquor and Tobacco Enforcement Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Total FY 2025-26	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Total FY 2026-27	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$539,856	\$6,965	\$532,891	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division

provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department requests an appropriation of \$525,765 cash funds. Details of the request are provided in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Specialized Business Group, Liquor and Tobacco Enforcement Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$610,487	\$0	\$610,487	\$0	\$0	0.0
Total FY 2025-26	\$610,487	\$0	\$610,487	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$610,487	\$0	\$610,487	\$0	\$0	0.0
Operating common policies	-84,722	0	-84,722	0	0	0.0
Total FY 2026-27	\$525,765	\$0	\$525,765	\$0	\$0	0.0
Changes from FY 2025-26	-\$84,722	\$0	-\$84,722	\$0	\$0	0.0
Percentage Change	-13.9%	n/a	-13.9%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$525,765	\$0	\$525,765	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(D) Division of Racing Events

This division regulates greyhound and horse racing events, and supervises pari-mutuel betting at race tracks. It is also responsible for allocating race dates to racing associations, and adopting rules for the supervision of racing events, racing officials, and licenses. The division regulates and oversees one horse racetrack and twelve licensed off-track betting facilities offering simulcast racing from out-of-state venues. The source of funds is the Division of Racing Cash Fund.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Sections 12-60-201, et seq., and 12-60-501 et seq., C.R.S.

Request: The Department requests an appropriation of \$1,480,809 cash funds and 11.7 FTE.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Division of Racing Events, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,480,809	\$0	\$1,480,809	\$0	\$0	11.7
Total FY 2025-26	\$1,480,809	\$0	\$1,480,809	\$0	\$0	11.7
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,480,809	\$0	\$1,480,809	\$0	\$0	11.7
Prior year actions	19,137	0	19,137	0	0	0.0
Total FY 2026-27	\$1,499,946	\$0	\$1,499,946	\$0	\$0	11.7
Changes from FY 2025-26	\$19,137	\$0	\$19,137	\$0	\$0	0.0
Percentage Change	1.3%	n/a	1.3%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$1,499,946	\$0	\$1,499,946	\$0	\$0	11.7
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Sections 12-60-201, et seq., and 12-60-501 et seq., C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Division of Racing Events, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Total FY 2025-26	\$505,026	\$0	\$505,026	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Total FY 2026-27	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$505,026	\$0	\$505,026	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Purses and Breeders Awards

This line item represents a pass-through appropriation. The Division does not spend the appropriation associated with this line item. Section 12-60-704, C.R.S., created a trust fund that contains money deposited by

licensees and operators of in-state simulcast facilities for horse racing. The Racing Commission promulgates rules that allow for distributions from this fund to owners and breeders of Colorado-bred horses.

The funds available for distribution for this line item are driven by pari-mutuel wagering. Section 12-60-701 (2) (b), C.R.S., provides that the operator of a race track or licensed in-state facility that receives simulcast races shall pay 0.5 percent of the gross receipts of pari-mutuel wagers on win, place, or show, and 1.5 percent of all other pari-mutuel wagers. The money deposited under this section is paid into a trust account. The money is distributed according to statute and rules established by the Racing Commission to the breeder associations, whose by-laws govern the distributions.

Statutory Authority: Section 12-60-704, C.R.S.

Request: The Department requests a continuation appropriation of \$1,400,000 cash funds from the Horse Breeders' and Owners' Awards and Supplemental Purse Fund.

Recommendation: Staff recommends approving the request.

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department requests an appropriation of \$102,629 cash funds. Details of the request are provided in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Division of Racing Events, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$108,043	\$0	\$108,043	\$0	\$0	0.0
Total FY 2025-26	\$108,043	\$0	\$108,043	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$108,043	\$0	\$108,043	\$0	\$0	0.0
Operating common policies	-5,414	0	-5,414	0	0	0.0
Total FY 2026-27	\$102,629	\$0	\$102,629	\$0	\$0	0.0
Changes from FY 2025-26	-\$5,414	\$0	-\$5,414	\$0	\$0	0.0
Percentage Change	-5.0%	n/a	-5.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$102,629	\$0	\$102,629	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(E) Auto Industry Division

The Auto Industry Division is responsible for licensing and regulation of automobile dealers and salespeople as well as promulgating consumer protection regulations. Additionally, the Board conducts licensing and disciplinary hearings and investigates suspected violations. Sources of cash fund includes fees imposed on the regulated industry.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 12-6-123, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Auto Industry Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$3,201,721	\$0	\$3,201,721	\$0	\$0	32.3
Total FY 2025-26	\$3,201,721	\$0	\$3,201,721	\$0	\$0	32.3
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,201,721	\$0	\$3,201,721	\$0	\$0	32.3
Prior year actions	76,500	0	76,500	0	0	0.0
Total FY 2026-27	\$3,278,221	\$0	\$3,278,221	\$0	\$0	32.3
Changes from FY 2025-26	\$76,500	\$0	\$76,500	\$0	\$0	0.0
Percentage Change	2.4%	n/a	2.4%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$3,278,221	\$0	\$3,278,221	\$0	\$0	32.3
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Section 12-6-123, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Auto Industry Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Total FY 2025-26	\$325,446	\$0	\$325,446	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Total FY 2026-27	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$325,446	\$0	\$325,446	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Auto Industry Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$330,366	\$0	\$330,366	\$0	\$0	0.0
Total FY 2025-26	\$330,366	\$0	\$330,366	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$330,366	\$0	\$330,366	\$0	\$0	0.0
Operating common policies	-30,638	0	-30,638	0	0	0.0
Total FY 2026-27	\$299,728	\$0	\$299,728	\$0	\$0	0.0
Changes from FY 2025-26	-\$30,638	\$0	-\$30,638	\$0	\$0	0.0
Percentage Change	-9.3%	n/a	-9.3%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$299,728	\$0	\$299,728	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(F) Marijuana Enforcement

The Marijuana Enforcement Division provides regulatory oversight to the retail and medical marijuana industries. It does not have oversight over doctors prescribing marijuana or over the caregiver program. The Division inspects cultivation, storefronts, and processing facilities for compliance with statute and rule. It has rulemaking authority for marijuana regulation. Division funding is paid primarily out of the Marijuana Cash Fund created in Section 12-43.3-501 (1)(a), C.R.S.

Marijuana Enforcement

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions. This program line also funds the operating expenses, including telecommunications, general office supplies, and printing costs.

Statutory Authority: Sections 44-10-201, et seq. and 44-10-301, et seq., C.R.S.

Request: The Department requests an appropriation of \$16,872,077 cash funds and 158.6 FTE details of the request are provided in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Marijuana Enforcement, Marijuana Enforcement

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$16,897,960	\$0	\$16,897,960	\$0	\$0	158.6
Other legislation	-25,883	0	-25,883	0	0	0.0
Total FY 2025-26	\$16,872,077	\$0	\$16,872,077	\$0	\$0	158.6
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$16,872,077	\$0	\$16,872,077	\$0	\$0	158.6
Total FY 2026-27	\$16,872,077	\$0	\$16,872,077	\$0	\$0	158.6
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$16,872,077	\$0	\$16,872,077	\$0	\$0	158.6
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department requests an appropriation of \$905,413 cash funds. Details of the request are provided in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

Specialized Business Group, Marijuana Enforcement, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,493,859	\$0	\$1,493,859	\$0	\$0	0.0
Total FY 2025-26	\$1,493,859	\$0	\$1,493,859	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,493,859	\$0	\$1,493,859	\$0	\$0	0.0
Operating common policies	-588,446	0	-588,446	0	0	0.0
Total FY 2026-27	\$905,413	\$0	\$905,413	\$0	\$0	0.0
Changes from FY 2025-26	-\$588,446	\$0	-\$588,446	\$0	\$0	0.0
Percentage Change	-39.4%	n/a	-39.4%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$905,413	\$0	\$905,413	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Natural Medicines

S.B. 23-290 (Natural Medicine Regulation & Legalization) modified the regulation of certain natural psychedelics and updates the criminal provisions related to the administration Proposition 122. This legislation established the Natural Medicine Division in the Department of Revenue to regulate the cultivation, manufacturing, testing, storage, distribution, transport, transfer, and dispensation of regulated natural psychedelics, including requiring a license for each of these activities.

Statutory Authority: Section 12-170-102, C.R.S

Request: The Department requests an appropriation of \$1,522,526 cash funds. Details of the request are provided in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Marijuana Enforcement, Natural Medicines

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,584,633	\$0	\$1,584,633	\$0	\$0	19.0
Other legislation	-78,287	0	-78,287	0	0	-1.0
Total FY 2025-26	\$1,506,346	\$0	\$1,506,346	\$0	\$0	18.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,506,346	\$0	\$1,506,346	\$0	\$0	18.0
Prior year actions	16,180	0	16,180	0	0	0.0
Total FY 2026-27	\$1,522,526	\$0	\$1,522,526	\$0	\$0	18.0
Changes from FY 2025-26	\$16,180	\$0	\$16,180	\$0	\$0	0.0
Percentage Change	1.1%	n/a	1.1%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$1,522,526	\$0	\$1,522,526	\$0	\$0	18.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(G) Firearms Dealers Division

H.B. 24-1353 (Firearms Dealer Requirement and Permit) established regulations for firearms dealers conducting business in Colorado. The legislation created the Firearms Division within the Department of Revenue to oversee these dealers and ensure compliance with the newly implemented laws pertaining to firearms sales by license dealers.

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 18-12-111, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Firearms Dealers Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$2,008,131	\$1,800,131	\$208,000	\$0	\$0	23.7
Total FY 2025-26	\$2,008,131	\$1,800,131	\$208,000	\$0	\$0	23.7
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$2,008,131	\$1,800,131	\$208,000	\$0	\$0	23.7
Prior year actions	80,000	80,000	0	0	0	0.0
Technical adjustments	0	0	0	0	0	0.0
Total FY 2026-27	\$2,088,131	\$1,880,131	\$208,000	\$0	\$0	23.7
Changes from FY 2025-26	\$80,000	\$80,000	\$0	\$0	\$0	0.0
Percentage Change	4.0%	4.4%	0.0%	n/a	n/a	0.0%

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Executive Request	\$2,088,131	\$1,880,131	\$208,000	\$0	\$0	23.7
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, general office supplies and printing costs.

Statutory Authority: Section 18-12-111, C.R.S.

Request: The Department request is summarized in the table below.

Recommendation: Staff recommends approving the request.

Specialized Business Group, Firearms Dealers Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$239,936	\$239,936	\$0	\$0	\$0	0.0
Total FY 2025-26	\$239,936	\$239,936	\$0	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$239,936	\$239,936	\$0	\$0	\$0	0.0
Technical adjustments	0	0	0	0	0	0.0
Prior year actions	-177,600	-177,600	0	0	0	0.0
Total FY 2026-27	\$62,336	\$62,336	\$0	\$0	\$0	0.0
Changes from FY 2025-26	-\$177,600	-\$177,600	\$0	\$0	\$0	0.0
Percentage Change	-74.0%	-74.0%	n/a	n/a	n/a	n/a
FY 2026-27 Executive Request	\$62,336	\$62,336	\$0	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

(5) State Lottery Division

The State Lottery Division is a TABOR enterprise under Article X, Section 20, of the Colorado Constitution. Cash funds appropriations are from the Lottery Fund. The Lottery sells scratch lottery and jackpot (PowerBall, MegaMillions, and Lotto) tickets.

Expenses are paid from the Lottery Fund. After expenses of the State Lottery Division, the remainder is distributed to the Conservation Trust Fund, Great Outdoors Colorado, Parks and Outdoor Recreation in the Department of Natural Resources, and the Public School Capital Construction Fund.

The Executive Director of the Department of Revenue has budgetary control over the State Lottery and thus can limit the budget internally. This is the same control the Executive Director has over all areas of the budget for the Department, however, for the State Lottery Division every dollar that is not expended on administering the program is an extra dollar that is included for distributions to State Lottery Fund recipients.

State Lottery Division

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$169,365,684	\$0	\$169,365,684	\$0	\$0	115.9
Total FY 2025-26	\$169,365,684	\$0	\$169,365,684	\$0	\$0	115.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$169,365,684	\$0	\$169,365,684	\$0	\$0	115.9
Operating common policies	168,094	0	168,094	0	0	0.0
Prior year actions	347,078	0	347,078	0	0	3.2
Total FY 2026-27	\$169,880,856	\$0	\$169,880,856	\$0	\$0	119.1
Changes from FY 2025-26	\$515,172	\$0	\$515,172	\$0	\$0	3.2
Percentage Change	0.3%	0.0%	0.3%	0.0%	0.0%	2.8%
FY 2026-27 Executive Request	\$169,880,856	\$0	\$169,880,856	\$0	\$0	119.1
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Line Item Detail - State Lottery Division

Personal Services

This line item pays for program staff salary and contract services. Typical adjustments that occur each year include annualization of salary increases and performance awards granted in the prior fiscal year and common policy base reductions.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$11,033,214	\$0	\$11,033,214	\$0	\$0	115.9
Total FY 2025-26	\$11,033,214	\$0	\$11,033,214	\$0	\$0	115.9
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$11,033,214	\$0	\$11,033,214	\$0	\$0	115.9
Prior year actions	435,726	0	435,726	0	0	3.2
Total FY 2026-27	\$11,468,940	\$0	\$11,468,940	\$0	\$0	119.1
Changes from FY 2025-26	\$435,726	\$0	\$435,726	\$0	\$0	3.2
Percentage Change	3.9%	n/a	3.9%	n/a	n/a	2.8%
FY 2026-27 Executive Request	\$11,468,940	\$0	\$11,468,940	\$0	\$0	119.1
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Operating Expenses

This line item funds operating costs, including telecommunications, research, travel expenses, general office supplies and printing costs.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$1,655,676	\$0	\$1,655,676	\$0	\$0	0.0
Total FY 2025-26	\$1,655,676	\$0	\$1,655,676	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$1,655,676	\$0	\$1,655,676	\$0	\$0	0.0
Prior year actions	-88,648	0	-88,648	0	0	0.0
Total FY 2026-27	\$1,567,028	\$0	\$1,567,028	\$0	\$0	0.0
Changes from FY 2025-26	-\$88,648	\$0	-\$88,648	\$0	\$0	0.0
Percentage Change	-5.4%	n/a	-5.4%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,567,028	\$0	\$1,567,028	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Payments to Other State Agencies

This line item funds the costs of various audits, fingerprint and name checks through CBI, and data storage fees provided by the Department of Personnel's, Integrated Document Solutions.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Payments to Other State Agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Total FY 2025-26	\$239,410	\$0	\$239,410	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Total FY 2026-27	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$239,410	\$0	\$239,410	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Marketing and Communications

This line item is used to reimburse vendors for goods and services related to the marketing, sale, advertising, public relations, consumer awareness, retailer awareness, drawings, customer support, and retailer support of Lottery games and products. These include sponsorships, newspaper and television advertising, promotional coupons, free tickets, Lottery Bucks, and billboards.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Marketing and Communications

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0
Total FY 2025-26	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0
Total FY 2026-27	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$18,200,000	\$0	\$18,200,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Multi-State Lottery Fees

This line item is used to pay vendors for goods and services related to administering multi-state games of which Colorado is, or may become, a participating Lottery. These payments include the costs of maintaining compliance with multi-state game rules and policies. These costs vary year to year based on many factors such as per-capita sales of each state participating in a multi-state lottery, the number of states participating, the level of service provided by the multi-state game vendors, changes in multi-state rules and policies, and inflation.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department requests a continuation appropriation of \$177,433 cash funds.

Recommendation: Staff recommends approving the request.

State Lottery Division, Multi-State Lottery Fees

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Total FY 2025-26	\$177,433	\$0	\$177,433	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Total FY 2026-27	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$177,433	\$0	\$177,433	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Vendor Fees

This line is used to pay vendors for variable vendor fees and fixed vendor fees.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department request is included in the table below.

Recommendation: Staff recommendation outlined in the following table.

State Lottery Division, Vendor Fees

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
Total FY 2025-26	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
Total FY 2026-27	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$52,136,622	\$0	\$52,136,622	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Retailer Compensation

These payments are commissions, cashing bonuses, and marketing agreement bonuses to compensate retailers for selling State Lottery products. Retailers are paid a 7.0 percent commission on scratch sales, and a 6.0 percent commission for jackpot game sales. In addition, retailers are paid a 1% bonus of all prizes they pay out, as well as bonuses for selling large winning tickets. (for example, selling a Powerball or Mega Millions top prize winning ticket generates a bonus to the retailer of \$50,000.) Retailers receiving these payments include convenience stores, gas stations, supermarkets, tobacco shops, and liquor stores.

Statutory Authority: Section 44-40-101, et seq., C.R.S.

Request: The Department’s request is summarized in the table below.

Recommendation: Staff recommends approving the request.

State Lottery Division, Retailer Compensation

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Total FY 2025-26	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Total FY 2026-27	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$85,000,000	\$0	\$85,000,000	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Indirect Cost Assessment

This line item reflects the indirect cost assessment for this Division, which is based on the Department and Statewide indirect cost allocation plans. This appropriation reflects administrative support costs for this division provided by the Executive Director's Office and statewide services which are not directly billed. Indirect cost assessments (1) offset General Fund and (2) reflect the full cost of cash-funded programs.

Statutory Authority: Section 24-75-1401, C.R.S

Request: The Department requests an appropriation of \$907,180 cash funds including an increase of \$16,453 cash funds. Details of the recommendation are listed in the table below.

Recommendation: Staff recommends approving the request, consistent with the Department's indirect cost plan.

State Lottery Division, Indirect Cost Assessment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$923,329	\$0	\$923,329	\$0	\$0	0.0
Total FY 2025-26	\$923,329	\$0	\$923,329	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$923,329	\$0	\$923,329	\$0	\$0	0.0
Operating common policies	168,094	0	168,094	0	0	0.0
Total FY 2026-27	\$1,091,423	\$0	\$1,091,423	\$0	\$0	0.0
Changes from FY 2025-26	\$168,094	\$0	\$168,094	\$0	\$0	0.0
Percentage Change	18.2%	n/a	18.2%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$1,091,423	\$0	\$1,091,423	\$0	\$0	0.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

Long Bill Footnotes and Requests for Information

Long Bill Footnotes

The 2025 Long Bill includes no footnotes specific to the Department of Revenue. Staff recommends no footnotes for the Department of Revenue for the 2026 Long Bill.

Requests For Information

Staff recommends **CONTINUING** the following request for information:

- 1 Department of Revenue, Specialized Business Group, Marijuana Enforcement Division– The Department is requested to submit by November 1 of each fiscal year a status update on the Marijuana Cash Fund (MCF) and highlight key factors affecting the fund's financial position and its ability to meet current and future obligations.

Indirect Cost Assessments

Description of Indirect Cost Assessment Methodology

The Department of Revenue indirect cost assessment methodology is calculated based on three components: an “Indirect Cost Pool”, an “Indirect Cost Base”, and an “Indirect Cost Rate”.

The Indirect Cost Pool is comprised of personal services expenses in the Executive Director's Office. In addition, for business group and divisional indirect costs, the Indirect Cost Pool for those divisions consist of personal services and operating expenses in the administration section of those business groups.

The Indirect Cost Base is comprised of the appropriations for personal services in each business group or division.

The Indirect Cost Rate is calculated either based on the number of FTE and/or the workload, where it can be identified. Because each division and cash fund may have different rates based on the number of FTE or workload, the number of different variations is not included here.

Indirect cost methodology is necessarily based on estimating and allocating overhead costs for the year; i.e., indirect costs do not capture actual expenditures or true-up after the fact to actual expenditures but instead represent the best approximation of the budget year's estimated overhead expenses. On that basis, **staff recommends approving the Department's requested indirect cost assessment plan** rather than waiting for pending budget items and incremental differences that may be established in the final budget.

Indirect Cost Pool

The Indirect Cost Pool is based on the estimated personal services, operating, and utility line items for the requested budget year in the Executive Director's Office. For FY 2026-27, the Department's Indirect Cost Pool as requested is \$16,750,076.

Table 1 outlines which line items are included in the Department's Indirect Cost Pool.

Indirect Cost Base

The Indirect Cost Base is set equal to the Indirect Cost Pool. Table 2 summarizes the Department's Indirect Cost Base by division.

Table 2: Department of Rev Indirect Cost Base

Division and Line Item	Request
(1) EDO (A) Admin, Personal Services	\$1,678,389
(1) EDO, (B) Hearings, Personal Services	301,397
(2) TBG, (A) Admin., Personal Services	36,533
(2) TBG, (B) Taxation Services, Personal Services	4,308,153
(2) TBG, (B) Taxation Services, Mineral Audit	109,599
(2) TBG, (C) Tax Conferee, Personal Services	109,599

Division and Line Item	Request
(3) DMV, (A) Admin., Personal Services	82,065
(3) DMV, (B) DS, Personal Services	4,739,370
(3) DMV, (B) DS, Ignition Interlock	84,939
(3) DMV, (C) VS, Personal Services	686,828
(3) DMV, (C) VS, Emissions	133,345
(4) SBG, (A) Admin., Personal Services	25,433
(4) SBG, (B) Gaming, Personal Services	1,296,854
(4) SBG, (C) Liquor & Tobacco, Personal Services	544,437
(4) SBG, (D) Racing, Personal Services	102,629
(4) SBG, (E) Dealer Board, Personal Services	298,556
(4) SBG, (F) Marijuana, Personal Services	978,048
(4) SBG, (G) Firearms Dealers Division, Personal Services	142,479
(5) Lottery, Personal Services	1,091,423
Total	\$16,750,076

Indirect Cost Rate

For FY 2025-26 the Department has requested \$16,750,076 for indirect cost assessments. This amount is equal to the Indirect Cost Pool. Table 3 shows the FY 2026-27 Department indirect cost assessment based on the November 1 request for each division.

Table 3: Department of Revenue Indirect Cost Request

Division	General Fund	Cash Fund	Total
(1) EDO (A) Admin, Personal Services	\$1,678,389	\$0	\$1,678,389
(1) EDO, (B) Hearings, Personal Services	0	301,397	\$301,397
(2) TBG, (A) Admin., Personal Services	36,533	0	\$36,533
(2) TBG, (B) Taxation Services, Personal Services	4,308,153	0	\$4,308,153
(2) TBG, (B) Taxation Services, Mineral Audit	109,599	0	\$109,599
(2) TBG, (C) Tax Conferee, Personal Services	109,599	0	\$109,599
(3) DMV, (A) Admin., Personal Services	82,065	0	\$82,065
(3) DMV, (B) DS, Personal Services	560,831	4,178,539	\$4,739,370
(3) DMV, (B) DS, Ignition Interlock	0	84,939	\$84,939
(3) DMV, (C) VS, Personal Services	132,831	553,997	\$686,828
(3) DMV, (C) VS, Emissions	0	133,345	\$133,345
(4) SBG, (A) Admin., Personal Services	25,433	0	\$25,433
(4) SBG, (B) Gaming, Personal Services	0	1,296,854	\$1,296,854
(4) SBG, (C) Liquor & Tobacco, Personal Services	19,844	524,593	\$544,437
(4) SBG, (D) Racing, Personal Services	0	102,629	\$102,629
(4) SBG, (E) Dealer Board, Personal Services	0	298,556	\$298,556
(4) SBG, (F) Marijuana, Personal Services	73807	904,241	\$978,048
(4) SBG, (G) Firearms Dealers Division, Personal Services	142479	0	\$142,479
(5) Lottery, Personal Services	0	1,091,423	\$1,091,423
Total	\$7,279,563	\$9,470,513	\$16,750,076

Additional Balancing Options

As part of staff budget briefings in November and December 2025, staff identified budget reduction options for each department that the JBC could consider in addition to or instead of the options presented in the budget request. **Items staff recommends and items that agencies have requested formally are addressed earlier in this packet.** Other items that could be considered, if needed to bring the budget into balance, are listed below.

A General Fund reduction of 5.0 percent to the sections of the budget covered in this briefing would require a reduction of approximately \$5.9 million (excludes Special Purpose Division, which is composed of General Fund Exempt pass-through revenue).

Items in the table are ordered from lowest impact on program operations to highest, based on staff's understanding of the impact of the change

Additional Options for General Fund Relief

Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
License Plate Cash Fund (LPCF) transfer to General Fund	\$2,000,000	-\$2,000,000	Y	The LPCF fund covers the direct costs incurred by the DMV in purchasing license plates, decals and validating tabs from CO Correctional Ind. It is currently projected to end FY 2025-26 with a balance of \$10.6 million. Note that approx. \$7.6 million of this balance is not liquid but is in resale inventory. The fund is projected to have positive cash flow through the forecast period.
			Y	n/a
Subtotal - Revenue	\$2,000,000	-\$2,000,000		
Expenditure Reductions				
5.5% Taxation Business Group, Taxation Services, Personal Services General Fund reduction	-\$1,943,295	\$0		Reduction based on FY 25-26 appropriation
5.5% Executive Director's Office, Administration and Support, Personal Services General Fund reduction	-\$512,310	\$0		Reduction based on FY 25-26 appropriation
Subtotal - Expenditures	-\$2,455,605			
Net General Fund Relief	\$4,455,605			

Revenue Enhancements

License Plate Cash Fund Transfer to GF

Description: Bill to transfer \$2.0 million from the License Plate Cash Fund (LPCF) to the General Fund.

Key Considerations: The transfer should not negatively impact current operations, and the fund is projected to have positive net cash flow through the end of FY 2027-28. Although the FY 2025-26 beginning balance of the fund is approximately \$10.0 million, much of this is tied up in inventory, and only about \$2.5 million is liquid.

Additional background: This fund was created to cover the direct costs incurred by the DMV in purchasing license plates, decals and validating tabs from CO Correctional Ind.

Note that as part of budget-balancing measures for FY 2024-25, SB 25-293 (Transfers from License Plate Cash Fund) made a one-time transfer of approximately \$8.4 million was made from the LPCF. The amount was evenly divided between the General Fund and the DRIVES Cash Fund.

License Plate Cash Fund				
	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriated	FY 2026-27 Estimate
Beginning FY Balance	\$10,678,224	\$14,108,028	\$10,022,177	\$8,722,177
Revenues	10,540,210	12,029,757	14,100,000	15,041,000
Expenditures	-7,110,406	-7,713,054	-13,500,000	-14,941,000
Ending FY Balance before transfer	14,108,028	16,483,028	10,622,177	\$8,882,177
Transfer (SB25-293) / Proposed		-8,402,554	-2,000,000	
Ending FY Balance after transfer		\$6,483,028	\$8,722,177	

Expenditure Reductions

Reduce Taxation Business Group, Taxpayer Services, Personal Services line and Executive Director’s Office, Administration and Expense, Personal Services line

Description: This proposed budget option reduces the General Fund allocation for the Taxation Services Personal Services line by 5.5 percent. This would result in a decrease of approximately \$1.9 million in the General Fund. Additionally, the Personal Services line in the Executive Director’s Office could also be reduced by 5.5 percent, leading to approximately \$0.5 million in General Fund savings.

Key Considerations: This funding realignment could be partially absorbed through vacancy savings, attrition, and reductions in temporary employees and consultants, but would also likely require some level of staff reduction. The Department reports a vacancy rate of 2.0 percent in the EDO as of June 30, 2025. The Department recently reported, as of the end of the first quarter of FY 2025-26, a vacancy rate in Taxation Services of approximately 3.3 percent.

The Taxation Services, Personal Services line has grown significantly in recent years. Increasing from approximately \$31.5 million in FY 2023-24 to \$35.3 million in FY 2025-26, an increase of over 12.1 percent over two fiscal years. Up until FY 23-24 the Division had reverted a significant amount of this appropriation, however, this has not been the case over the last two fiscal years.

Additional background:

The table below shows the number of temporary employees utilized at the Department of Revenue in the EDO and Taxation Business Group in recent fiscal years.

Department of Revenue Temporary Employee Services Expenditures

	FY22-23	FY 23-24	FY 24-25	FY 25-26 [1]
Executive Director's Office	\$82,950	\$74,284	\$153,424	\$62,630
Taxation Business Group	1,047,272	681,072	1,022,794	540,487
Total	\$1,130,222	\$755,356	\$1,176,218	\$603,117

[1] projected

Appendix A: Numbers Pages

Appendix A details the actual expenditures for the last two state fiscal years, the appropriation for the current fiscal year, the requested appropriation for next fiscal year, and the staff recommendation. Appendix A organizes this information by line item and fund source.

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

DEPARTMENT OF REVENUE
Mark Ferrandino, Executive Director

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) Administration and Support

Personal Services	<u>17,471,217</u>	<u>17,271,589</u>	<u>20,936,402</u>	<u>21,249,190</u>	<u>21,249,190</u> *
FTE	190.9	211.2	202.6	204.1	204.1
General Fund	8,436,921	7,653,213	9,064,720	8,707,361	8,707,361
Cash Funds	2,324,334	2,661,354	3,565,128	3,648,889	3,648,889
Reappropriated Funds	6,709,962	6,957,022	8,306,554	8,892,940	8,892,940
Federal Funds	0	0	0	0	0
 Health, Life, and Dental	 <u>20,475,351</u>	 <u>23,127,476</u>	 <u>24,551,694</u>	 <u>32,171,736</u>	 <u>31,800,240</u> *
General Fund	9,035,999	10,792,094	10,643,029	14,324,011	13,952,515
Cash Funds	11,333,648	12,194,805	13,803,119	17,727,899	17,727,899
Reappropriated Funds	105,704	140,577	105,546	119,826	119,826
Federal Funds	0	0	0	0	0
 Short-term Disability	 <u>161,755</u>	 <u>184,224</u>	 <u>91,492</u>	 <u>97,306</u>	 <u>96,447</u> *
General Fund	71,051	86,768	41,189	44,381	43,522
Cash Funds	89,768	96,476	49,935	52,543	52,543
Reappropriated Funds	936	980	368	382	382
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>5,472,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,396,407	0	0	0	0
Cash Funds	3,044,623	0	0	0	0
Reappropriated Funds	31,620	0	0	0	0
Federal Funds	0	0	0	0	0
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>5,472,650</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	2,396,407	0	0	0	0
Cash Funds	3,044,623	0	0	0	0
Reappropriated Funds	31,620	0	0	0	0
Federal Funds	0	0	0	0	0
AED/SAED Unfunded PERA Liability					
	<u>0</u>	<u>12,281,590</u>	<u>12,983,142</u>	<u>13,868,509</u>	<u>13,745,727</u> *
General Fund	0	5,784,562	5,884,150	6,340,236	6,217,454
Cash Funds	0	6,431,726	7,046,382	7,473,724	7,473,724
Reappropriated Funds	0	65,302	52,610	54,549	54,549
Federal Funds	0	0	0	0	0
PERA Direct Distribution					
	<u>341,946</u>	<u>2,403,687</u>	<u>2,358,908</u>	<u>2,382,918</u>	<u>2,382,918</u>
General Fund	150,048	1,132,123	1,132,328	1,088,994	1,088,994
Cash Funds	189,918	1,258,783	1,226,580	1,293,924	1,293,924
Reappropriated Funds	1,980	12,781	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Salary Survey	<u>6,261,244</u>	<u>4,371,299</u>	<u>3,538,396</u>	<u>4,627,939</u>	<u>4,627,939</u>
General Fund	2,629,467	2,057,564	1,614,887	2,097,151	2,097,151
Cash Funds	3,595,929	2,290,436	1,909,039	2,512,351	2,512,351
Reappropriated Funds	35,848	23,299	14,470	18,437	18,437
Federal Funds	0	0	0	0	0
Step Plan	<u>0</u>	<u>3,417,466</u>	<u>863,127</u>	<u>999,436</u>	<u>999,436</u>
General Fund	0	1,702,775	328,160	559,885	559,885
Cash Funds	0	1,697,403	532,804	435,311	435,311
Reappropriated Funds	0	17,288	2,163	4,240	4,240
Federal Funds	0	0	0	0	0
Shift Differential	<u>115,151</u>	<u>139,234</u>	<u>194,438</u>	<u>282,618</u>	<u>282,618</u>
General Fund	0	0	0	0	0
Cash Funds	115,151	139,234	194,438	282,618	282,618
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Temporary Employees Related to Authorized Leave	<u>211,363</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	211,363	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Paid Family Medical Leave Initiative	<u>0</u>	<u>552,672</u>	<u>584,241</u>	<u>624,083</u>	<u>618,558</u> *
General Fund	0	260,305	264,787	285,310	279,785
Cash Funds	0	289,428	317,087	336,318	336,318
Reappropriated Funds	0	2,939	2,367	2,455	2,455
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Workers' Compensation	<u>487,491</u>	<u>530,460</u>	<u>439,608</u>	<u>529,838</u>	<u>536,019</u>
General Fund	185,922	202,310	167,660	202,072	204,430
Cash Funds	301,569	328,150	271,948	327,766	331,589
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>2,888,863</u>	<u>3,021,263</u>	<u>3,820,448</u>	<u>3,786,529</u>	<u>3,786,529</u> *
General Fund	2,249,664	2,115,939	2,553,401	2,428,401	2,428,401
Cash Funds	639,199	905,324	1,243,197	1,334,278	1,334,278
Reappropriated Funds	0	0	23,850	23,850	23,850
Federal Funds	0	0	0	0	0
Postage	<u>151,863</u>	<u>283,712</u>	<u>458,402</u>	<u>941,844</u>	<u>941,844</u>
General Fund	95,458	158,854	283,346	741,110	741,110
Cash Funds	56,405	124,858	175,056	200,734	200,734
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>5,738,927</u>	<u>5,320,308</u>	<u>6,167,197</u>	<u>5,658,780</u>	<u>5,658,780</u>
General Fund	2,937,593	2,920,028	3,241,209	2,974,007	2,974,007
Cash Funds	2,744,234	2,400,280	2,925,988	2,684,773	2,684,773
Reappropriated Funds	57,100	0	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>1,196</u>	<u>1,565</u>	<u>11,373</u>	<u>16,124</u>	<u>15,504</u> *
General Fund	0	0	0	0	0
Cash Funds	1,196	1,565	11,373	16,124	15,504
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Payment to Risk Management and Property Funds	<u>1,577,359</u>	<u>560,631</u>	<u>820,278</u>	<u>353,752</u>	<u>354,976</u>
General Fund	1,125,218	213,162	311,884	134,503	134,968
Cash Funds	452,141	347,469	508,394	219,249	220,008
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vehicle Lease Payments	<u>685,098</u>	<u>792,897</u>	<u>853,472</u>	<u>1,014,932</u>	<u>1,014,932</u> *
General Fund	121,336	108,183	115,256	137,052	137,052
Cash Funds	563,762	684,714	738,216	877,880	877,880
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>4,362,760</u>	<u>5,255,294</u>	<u>7,164,345</u>	<u>7,115,351</u>	<u>7,115,351</u>
General Fund	432,593	748,762	784,496	735,502	735,502
Cash Funds	3,930,167	4,506,532	6,379,849	6,379,849	6,379,849
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Capitol Complex Leased Space	<u>894,833</u>	<u>961,905</u>	<u>73,921</u>	<u>75,862</u>	<u>74,926</u>
General Fund	370,488	402,284	30,915	31,727	31,335
Cash Funds	524,345	559,621	43,006	44,135	43,591
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>21,256,465</u>	<u>20,106,745</u>	<u>23,070,496</u>	<u>24,214,614</u>	<u>24,214,614</u> *
General Fund	12,387,950	10,602,981	11,754,879	12,357,303	12,357,303
Cash Funds	8,868,515	9,503,764	11,315,617	11,857,311	11,857,311
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
IT Accessibility	<u>223,055</u>	<u>256,648</u>	0	0	0
General Fund	223,055	256,648	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Digital Trunk Radio Payments	<u>140,874</u>	<u>138,492</u>	<u>138,247</u>	<u>159,051</u>	<u>159,051</u>
General Fund	140,874	138,492	0	0	0
Cash Funds	0	0	138,247	159,051	159,051
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>804,958</u>	<u>266,618</u>	<u>199,018</u>	<u>1,023,701</u>	<u>906,419</u> *
General Fund	307,090	101,714	75,925	422,738	371,939
Cash Funds	497,868	164,904	123,093	600,963	534,480
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Payroll	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u> *
General Fund	0	0	0	0	0
Utilities	<u>80,918</u>	<u>78,326</u>	<u>83,703</u>	<u>83,703</u>	<u>83,703</u>
General Fund	0	0	0	0	0
Cash Funds	80,918	78,326	83,703	83,703	83,703
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
DPA Administration Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Office of the State Architect	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Procurement and Contracts Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
DHR Labor Relations Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
DHR State Agency Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
DHR Training Services	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Financial Ops and Reporting Services	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Statewide training	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration and Support	95,277,987	101,324,101	109,402,348	121,277,816	120,665,721
<i>FTE</i>	<u>190.9</u>	<u>211.2</u>	<u>202.6</u>	<u>204.1</u>	<u>204.1</u>
General Fund	45,904,904	47,438,761	48,292,221	53,611,744	53,062,714
Cash Funds	42,398,313	46,665,152	52,602,199	58,549,393	58,486,328
Reappropriated Funds	6,974,770	7,220,188	8,507,928	9,116,679	9,116,679
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(B) Hearings Division					
Personal Services	<u>2,768,880</u>	<u>2,955,594</u>	<u>3,641,627</u>	<u>3,710,422</u>	<u>3,710,422</u>
FTE	33.3	33.3	33.3	33.3	33.3
General Fund	0	0	0	0	0
Cash Funds	2,768,880	2,955,594	3,641,627	3,710,422	3,710,422
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>85,432</u>	<u>77,026</u>	<u>110,412</u>	<u>110,412</u>	<u>110,412</u>
General Fund	0	0	0	0	0
Cash Funds	85,432	77,026	110,412	110,412	110,412
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>240,603</u>	<u>203,196</u>	<u>222,226</u>	<u>280,304</u>	<u>280,304</u>
General Fund	0	0	0	0	0
Cash Funds	240,603	203,196	222,226	280,304	280,304
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Hearings Division	3,094,915	3,235,816	3,974,265	4,101,138	4,101,138
FTE	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>	<u>33.3</u>
General Fund	0	0	0	0	0
Cash Funds	3,094,915	3,235,816	3,974,265	4,101,138	4,101,138
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
TOTAL - (1) Executive Director's Office	98,372,902	104,559,917	113,376,613	125,378,954	124,766,859
<i>FTE</i>	<u>224.2</u>	<u>244.5</u>	<u>235.9</u>	<u>237.4</u>	<u>237.4</u>
General Fund	45,904,904	47,438,761	48,292,221	53,611,744	53,062,714
Cash Funds	45,493,228	49,900,968	56,576,464	62,650,531	62,587,466
Reappropriated Funds	6,974,770	7,220,188	8,507,928	9,116,679	9,116,679
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(3) TAXATION BUSINESS GROUP					
(A) Administration					
Personal Services	<u>600,427</u>	<u>577,474</u>	<u>635,608</u>	<u>645,219</u>	<u>645,219</u>
FTE	5.0	5.0	5.0	5.0	5.0
General Fund	580,634	575,843	615,257	624,868	624,868
Cash Funds	19,793	1,631	20,351	20,351	20,351
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>12,543</u>	<u>8,652</u>	<u>12,543</u>	<u>12,543</u>	<u>12,543</u>
General Fund	12,543	8,652	12,543	12,543	12,543
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Tax Administration IT System (GenTax) Support	<u>6,907,198</u>	<u>8,399,187</u>	<u>7,923,036</u>	<u>8,155,489</u>	<u>8,134,240</u>
General Fund	6,832,184	7,558,239	7,775,934	8,035,503	8,014,254
Cash Funds	75,014	840,948	147,102	119,986	119,986
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
IDS Print Production	<u>5,185,900</u>	<u>6,032,457</u>	<u>6,270,031</u>	<u>6,693,924</u>	<u>6,693,924</u>
General Fund	5,185,900	5,985,678	6,223,252	6,647,145	6,647,145
Cash Funds	0	46,779	46,779	46,779	46,779
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (A) Administration	12,706,068	15,017,770	14,841,218	15,507,175	15,485,926
<i>FTE</i>	5.0	5.0	5.0	5.0	5.0
General Fund	12,611,261	14,128,412	14,626,986	15,320,059	15,298,810
Cash Funds	94,807	889,358	214,232	187,116	187,116
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(B) Taxation Services

Personal Services	<u>32,934,331</u>	<u>34,255,580</u>	<u>37,341,402</u>	<u>39,610,538</u>	<u>38,322,230</u>
<i>FTE</i>	429.8	422.7	434.4	454.4	432.4
General Fund	31,471,456	32,252,330	35,332,633	37,828,352	36,540,044
Cash Funds	1,262,349	1,806,022	1,754,684	1,528,101	1,528,101
Reappropriated Funds	200,526	197,228	254,085	254,085	254,085
Federal Funds	0	0	0	0	0
Operating Expenses	<u>7,174,942</u>	<u>6,061,656</u>	<u>4,888,727</u>	<u>5,221,646</u>	<u>5,051,476</u>
General Fund	7,156,009	6,005,881	4,865,580	5,202,713	5,032,543
Cash Funds	18,933	55,775	23,147	18,933	18,933
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Joint Audit Program	<u>131,244</u>	<u>131,244</u>	<u>352,259</u>	<u>367,537</u>	<u>367,537</u>
General Fund	131,244	131,244	352,259	367,537	367,537
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Mineral Audit Program	0	0	<u>918,132</u>	<u>918,132</u>	<u>918,132</u>
FTE	10.2	10.2	10.2	10.2	10.2
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	66,000	66,000	66,000
Federal Funds	0	0	852,132	852,132	852,132
Document Management	<u>4,262,345</u>	<u>4,957,924</u>	<u>5,719,862</u>	<u>5,920,561</u>	<u>5,920,561</u>
General Fund	4,262,345	4,950,334	5,713,581	5,917,954	5,920,561
Cash Funds	0	7,590	6,281	2,607	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Fuel Tracking System	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (B) Taxation Services	44,502,862	45,406,404	49,220,382	52,038,414	50,579,936
<i>FTE</i>	<u>440.0</u>	<u>432.9</u>	<u>444.6</u>	<u>464.6</u>	<u>442.6</u>
General Fund	43,021,054	43,339,789	46,264,053	49,316,556	47,860,685
Cash Funds	1,281,282	1,869,387	1,784,112	1,549,641	1,547,034
Reappropriated Funds	200,526	197,228	320,085	320,085	320,085
Federal Funds	0	0	852,132	852,132	852,132
(C) Tax Conferee					
Personal Services	<u>1,539,647</u>	<u>1,369,978</u>	<u>1,760,001</u>	<u>1,895,623</u>	<u>1,795,508</u>
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>14.6</u>	<u>13.6</u>
General Fund	1,539,647	1,369,978	1,662,718	1,798,340	1,698,225
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0
Operating Expenses	<u>60,905</u>	<u>44,840</u>	<u>60,905</u>	<u>68,640</u>	<u>60,905</u>
General Fund	60,905	44,840	60,905	68,640	60,905
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (C) Tax Conferee	1,600,552	1,414,818	1,820,906	1,964,263	1,856,413
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>13.6</u>	<u>14.6</u>	<u>13.6</u>
General Fund	1,600,552	1,414,818	1,723,623	1,866,980	1,759,130
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	97,283	97,283	97,283
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(D) Special Purpose					
Cigarette Tax Rebate	<u>6,818,600</u>	<u>6,386,149</u>	<u>6,036,300</u>	<u>6,036,300</u>	<u>6,036,300</u>
General Fund	6,818,600	6,386,149	6,036,300	6,036,300	6,036,300
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Amendment 35 Distribution to Local Governments	<u>980,876</u>	<u>883,141</u>	<u>873,102</u>	<u>873,102</u>	<u>873,102</u>
General Fund	0	0	0	0	0
Cash Funds	980,876	883,141	873,102	873,102	873,102
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Old Age Heat and Fuel and Property Tax Assistance	<u>12,131,699</u>	<u>16,437,993</u>	<u>11,128,945</u>	<u>11,128,945</u>	<u>11,128,945</u>
General Fund	12,131,699	16,437,993	11,128,945	11,128,945	11,128,945
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Commercial Vehicle Enterprise Sales Tax Refund	<u>132,649</u>	<u>20,031</u>	<u>120,524</u>	<u>120,524</u>	<u>120,524</u>
General Fund	0	0	0	0	0
Cash Funds	132,649	20,031	120,524	120,524	120,524
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Retail Marijuana Sales Tax Distribution to Local Governments	<u>19,449,917</u>	<u>18,634,204</u>	<u>18,758,757</u>	<u>18,758,757</u>	<u>18,758,757</u>
General Fund	19,449,917	18,634,204	18,758,757	18,758,757	18,758,757
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (D) Special Purpose	39,513,741	42,361,518	36,917,628	36,917,628	36,917,628
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	38,400,216	41,458,346	35,924,002	35,924,002	35,924,002
Cash Funds	1,113,525	903,172	993,626	993,626	993,626
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(E) Taxation and Compliance Division

Personal Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Joint Audit Program	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Mineral Audit Program	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (E) Taxation and Compliance Division	0	0	0	0	0
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(F) Taxpayer Service Division

Personal Services	0	0	0	0	0
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Indirect Cost Assessment	0	0	0	0	0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (F) Taxpayer Service Division	0	0	0	0	0
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>NaN</u>	<u>NaN</u>	<u>NaN</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (3) Taxation Business Group	98,323,223	104,200,510	102,800,134	106,427,480	104,839,903
<i>FTE</i>	<u>458.6</u>	<u>451.5</u>	<u>463.2</u>	<u>484.2</u>	<u>461.2</u>
General Fund	95,633,083	100,341,365	98,538,664	102,427,597	100,842,627
Cash Funds	2,489,614	3,661,917	2,991,970	2,730,383	2,727,776
Reappropriated Funds	200,526	197,228	417,368	417,368	417,368
Federal Funds	0	0	852,132	852,132	852,132

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(4) DIVISION OF MOTOR VEHICLES					
(A) Administration					
Personal Services	<u>3,211,806</u>	<u>3,422,379</u>	<u>3,928,602</u>	<u>4,718,328</u>	<u>4,026,265</u>
FTE	36.9	40.6	40.9	52.9	40.9
General Fund	617,237	647,247	727,147	746,900	746,900
Cash Funds	2,542,783	2,723,346	3,149,669	3,919,642	3,227,579
Reappropriated Funds	51,786	51,786	51,786	51,786	51,786
Federal Funds	0	0	0	0	0
Operating Expenses	<u>389,101</u>	<u>433,419</u>	<u>530,668</u>	<u>547,618</u>	<u>530,668</u>
General Fund	63,731	63,731	63,731	63,731	63,731
Cash Funds	321,980	366,298	463,547	480,497	463,547
Reappropriated Funds	3,390	3,390	3,390	3,390	3,390
Federal Funds	0	0	0	0	0
DRIVES Maintenance and Support	<u>6,242,661</u>	<u>5,850,921</u>	<u>10,072,350</u>	<u>10,078,021</u>	<u>10,078,021</u> *
General Fund	22,293	18,000	18,000	0	0
Cash Funds	6,220,368	5,832,921	10,054,350	10,078,021	10,078,021
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration	9,843,568	9,706,719	14,531,620	15,343,967	14,634,954
FTE	<u>36.9</u>	<u>40.6</u>	<u>40.9</u>	<u>52.9</u>	<u>40.9</u>
General Fund	703,261	728,978	808,878	810,631	810,631
Cash Funds	9,085,131	8,922,565	13,667,566	14,478,160	13,769,147
Reappropriated Funds	55,176	55,176	55,176	55,176	55,176
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(B) Driver Services					
Personal Services	<u>24,228,754</u>	<u>27,021,449</u>	<u>29,013,349</u>	<u>29,193,080</u>	<u>30,275,853</u>
FTE	426.9	426.9	426.9	408.4	429.4
General Fund	3,030,850	3,228,433	3,550,791	3,711,652	3,711,652
Cash Funds	21,074,922	23,670,034	25,339,576	25,358,446	26,441,219
Reappropriated Funds	122,982	122,982	122,982	122,982	122,982
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,874,303</u>	<u>1,997,132</u>	<u>2,517,459</u>	<u>2,265,431</u>	<u>2,282,381</u>
General Fund	414,260	414,260	276,760	139,260	139,260
Cash Funds	1,449,873	1,572,702	2,230,529	2,116,001	2,132,951
Reappropriated Funds	10,170	10,170	10,170	10,170	10,170
Federal Funds	0	0	0	0	0
Drivers License Documents	<u>5,907,525</u>	<u>6,165,862</u>	<u>8,143,739</u>	<u>8,327,467</u>	<u>8,327,467</u>
General Fund	3,498	3,498	3,498	0	0
Cash Funds	5,904,027	6,162,364	8,140,241	8,327,467	8,327,467
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ignition Interlock Program	<u>582,672</u>	<u>721,378</u>	<u>742,960</u>	<u>759,140</u>	<u>759,140</u>
FTE	6.9	6.9	6.9	6.9	6.9
General Fund	0	0	0	0	0
Cash Funds	582,672	721,378	742,960	759,140	759,140
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Indirect Cost Assessment	<u>2,695,177</u>	<u>2,913,800</u>	<u>3,649,617</u>	<u>4,281,055</u>	<u>4,281,055</u>
General Fund	0	0	0	0	0
Cash Funds	2,695,177	2,913,800	3,649,617	4,281,055	4,281,055
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (B) Driver Services	35,288,431	38,819,621	44,067,124	44,826,173	45,925,896
<i>FTE</i>	<u>433.8</u>	<u>433.8</u>	<u>433.8</u>	<u>415.3</u>	<u>436.3</u>
General Fund	3,448,608	3,646,191	3,831,049	3,850,912	3,850,912
Cash Funds	31,706,671	35,040,278	40,102,923	40,842,109	41,941,832
Reappropriated Funds	133,152	133,152	133,152	133,152	133,152
Federal Funds	0	0	0	0	0

(C) Vehicle Services

Personal Services	<u>2,714,806</u>	<u>3,160,435</u>	<u>3,737,116</u>	<u>4,446,858</u>	<u>4,056,148</u>
FTE	54.1	54.2	54.9	66.7	57.7
General Fund	662,406	711,899	558,687	602,096	602,096
Cash Funds	2,052,400	2,448,536	3,178,429	3,844,762	3,454,052
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>211,159</u>	<u>263,573</u>	<u>408,920</u>	<u>419,202</u>	<u>419,202</u>
General Fund	28,587	28,587	28,587	28,587	28,587
Cash Funds	182,572	234,986	380,333	390,615	390,615
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
License Plate Ordering	<u>7,900,472</u>	<u>10,330,556</u>	<u>13,715,065</u>	<u>14,089,421</u>	<u>14,089,421</u>
General Fund	236,000	247,800	0	0	0
Cash Funds	7,664,472	10,082,756	13,715,065	14,089,421	14,089,421
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Motorist Insurance Identification Database Program	<u>192,415</u>	<u>306,302</u>	<u>358,928</u>	<u>363,103</u>	<u>363,103</u>
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	0	0	0	0	0
Cash Funds	192,415	306,302	358,928	363,103	363,103
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Emissions Program	<u>1,230,606</u>	<u>1,274,787</u>	<u>1,312,850</u>	<u>1,337,381</u>	<u>1,337,381</u>
FTE	15.0	15.0	15.0	15.0	15.0
General Fund	0	0	0	0	0
Cash Funds	1,230,606	1,274,787	1,312,850	1,337,381	1,337,381
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>426,142</u>	<u>465,168</u>	<u>583,975</u>	<u>687,343</u>	<u>687,343</u>
General Fund	0	0	0	0	0
Cash Funds	426,142	465,168	583,975	687,343	687,343
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (C) Vehicle Services	12,675,600	15,800,821	20,116,854	21,343,308	20,952,598
<i>FTE</i>	<u>70.1</u>	<u>70.2</u>	<u>70.9</u>	<u>82.7</u>	<u>73.7</u>
General Fund	926,993	988,286	587,274	630,683	630,683
Cash Funds	11,748,607	14,812,535	19,529,580	20,712,625	20,321,915
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(D) County Support Services

Operating Expenses	<u>2,025,160</u>	<u>1,307,961</u>	<u>2,317,295</u>	<u>2,233,571</u>	<u>2,233,571</u>
General Fund	0	0	0	0	0
Cash Funds	2,025,160	1,307,961	2,317,295	2,233,571	2,233,571
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Asset Maintenance	<u>505,833</u>	<u>505,145</u>	<u>511,430</u>	<u>511,430</u>	<u>511,430</u>
General Fund	0	0	0	0	0
Cash Funds	505,833	505,145	511,430	511,430	511,430
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
County Office Improvements	<u>31,069</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>	<u>36,000</u>
General Fund	0	0	0	0	0
Cash Funds	31,069	36,000	36,000	36,000	36,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (D) County Support Services	2,562,062	1,849,106	2,864,725	2,781,001	2,781,001
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	2,562,062	1,849,106	2,864,725	2,781,001	2,781,001
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (4) Division of Motor Vehicles	60,369,661	66,176,267	81,580,323	84,294,449	84,294,449
<i>FTE</i>	<u>540.8</u>	<u>544.6</u>	<u>545.6</u>	<u>550.9</u>	<u>550.9</u>
General Fund	5,078,862	5,363,455	5,227,201	5,292,226	5,292,226
Cash Funds	55,102,471	60,624,484	76,164,794	78,813,895	78,813,895
Reappropriated Funds	188,328	188,328	188,328	188,328	188,328
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
--	----------------------	----------------------	-----------------------------	-----------------------	------------------------------

(5) SPECIALIZED BUSINESS GROUP

(G) Firearms Dealers Division

Personal Services	<u>275,162</u>	<u>2,008,131</u>	<u>2,088,131</u>	<u>2,088,131</u>
FTE	5.3	23.7	23.7	23.7
General Fund	275,162	1,800,131	1,880,131	1,880,131
Cash Funds	0	208,000	208,000	208,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
 Operating Expenses	 83,684	 239,936	 62,336	 62,336
General Fund	83,684	239,936	62,336	62,336
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

SUBTOTAL - (G) Firearms Dealers Division	358,846	2,248,067	2,150,467	2,150,467
<i>FTE</i>	5.3	23.7	23.7	23.7
General Fund	358,846	2,040,067	1,942,467	1,942,467
Cash Funds	0	208,000	208,000	208,000
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(A) Administration					
Personal Services	1,041,964	1,086,398	1,213,998	1,452,747	1,452,747
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	8,121	(185,005)	8,427	8,427	8,427
Cash Funds	714,084	987,300	875,942	1,114,691	1,114,691
Reappropriated Funds	319,759	284,103	329,629	329,629	329,629
Federal Funds	0	0	0	0	0
Operating Expenses	13,934	13,898	13,934	13,934	13,934
General Fund	111	111	111	111	111
Cash Funds	8,885	8,849	8,885	8,885	8,885
Reappropriated Funds	4,938	4,938	4,938	4,938	4,938
Federal Funds	0	0	0	0	0
SUBTOTAL - (A) Administration	1,055,898	1,100,296	1,227,932	1,466,681	1,466,681
FTE	11.0	11.0	11.0	11.0	11.0
General Fund	8,232	(184,894)	8,538	8,538	8,538
Cash Funds	722,969	996,149	884,827	1,123,576	1,123,576
Reappropriated Funds	324,697	289,041	334,567	334,567	334,567
Federal Funds	0	0	0	0	0

(B) Limited Gaming Division

Personal Services	10,394,362	12,947,027	14,052,041	14,351,626	14,351,626
FTE	106.0	106.0	138.0	138.0	138.0
General Fund	0	0	0	0	0
Cash Funds	10,394,362	12,947,027	14,052,041	14,351,626	14,351,626
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Operating Expenses	<u>925,455</u>	<u>1,487,032</u>	<u>1,996,196</u>	<u>1,996,196</u>	<u>1,996,196</u>
General Fund	0	0	0	0	0
Cash Funds	925,455	1,487,032	1,996,196	1,996,196	1,996,196
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>3,931,236</u>	<u>4,648,993</u>	<u>5,030,021</u>	<u>5,030,021</u>	<u>5,030,021</u>
General Fund	0	0	0	0	0
Cash Funds	3,931,236	4,648,993	5,030,021	5,030,021	5,030,021
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Distribution to Gaming Cities and Counties	<u>160,831,150</u>	<u>159,074,673</u>	<u>26,035,153</u>	<u>26,035,153</u>	<u>26,035,153</u>
General Fund	0	0	0	0	0
Cash Funds	160,831,150	159,074,673	26,035,153	26,035,153	26,035,153
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Responsible Gaming Grant Program	<u>2,034,529</u>	<u>2,583,463</u>	<u>4,220,000</u>	<u>4,725,000</u>	<u>4,725,000</u>
General Fund	0	0	0	0	0
Cash Funds	2,034,529	2,583,463	4,220,000	4,725,000	4,725,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>1,114,565</u>	<u>1,050,768</u>	<u>978,858</u>	<u>1,296,853</u>	<u>1,296,853</u>
General Fund	0	0	0	0	0
Cash Funds	1,114,565	1,050,768	978,858	1,296,853	1,296,853
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (B) Limited Gaming Division	179,231,297	181,791,956	52,312,269	53,434,849	53,434,849
<i>FTE</i>	<u>106.0</u>	<u>106.0</u>	<u>138.0</u>	<u>138.0</u>	<u>138.0</u>
General Fund	0	0	0	0	0
Cash Funds	179,231,297	181,791,956	52,312,269	53,434,849	53,434,849
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(C) Liquor and Tobacco Enforcement Division

Personal Services	<u>4,173,893</u>	<u>5,117,930</u>	<u>5,480,060</u>	<u>5,832,556</u>	<u>5,832,556</u>
FTE	65.1	65.8	65.4	65.4	65.4
General Fund	191,363	199,790	205,030	210,444	210,444
Cash Funds	3,982,530	4,918,140	5,275,030	5,622,112	5,622,112
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>549,182</u>	<u>498,722</u>	<u>539,856</u>	<u>539,856</u>	<u>539,856</u>
General Fund	6,965	6,965	6,965	6,965	6,965
Cash Funds	542,217	491,757	532,891	532,891	532,891
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>459,608</u>	<u>408,802</u>	<u>610,487</u>	<u>525,765</u>	<u>525,765</u>
General Fund	0	0	0	0	0
Cash Funds	459,608	408,802	610,487	525,765	525,765
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (C) Liquor and Tobacco Enforcement					
Division	5,182,683	6,025,454	6,630,403	6,898,177	6,898,177
<i>FTE</i>	<u>65.1</u>	<u>65.8</u>	<u>65.4</u>	<u>65.4</u>	<u>65.4</u>
General Fund	198,328	206,755	211,995	217,409	217,409
Cash Funds	4,984,355	5,818,699	6,418,408	6,680,768	6,680,768
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(D) Division of Racing Events

Personal Services	<u>888,733</u>	<u>939,248</u>	<u>1,480,809</u>	<u>1,499,946</u>	<u>1,499,946</u>
<i>FTE</i>	11.7	11.7	11.7	11.7	11.7
General Fund	0	0	0	0	0
Cash Funds	888,733	939,248	1,480,809	1,499,946	1,499,946
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>258,592</u>	<u>272,634</u>	<u>505,026</u>	<u>505,026</u>	<u>505,026</u>
General Fund	0	0	0	0	0
Cash Funds	258,592	272,634	505,026	505,026	505,026
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Purses and Breeders Awards	<u>730,823</u>	<u>755,583</u>	<u>1,400,000</u>	<u>1,400,000</u>	<u>1,400,000</u>
General Fund	0	0	0	0	0
Cash Funds	730,823	755,583	1,400,000	1,400,000	1,400,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Indirect Cost Assessment	<u>56,682</u>	<u>68,539</u>	<u>108,043</u>	<u>102,629</u>	<u>102,629</u>
General Fund	0	0	0	0	0
Cash Funds	56,682	68,539	108,043	102,629	102,629
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (D) Division of Racing Events	1,934,830	2,036,004	3,493,878	3,507,601	3,507,601
<i>FTE</i>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>	<u>11.7</u>
General Fund	0	0	0	0	0
Cash Funds	1,934,830	2,036,004	3,493,878	3,507,601	3,507,601
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

Hearings Division

Personal Services	<u>0</u>	<u>0</u>
FTE	0.0	0.0
General Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0
Operating Expenses	<u>0</u>	<u>0</u>
General Fund	0	0
Cash Funds	0	0
Reappropriated Funds	0	0
Federal Funds	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Indirect Cost Assessment	0	0			
General Fund	0	0			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			
SUBTOTAL - Hearings Division	0	0			
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>			
General Fund	0	0			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			

(F) Auto Industry Division

Personal Services	<u>2,242,367</u>	<u>2,818,943</u>	<u>3,201,721</u>	<u>3,278,221</u>	<u>3,278,221</u>
FTE	32.3	32.3	32.3	32.3	32.3
General Fund	0	0	0	0	0
Cash Funds	2,242,367	2,818,943	3,201,721	3,278,221	3,278,221
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>156,559</u>	<u>325,446</u>	<u>325,446</u>	<u>325,446</u>	<u>325,446</u>
General Fund	0	0	0	0	0
Cash Funds	156,559	325,446	325,446	325,446	325,446
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Indirect Cost Assessment	<u>237,772</u>	<u>231,982</u>	<u>330,366</u>	<u>299,728</u>	<u>299,728</u>
General Fund	0	0	0	0	0
Cash Funds	237,772	231,982	330,366	299,728	299,728
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (F) Auto Industry Division	2,636,698	3,376,371	3,857,533	3,903,395	3,903,395
FTE	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>	<u>32.3</u>
General Fund	0	0	0	0	0
Cash Funds	2,636,698	3,376,371	3,857,533	3,903,395	3,903,395
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

(G) Marijuana Enforcement

Marijuana Enforcement	<u>10,023,467</u>	<u>10,067,825</u>	<u>16,872,077</u>	<u>16,872,077</u>	<u>16,872,077</u>
FTE	159.1	158.6	158.6	158.6	158.6
General Fund	295,024	0	0	0	0
Cash Funds	9,599,093	10,067,825	16,872,077	16,872,077	16,872,077
Reappropriated Funds	129,350	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>1,086,213</u>	<u>1,242,356</u>	<u>1,493,859 0.0</u>	<u>905,413 0.0</u>	<u>905,413 0.0</u>
General Fund	0	0	0	0	0
Cash Funds	1,086,213	1,242,356	1,493,859	905,413	905,413
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Natural Medicines	0	<u>966,066</u>	<u>1,506,346</u>	<u>1,522,526</u>	<u>1,522,526</u>
FTE	0.0	15.5	18.0	18.0	18.0
General Fund	0	966,066	0	0	0
Cash Funds	0	0	1,506,346	1,522,526	1,522,526
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Transfers to Other Departments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
SUBTOTAL - (G) Marijuana Enforcement	11,109,680	12,276,247	19,872,282	19,300,016	19,300,016
FTE	<u>159.1</u>	<u>174.1</u>	<u>176.6</u>	<u>176.6</u>	<u>176.6</u>
General Fund	295,024	966,066	0	0	0
Cash Funds	10,685,306	11,310,181	19,872,282	19,300,016	19,300,016
Reappropriated Funds	129,350	0	0	0	0
Federal Funds	0	0	0	0	0

(G) Natural Medicine Division

Natural Medicine Division	<u>501,835</u>	<u>4.7</u>	<u>0</u>
General Fund	501,835	0	0
Cash Funds	0	0	0
Reappropriated Funds	0	0	0
Federal Funds	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
SUBTOTAL - (G) Natural Medicine Division	501,835	0			
<i>FTE</i>	<u>4.7</u>	<u>0.0</u>			
General Fund	501,835	0			
Cash Funds	0	0			
Reappropriated Funds	0	0			
Federal Funds	0	0			
TOTAL - (5) Specialized Business Group	201,652,921	206,965,174	89,642,364	90,661,186	90,661,186
<i>FTE</i>	<u>389.9</u>	<u>406.2</u>	<u>458.7</u>	<u>458.7</u>	<u>458.7</u>
General Fund	1,003,419	1,346,773	2,260,600	2,168,414	2,168,414
Cash Funds	200,195,455	205,329,360	87,047,197	88,158,205	88,158,205
Reappropriated Funds	454,047	289,041	334,567	334,567	334,567
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
(6) STATE LOTTERY DIVISION					
Personal Services	<u>8,842,225</u>	<u>9,483,220</u>	<u>11,033,214</u>	<u>11,468,940</u>	<u>11,468,940</u>
FTE	102.1	102.1	115.9	119.1	119.1
General Fund	0	0	0	0	0
Cash Funds	8,842,225	9,483,220	11,033,214	11,468,940	11,468,940
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>1,096,736</u>	<u>1,004,871</u>	<u>1,655,676</u>	<u>1,567,028</u>	<u>1,567,028</u>
General Fund	0	0	0	0	0
Cash Funds	1,096,736	1,004,871	1,655,676	1,567,028	1,567,028
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to Other State Agencies	<u>112,929</u>	<u>117,085</u>	<u>239,410</u>	<u>239,410</u>	<u>239,410</u>
General Fund	0	0	0	0	0
Cash Funds	112,929	117,085	239,410	239,410	239,410
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Marketing and Communications	<u>14,773,730</u>	<u>13,175,237</u>	<u>18,200,000</u>	<u>18,200,000</u>	<u>18,200,000</u>
General Fund	0	0	0	0	0
Cash Funds	14,773,730	13,175,237	18,200,000	18,200,000	18,200,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
Multi-State Lottery Fees	<u>42,897</u>	<u>22,574</u>	<u>177,433</u>	<u>177,433</u>	<u>177,433</u>
General Fund	0	0	0	0	0
Cash Funds	42,897	22,574	177,433	177,433	177,433
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Vendor Fees	<u>34,842,330</u>	<u>30,634,392</u>	<u>52,136,622</u>	<u>52,136,622</u>	<u>52,136,622</u>
General Fund	0	0	0	0	0
Cash Funds	34,842,330	30,634,392	52,136,622	52,136,622	52,136,622
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Retailer Compensation	<u>67,165,373</u>	<u>63,926,052</u>	<u>85,000,000</u>	<u>85,000,000</u>	<u>85,000,000</u>
General Fund	0	0	0	0	0
Cash Funds	67,165,373	63,926,052	85,000,000	85,000,000	85,000,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Indirect Cost Assessment	<u>734,435</u>	<u>719,104</u>	<u>923,329</u>	<u>1,091,423</u>	<u>1,091,423</u>
General Fund	0	0	0	0	0
Cash Funds	734,435	719,104	923,329	1,091,423	1,091,423
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Ticket Costs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

JBC Staff Figure Setting - FY 2026-27
Staff Working Document - Does Not Represent Committee Decision

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	FY 2026-27 Recommendation
TOTAL - (6) State Lottery Division	127,610,655	119,082,535	169,365,684	169,880,856	169,880,856
<i>FTE</i>	<u>102.1</u>	<u>102.1</u>	<u>115.9</u>	<u>119.1</u>	<u>119.1</u>
General Fund	0	0	0	0	0
Cash Funds	127,610,655	119,082,535	169,365,684	169,880,856	169,880,856
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - Department of Revenue	586,329,362	600,984,403	556,765,118	576,642,925	574,443,253
<i>FTE</i>	<u>1,715.6</u>	<u>1,748.9</u>	<u>1,819.3</u>	<u>1,850.3</u>	<u>1,827.3</u>
General Fund	147,620,268	154,490,354	154,318,686	163,499,981	161,365,981
Cash Funds	430,891,423	438,599,264	392,146,109	402,233,870	402,168,198
Reappropriated Funds	7,817,671	7,894,785	9,448,191	10,056,942	10,056,942
Federal Funds	0	0	852,132	852,132	852,132