



Joint Budget Committee

Staff Figure Setting FY 2026-27

Department of State

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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 Secretary of State is one of five independently-elected constitutional officers and serves as the chief election official for the State of Colorado. The Department of State (CDOS, Department) is broadly responsible for overseeing elections, registering businesses, and publishing information and records for public use.

Administration Division

The Department's operational needs are supported by this area, which encompasses human resources, finance, office management, and communications. Additionally, it provides direct support to the Office of the Secretary of State.

Information Technology Division

This division is responsible for delivering technical services, project management, and supporting the development and maintenance of the Department's information technology systems.

Elections Division

This division administers statewide statutory and constitutional provisions related to elections, which includes managing the initiative and referendum process. It is also responsible for certifying voting equipment and overseeing campaign finance reporting by political candidates and committees. Additionally, it handles the registration of lobbyists and monitors the filing of their required disclosure reports.

Business and Licensing Division

This division facilitates the collection, maintenance, and public provision of access to filings submitted by businesses and non-profit organizations, such as annual reports and articles of incorporation. It is also responsible for registering business names, trade names, and trademarks. Additionally, this area registers charitable organizations and licenses entities involved in charitable bingo and raffles. It also handles the licensing and regulation of notaries public.

Revenue from these fees fund the vast majority of this Department.

Summary of Staff Recommendations

Department of State

Item	Total Funds	General Funds	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	48,252,479	4,254	48,248,225	0	0	173.4
Other legislation	\$713,593	\$0	\$713,593	\$0	\$0	1.4
Total	\$48,966,072	\$4,254	\$48,961,818	\$0	\$0	174.8
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$48,966,072	\$4,254	\$48,961,818	\$0	\$0	174.8
R1 Phone modernization	185,000	0	185,000	0	0	0.0
R2 Informix database migration	100,000	0	100,000	0	0	0.0
R3 Accessibility resources	0	0	0	0	0	0.0
BA1 Additional legal resources	198,632	0	198,632	0	0	1.0
SI1 Reduce General Fund appropriation	-4,254	-4,254	0	0	0	0.0
Employee compensation common policies	1,522,650	0	1,522,650	0	0	0.0
Operating common policies	-665,928	0	-665,928	0	0	0.0
Impacts driven by other agencies	137,281	0	137,281	0	0	0.9
Technical adjustments	-669,616	0	-669,616	0	0	0.0
Prior year actions	-1,903,839	0	-1,903,839	0	0	-0.4
Total	\$47,865,998	\$0	\$47,865,998	\$0	\$0	176.3
Changes from FY 2025-26	-\$1,100,074	-\$4,254	-\$1,095,820	\$0	\$0	1.5
Percentage Change	-2.2%	-100.0%	-2.2%	0.0%	0.0%	0.0
FY 2026-27 Executive Request	\$47,964,602	\$4,254	\$47,960,348	\$0	\$0	177.3
Staff Rec. Above/-Below Request	-\$98,604	-\$4,254	-\$94,350	\$0	\$0	-1.0

R1 Phone system modernization: Staff recommends approval of the Department's request to modernize its phone system.

- Year 1: The cost is \$185,000 from the Department of State Cash Fund.
- Year 2: The ongoing cost is \$116,000 from the Department of State Cash Fund.

R2 Informix database migration: Staff recommends approval of the Department's request to hire a consultant to plan the migration away from its antiquated database system.

- Year 1: The one-time cost is \$100,000 from the Department of State Cash Fund.

R3 Accessibility resources: The Department had requested \$94,350 and 1.0 FTE for additional resources related to accessibility. However, the Department has now withdrawn that request.

BA1 Additional legal resources: Staff recommends approval of the Department's request to annualize a previously approved supplemental request for additional legal resources.

- Year 1: The ongoing cost is \$198,397 from the Department of State Cash Fund and 1.0 FTE.

SI1 Reduce only General Fund appropriation: Staff recommends a reduction of General Fund in IT operations.

- Year 1: The ongoing reduction is \$4,254 General Fund.

Employee compensation common policies: The request includes a net increase of \$1.5 million for employee compensation common policies. A common policy refers to general policies applied consistently to all departments. Staff will update these figures as needed to reflect the Committee’s common policy decisions.

Employee compensation common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Health, life, and dental	\$700,993	\$0	\$700,993	\$0	\$0	0.0
Salary survey	545,695	0	545,695	0	0	0.0
Health, life, and dental true-up	192,676	0	192,676	0	0	0.0
Unfunded liability amortization payments	67,740	0	67,740	0	0	0.0
Step plan	11,823	0	11,823	0	0	0.0
Paid family and medical leave insurance	3,048	0	3,048	0	0	0.0
Short-term disability	474	0	474	0	0	0.0
PERA direct distribution	201	0	201	0	0	0.0
Total	\$1,522,650	\$0	\$1,522,650	\$0	\$0	0.0

Operating common policies: The request includes a net decrease of \$665,928 for operating common policies. Staff will update these figures as needed to reflect the Committee’s common policy decisions.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Leased space	\$60,000	\$0	\$60,000	\$0	\$0	0.0
Office of Information Technology services	38,227	0	38,227	0	0	0.0
Workers’ compensation	25,503	0	25,503	0	0	0.0
State accounting system (CORE)	15,291	0	15,291	0	0	0.0
Legal services	-700,559	0	-700,559	0	0	0.0
Risk management & property	-95,479	0	-95,479	0	0	0.0
Administrative law judge services	-8,200	0	-8,200	0	0	0.0
Vehicle lease payments	-711	0	-711	0	0	0.0
Total	-\$665,928	\$0	-\$665,928	\$0	\$0	0.0

Impacts driven by other agencies: The request includes a net increase of \$137,281 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. Staff will update these figures as needed to reflect the Committee’s common policy decisions.

Impacts driven by other agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
NP SB24-205 AI compliance	\$134,997	\$0	\$134,997	\$0	\$0	0.9
NP State accounting system (CORE) staff	4,699	0	4,699	0	0	0.0
NP Statewide enable AI	621	0	621	0	0	0.0

NP IT efficiencies	-3,036	0	-3,036	0	0	0.0
Total	\$137,281	\$0	\$137,281	\$0	\$0	0.9

Technical adjustments: The recommendation includes a net decrease of \$669,616 for technical adjustments.

Technical adjustments

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Document solutions common policy	\$201,048	\$0	\$201,048	\$0	\$0	0.0
Adj to ERTB info only line	-523,664	0	-523,664	0	0	0.0
FY 23-24 HAVA ES state match	-200,000	0	-200,000	0	0	0.0
Odd FY IT OpEx decrease	-147,000	0	-147,000	0	0	0.0
Total	-\$669,616	\$0	-\$669,616	\$0	\$0	0.0

Prior year actions: The recommendation includes a net decrease of \$1.9 million 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
SB 25-001 Voting rights act	\$48,752	\$0	\$48,752	\$0	\$0	0.0
SB 24-072 Confined eligible electors	25,080	0	25,080	0	0	0.0
FY 25-26 Increase security	6,942	0	6,942	0	0	0.0
FY 25-26 Salary survey	0	0	0	0	0	0.0
FY 25-26 Step Plan	0	0	0	0	0	0.0
SB 23-276 Modify election laws	-1,344,090	0	-1,344,090	0	0	0.0
HB 25-1315 Vacancies in GA	-320,240	0	-320,240	0	0	0.0
HB 25-1319 County vacancies	-314,920	0	-314,920	0	0	0.0
H.B. 26-1169 Supplemental bill	-3,001	0	-3,001	0	0	-0.4
FY 25-26 Fraudulent filings	-2,362	0	-2,362	0	0	0.0
Total	-\$1,903,839	\$0	-\$1,903,839	\$0	\$0	-0.4

Decision Items Affecting Multiple Divisions

→ BA1 Additional legal resources

Request

The request includes an ongoing appropriation of \$198,397 from the Department of State Cash Fund and 1.0 FTE for a senior executive to provide high-level legal services for the Department.

Recommendation

The Committee approved funding for this position as part of its FY 2025-26 supplemental action. Consistent with this, the staff recommendation retains this position in FY 2026-27 as requested.

Analysis

The Department indicates that its litigation and records requests have increased, creating a need for more legal support. Based on the JBC's supplemental action, the Department has indicated that it expects the new position to be filled this month and continue into the budget year.

(1) Administration Division

The Administration Division provides general oversight and administrative support services for all divisions in the Department, including budgeting, human resources services, and public outreach. This division is entirely supported by the Department of State Cash Fund, which primarily consists of revenue from fees collected with filings submitted by businesses and non-profits.

Administration Division

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$15,553,855	\$0	\$15,553,855	\$0	\$0	26.3
Other legislation	\$906	\$0	\$906	\$0	\$0	0.4
Total FY 2025-26	\$15,554,761	\$0	\$15,554,761	\$0	\$0	26.7
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$15,554,761	\$0	\$15,554,761	\$0	\$0	26.7
BA1 Additional legal resources	198,397	0	198,397	0	0	1.0
Employee compensation common policies	1,522,650	0	1,522,650	0	0	0.0
Impacts driven by other agencies	3,521	0	3,521	0	0	0.0
Operating common policies	-665,928	0	-665,928	0	0	0.0
Technical adjustments	-523,664	0	-523,664	0	0	0.0
Prior year actions	-358,144	0	-358,144	0	0	-0.4
Total FY 2026-27	\$15,731,593	\$0	\$15,731,593	\$0	\$0	27.3
Changes from FY 2025-26	\$176,832	\$0	\$176,832	\$0	\$0	0.6
Percentage Change	1.1%	0.0%	1.1%	0.0%	0.0%	2.2%
FY 2026-27 Executive Request	\$15,731,593	\$0	\$15,731,593	\$0	\$0	27.3
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

There are no prioritized decision items in this division.

Line Item Detail - Administration

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association (PERA) and the state share of the federal Medicare taxes. It also funds contract services, wages for temporary employees, sick and annual leave payouts, and other similar expenditures.

Statutory Authority: Section 24-50-101 et seq., and 24-21-101, et seq., C.R.S.

Request: The Department requests an appropriation of \$3,376,821 cash funds and 27.3 FTE.

Recommendation: Staff recommends approval of this request.

Administration Division, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$3,064,415	\$0	\$3,064,415	\$0	\$0	26.3
Other legislation	79,921	0	79,921	0	0	0.4
Total FY 2025-26	\$3,144,336	\$0	\$3,144,336	\$0	\$0	26.7
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$3,144,336	\$0	\$3,144,336	\$0	\$0	26.7
BA1 Additional legal resources	197,897	0	197,897	0	0	1.0
Prior year actions	34,588	0	34,588	0	0	-0.4
Total FY 2026-27	\$3,376,821	\$0	\$3,376,821	\$0	\$0	27.3
Changes from FY 2025-26	\$232,485	\$0	\$232,485	\$0	\$0	0.6
Percentage Change	7.4%	n/a	7.4%	n/a	n/a	2.2%
FY 2026-27 Executive Request	\$3,376,821	\$0	\$3,376,821	\$0	\$0	27.3
Staff Rec. Above/-Below Request	\$0	n/a	\$0	n/a	n/a	0.0

Health, Life, Dental

This line item provides funding for the Department's share of the cost of group benefit plans providing health, life, and dental insurance for state employees.

Statutory Authority: Sections 24-50-609, 24-50-611, and 24-50-104 (1)(a)(II), C.R.S., and defined in Section 24-50-603 (9), C.R.S.

Request: The department requests an appropriation of \$3,049,001 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

Short-term Disability

This line item provides funding for the Department's share of short-term disability insurance premiums for state employees. The State currently provides 100.0 percent of the premiums for this insurance.

Statutory Authority: Sections 24-50-611 and 24-50-603 (13), C.R.S.

Request: The Department requests an appropriation of \$11,242 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action in this common policy.

Paid Family and Medical Leave Insurance

Colorado Proposition 118, Paid Family Medical Leave Initiative, was approved by voters in November 2020. The newly created paid family and medical leave insurance program requires employers and employees in Colorado to pay a payroll premium to finance paid family and medical leave insurance benefits beginning January 1, 2023 in order to finance up to 12 weeks of paid family medical leave for eligible employees beginning January 1, 2024. The premium is 0.9 percent of salaries with at least half of the cost paid by the employer.

Statutory Authority: Section 8-13.3-501 et seq., C.R.S.

Request: The Department requests an appropriation of \$72,270 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action in this common policy.

Unfunded Liability Amortization Equalization Disbursement Payments

This line item provides funding for amortization and supplemental amortization payments to increase the funded status of the Public Employees’ Retirement Association (PERA). The Committee approved the addition of this line item to the FY 2024-25 Long Bill to consolidate appropriations previously provided for S.B. 04-257 Amortization Equalization Disbursement and S.B. 06-235 Supplemental Amortization Equalization Disbursement into a single line item.

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

Request: The Department requests an appropriation of \$1,605,996 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action in this common policy.

Salary Survey

This line item provides funding to pay for annual increases for salary survey.

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

Request: The Department requests an appropriation of \$545,695 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee’s final action in this common policy.

Step Pay

This line item provides appropriations to each department as a result of the step pay plan. The step pay plan took 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 requests an appropriation of \$11,823 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

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 requests an appropriation of \$279,480 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

Workers' Compensation

This line item is used to pay for the Department's share of the state's workers' compensation program run by the Department of Personnel.

Statutory Authority: Section 24-30-1510.7, C.R.S.

Request: The Department requests an appropriation of \$114,798 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

Operating Expenses

This line item provides funding for supplies and materials for the Administration Division, as well as for certain services that are not covered by other line items such as capital outlay (replacement of equipment, furniture, and other items that cost less than \$50,000, as well as building repair and remodeling costing less than \$15,000), utilities, telecommunications, custodial services, equipment rental, storage, dues and subscription, office supplies, and printing and reproduction costs.

Statutory Authority: Section 24-21-101, C.R.S.

Request: The Department requests an appropriation of \$537,600 cash funds.

Recommendation: Staff recommends approval of this request.

Administration Division, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$537,100	\$0	\$537,100	\$0	\$0	0.0
Other legislation	5,202	0	5,202	0	0	0.0
Total FY 2025-26	\$542,302	\$0	\$542,302	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$542,302	\$0	\$542,302	\$0	\$0	0.0
BA1 Additional legal resources	500	0	500	0	0	0.0
Prior year actions	-5,202	0	-5,202	0	0	0.0
Total FY 2026-27	\$537,600	\$0	\$537,600	\$0	\$0	0.0
Changes from FY 2025-26	-\$4,702	\$0	-\$4,702	\$0	\$0	0.0
Percentage Change	-0.9%	n/a	-0.9%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$537,600	\$0	\$537,600	\$0	\$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: Sections 24-31-101 (1)(a) and 24-75-112 (1)(i), C.R.S.

Request: The Department requests an appropriation of \$818,288 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

Outside Legal Services

This line item provides funding for the Department to purchase legal services from attorneys outside the Attorney General's Office, when a conflict of interest occurs.

Statutory Authority: Sections 24-31-101 (1)(a) and 24-75-112 (1)(i), C.R.S.

Request: The Department requests a continuation-level appropriation of \$25,000 cash funds, with no change from the FY 2025-26 appropriation.

Recommendation: Staff recommends approval of this request.

Administrative Law Judge Services

This line item is used to purchase administrative law services from the Department of Personnel.

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

Request: The Department requests an appropriation of \$2,376 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in total compensation policy.

Payment to Risk Management and Property Funds

This line item is used to reimburse the Department of Personnel for the Department's share of the state's liability and property insurance.

Statutory Authority: Sections 24-10-116, 24-30-1510, and 24-30-1510.5, C.R.S.

Request: The Department requests an appropriation of \$60,639 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action this common policy.

Vehicle Lease Payments

This line item provides funding for annual payments to the Department of Personnel for the cost of administration and lease-purchase payments for new and replacement vehicles. The Department uses these vehicles for three main purposes: for election staff who support counties and local election administration and training, for the investigations team in the Business and Licensing Division for investigating charitable bingo raffles, and for miscellaneous use such as traveling to conferences, trainings, and out of town data centers that Department IT staff maintain.

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

Request: The Department requests an appropriation of \$10,827 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

Leased Space

The line item provides funding for the Department's office space at 1700 Broadway, Denver, which houses all divisions and employees. The amount includes the Department's share of annual operating expenses for the building.

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

Request: The Department requests an appropriation of \$1,559,579 cash funds.

Recommendation: Staff recommends approval of this request.

Payments to OIT

This line item provides funding for information technology services provided by the Governor's Office of Information Technology (OIT).

Statutory Authority: Sections 24-37.5-103, 24-37.5-506, and 24-37.5-604, C.R.S.

Request: The Department requests an appropriation of \$365,585 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

CORE Operations

The line item provides funding for the Department's share of the statewide accounting system (CORE) used by the Office of the State Controller to record all state revenues and expenditures.

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

Request: The staff recommendation is pending Committee action on this common policy.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

CORE Payroll

This is related to the FY 2026-27 Department of Personnel R-01 request.

Statutory Authority: 24-30-201, C.R.S. through 24-30-207, C.R.S.

Request: The Department requests an appropriation of \$4,699 cash funds.

Recommendation: The staff recommendation is pending Committee action on this common policy.

Electronic Recording Technology Board

The appropriation associated with this line item is for informational purposes because funding for the Electronic Recording Technology Board (ERTB) is continuously appropriated, pursuant to Section 24-21-404 (1)(a), C.R.S. Statute authorizes the ERTB to operate until September 1, 2026, pending a sunset review. The ERTB is a Type 1 agency, exercising its statutory powers, duties, and functions independently of the executive director of its principal department. The ERTB is designated an enterprise and is not subject to any provision of Section 20 of Article X of the State Constitution, per Section 24-21-402 (2), C.R.S. The Board receives its appropriation from the Electronic Recording Technology Fund, which is funded by a surcharge of up to two dollars that is uniformly

collected on all documents received by a county clerk and recorder for recording and filing, pursuant to Section 24-21-403 (2).

Statutory Authority: Section 24-21-404 *et seq.*, C.R.S.

Request: The Department requests an appropriation of \$3,016,882 cash funds.

Recommendation: Staff recommends approval of this request.

Indirect Cost Assessment

This line item funds the Department's share of statewide indirect costs. Statewide indirect costs are overhead costs associated with the operation of general government functions and recovered from cash and federal funded programs.

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

Request: The Department requests an appropriation of \$238,824 cash funds.

Recommendation: Staff recommends the above appropriation. Staff requests permission to adjust this line item in accordance with any decisions the Committee may make regarding common policies or decisions items that affect this line item, but are not addressed in this document.

Discretionary Fund

Each of the five elected statewide officials receives an allowance, specified in statute, for "expenditure in pursuance of official business as each elected official sees fit." Subject to annual appropriation by the General Assembly, the Secretary of State receives \$5,000 cash funds for this purpose.

Statutory Authority: Section 24-9-105, C.R.S.

Request: The Department requests an appropriation of \$5,000 cash funds.

Recommendation: Staff recommends approval of this request in accordance with the statutory allowance for all state elected officials.

(2) Information Technology Division

The Information Technology Division provides technical and project management services, systems development, and support for information technology systems in the Department, including: (1) web based search and filing services used by the Business and Licensing Division to process over 2,500 web-based transactions daily; and (2) the statewide voter registration and election management system (SCORE). The ITS division is also responsible for ensuring the Department's compliance with the Colorado Information Security Act. Funding for this division is provided almost entirely by the Department of State Cash Fund.

Information Technology Division

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$11,768,273	\$4,254	\$11,764,019	\$0	\$0	48.5
Other legislation	637,255	0	637,255	0	0	0.0
Total FY 2025-26	\$12,405,528	\$4,254	\$12,401,274	\$0	\$0	48.5
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$12,405,528	\$4,254	\$12,401,274	\$0	\$0	48.5
R1 Phone modernization	185,000	0	185,000	0	0	0.0
R2 Informix database migration	100,000	0	100,000	0	0	0.0
R3 Accessibility resources	0	0	0	0	0	0.0
BA1 Additional legal resources	235	0	235	0	0	0.0
SI1 Reduce General Fund appropriation	-4,254	-4,254	0	0	0	0.0
Impacts driven by other agencies	133,760	0	133,760	0	0	0.9
Technical adjustments	-147,000	0	-147,000	0	0	0.0
Prior year actions	-492,562	0	-492,562	0	0	0.0
Total FY 2026-27	\$12,180,707	\$0	\$12,180,707	\$0	\$0	49.4
Changes from FY 2025-26	-\$224,821	-\$4,254	-\$220,567	\$0	\$0	0.9
Percentage Change	-1.8%	-100.0%	-1.8%	0.0%	0.0%	1.9%
FY 2026-27 Executive Request	\$12,279,311	\$4,254	\$12,275,057	\$0	\$0	50.4
Staff Rec. Above/-Below Request	-\$98,604	-\$4,254	-\$94,350	\$0	\$0	-1.0

→ R1 Phone modernization

Request

This request is to upgrade the Department's phone system to a modern, cloud-based system.

- Year 1: The cost is \$185,000 cash funds.

- Year 2: The ongoing cost is \$116,000 cash funds.

Per the request, the current system lacks capabilities, such as call recording, automated routing, and Customer Relationship Management (CRM) software integration. This results in extended constituent wait times and inefficient interactions. The Department contends that this upgrade is essential to modernize its communication infrastructure and enhance constituent services by enabling smarter routing, better reporting, and more efficient staff response.

Recommendation

Staff recommends approval of this request. After reviewing the specifications of the Department's current phone system, staff believes that failure to update may lead to legitimate security risks.

Analysis

Staff initially questioned the urgency of this request. The Department's primary rationale is that its current phone system lacks several features typical of modern systems, including call recording for customer service and threat assessment purposes, advanced call routing, and enhanced data reporting capabilities. While these limitations are true, staff notes that modernization for modernity alone may not be sufficient justification, particularly in a challenging budget year.

However, upon closer review of the specific systems currently in use, staff believes that modernization is indeed justifiable and necessary. The Department relies on the following Cisco Systems:

- Cisco Call Manager v14 SU4a
- Cisco Unity Connection v14 SU4
- Cisco Contact Center Express v12.5.1 SU3

These systems were installed in 2021-22, with the underlying infrastructure being from the late 90s. All of these systems are no longer being sold as of April 7, 2025, and will reach end-of-support by April, 2027.¹ Once a Cisco phone system is no longer supported, it no longer receives security updates, bug fixes, feature enhancements, or technical assistance. Continued reliance on unsupported systems would likely expose the Department to increased workload, operational inefficiencies, and heightened security risks. For these reasons, staff believes the timing is appropriate to approve funding to upgrade the Department's phone system.

If the Committee elects to not approve this request, staff anticipates a similar request will be made in the following year.

¹ <https://www.cisco.com/c/en/us/support/unified-communications/unified-communications-manager-version-14/model.html>
<https://www.cisco.com/c/en/us/support/unified-communications/unity-connection-version-14/model.html>
https://www.cisco.com/c/en/us/td/docs/voice_ip_comm/cust_contact/contact_center/crs/ES_Releases/guide/html/index/Unified-Contact-Center-Express-Release-12-5-1-SU3.html

→ R2 Informix database migration

Request

This request is to hire a consultant to design and plan the Department's migration away from its antiquated database technology.

- Year 1: The one-time cost is \$100,000 cash funds.

The Department states that relying on Informix is creating technical debt, increasing cybersecurity risks, and making it costly and challenging to recruit and retain IT staff with obsolete specialized skills. This initial step will produce a roadmap outlining solutions, necessary resources, and mitigation strategies for a future full migration to a modern database platform.

Recommendation

Staff recommends approval of this request.

The Department's reliance on a legacy database platform presents growing operational and staffing risks, and staff believes that engaging a consultant to develop a migration plan is a necessary initial step. This planning effort will inform the scope, cost, and risks of any future database transition without committing the state to implementation funding, which staff flags would require a (likely) greater appropriation in future years.

Analysis

Quantifying the need

The Department relies on Informix as the database for more than 30 custom-built applications supporting licensing, elections, business filings, and other public-facing services. While Informix was once widely used, it is now considered a legacy platform with a shrinking market presence and reduced vendor focus². In contrast, modern relational database systems dominate the market—MySQL (~40% share), PostgreSQL (~17%), and Oracle Database (~10%)—while Informix represents roughly 0.33% of reported usage³.

Because of Informix's small and shrinking user base, the pool of qualified Informix database administrators is limited and increasingly expensive. The Department reports that continued reliance on Informix generates significant technical debt, including higher annual staffing costs, retention challenges, and additional effort required to maintain performance and security on an aging platform.

Similarly to the R1 request, the declining support ecosystem poses operational risks. Limited vendor updates, fewer third-party tools, and compatibility constraints require the Department to invest staff time in maintaining stability and creating custom workarounds. Migrating to a modern, widely supported platform would expand the hiring pool, improve long-term system performance, and reduce maintenance overhead.

² [IBM announced](#) that continuing support for Informix ended on April 30th, 2025.

³ According to recent reports from technology review websites [6sense](#) and [DB-Engines](#).

However, because the Department operates independently of the Governor’s Office of Information Technology, it must manage the migration on its own. The Department contends--and staff agrees--that a detailed plan is needed to evaluate architecture, data-conversion requirements, risk management, and resource needs. The requested consultant would develop this roadmap, but any migration effort—likely requiring significant funding—would be subject to future legislative approval.

Potential future cost

Estimating the total cost of a database migration is difficult without a full technical assessment, which is a primary justification for the consultant request. Staff attempted to estimate a range for the future cost of this migration, through review of online database migration estimation tools.

Depending on the complexity of migrating 30+ custom applications from Informix to a modern database, full implementation could cost between \$500,000 and several million dollars. A “smaller scope” migration—primarily data movement with limited stored-procedure rewrites—might fall in the \$150,000–\$500,000 range. A “medium scope” migration involving dozens of applications and moderate logic conversion is more likely to fall in the \$500,000–\$2 million range. A “large, high-complexity” migration—requiring extensive business-logic rewrites, minimal downtime, or enterprise-grade cloud architecture—could exceed \$2 million.

Key cost drivers include:

- Use of migration tools or cloud-based migration services
- Data volume, replication requirements, and downtime constraints
- Labor for schema conversion, code refactoring, testing, and cut-over
- Licensing or managed-service fees depending on the target database platform⁴

Because of these variables, staff agrees 1) that there is a reasonable need for this transition, and 2) that the initial \$100,000 planning phase is necessary before the General Assembly evaluates any implementation funding. Staff recommends approval of this initial planning phase, and believes that the ultimate transition implementation request should be reviewed by the Joint Technology Committee.

→ R3 Accessibility resources

Request

The request was to fund a 1.0 FTE Webmaster III position in the Information Technology Division. The Department has since withdrawn this request.

Recommendation

Staff does not recommend approval of this request.

⁴ https://www.ispirer.com/blog/real-cost-of-database-migration?utm_

Analysis

The Department requested to withdraw their R-03 request to JBC staff on February 4, 2026.

→ Staff-initiated: Reduce only General Fund in Department

Recommendation

Staff recommends removing the \$4,254 appropriation in IT operations.

Analysis

This appropriation stems from the fiscal note for H.B. 21-1071, and the Department indicated that they do not need or use this appropriation. This amount was reverted in FY 2024-25.

Line Item Detail

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association (PERA) and the state share of the federal Medicare taxes. It also funds contract services, wages for temporary employees, sick and annual leave payouts, and other similar personal services expenditures.

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

Request: The Department requests \$7,839,122 and 50.4 FTE for this line item.

Recommendation: Staff recommends an appropriation of \$7,752,507 and 49.4 FTE.

Information Technology Division, Information Technology, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$7,372,054	\$0	\$7,372,054	\$0	\$0	48.5
Other legislation	635,160	0	635,160	0	0	0.0
Total FY 2025-26	\$8,007,214	\$0	\$8,007,214	\$0	\$0	48.5
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$8,007,214	\$0	\$8,007,214	\$0	\$0	48.5
Impacts driven by other agencies	133,760	0	133,760	0	0	0.9
R2 Informix database migration	100,000	0	100,000	0	0	0.0
Prior year actions	-488,467	0	-488,467	0	0	0.0
Total FY 2026-27	\$7,752,507	\$0	\$7,752,507	\$0	\$0	49.4

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Changes from FY 2025-26	-\$254,707	\$0	-\$254,707	\$0	\$0	0.9
Percentage Change	-3.2%	n/a	-3.2%	n/a	n/a	1.9%
FY 2026-27 Executive Request	\$7,839,122	\$0	\$7,839,122	\$0	\$0	50.4
Staff Rec. Above/-Below Request	-\$86,615	\$0	-\$86,615	\$0	\$0	-1.0

Operating Expenses

This line item provides funding for the operating expenses of the Information Technology Division, including supplies and materials, utilities, custodial services, equipment rental, storage, dues and subscriptions, office supplies, and printing expenses.

Statutory Authority: Section 24-21-101, C.R.S.

Request: The Department requests \$4,440,189, with \$4,254 General Fund and \$4,435,935 cash funds.

Recommendation: Staff recommends \$0 General Fund, and \$4,428,200 cash funds.

Information Technology Division, Information Technology, Operating Expenses

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$4,396,219	\$4,254	\$4,391,965	\$0	\$0	0.0
Other legislation	2,095	0	2,095	0	0	0.0
Total FY 2025-26	\$4,398,314	\$4,254	\$4,394,060	\$0	\$0	0.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$4,398,314	\$4,254	\$4,394,060	\$0	\$0	0.0
R1 Phone modernization	185,000	0	185,000	0	0	0.0
BA1 Additional legal resources	235	0	235	0	0	0.0
Technical adjustments	-147,000	0	-147,000	0	0	0.0
SI1 Reduce General Fund appropriation	-4,254	-4,254	0	0	0	0.0
Prior year actions	-4,095	0	-4,095	0	0	0.0
Total FY 2026-27	\$4,428,200	\$0	\$4,428,200	\$0	\$0	0.0
Changes from FY 2025-26	\$29,886	-\$4,254	\$34,140	\$0	\$0	0.0
Percentage Change	0.7%	-100.0%	0.8%	n/a	n/a	n/a
FY 2026-27 Executive Request	\$4,440,189	\$4,254	\$4,435,935	\$0	\$0	0.0
Staff Rec. Above/-Below Request	-\$11,989	-\$4,254	-\$7,735	\$0	\$0	0.0

(3) Elections Division

The Elections Division administers statewide statutory and constitutional provisions that relate to elections, including the administration of the initiative and referendum process. This includes supervising primary, general, and congressional vacancy elections; maintaining the statewide voter registration database; authorizing official recounts for federal, state, and district elections; and administering the Fair Campaign Practices Act. The Elections Division also helps the Secretary of State supervise the 64 county clerks in the execution of their statutory responsibilities relating to voter registration and elections. Additionally, the Division administers the lobbyist program. This division is funded by the Department of State Cash Fund and the continuously-appropriated Federal Elections Assistance Fund, which was established to receive federal Help America Vote Act (HAVA) funding.

Elections Division

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$16,741,001	\$0	\$16,741,001	\$0	\$0	47.1
Other legislation	75,432	0	\$75,432	0	0	1.0
Total FY 2025-26	\$16,816,433	\$0	\$16,816,433	\$0	\$0	48.1
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$16,816,433	\$0	\$16,816,433	\$0	\$0	48.1
Technical adjustments	1,048	0	1,048	0	0	0.0
Prior year actions	-1,145,390	0	-1,145,390	0	0	0.0
Total FY 2026-27	\$15,672,091	\$0	\$15,672,091	\$0	\$0	48.1
Changes from FY 2025-26	-\$1,144,342	\$0	-\$1,144,342	\$0	\$0	0.0
Percentage Change	-6.8%	n/a	-6.8%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$15,672,091	\$0	\$15,672,091	\$0	\$0	48.1
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

The Department did not submit any decision items for this division.

Line Item Detail

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association (PERA) and the state share of the federal Medicare taxes. It also funds contract services, wages for temporary employees, sick and annual leave payouts, and other similar personal services expenditures.

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

Request: The Department requests \$4,549,114 cash funds for this line item.

Recommendation: Staff recommends approval of the request.

Operating Expenses

This line item provides funding for the operating expenses of the Information Technology Division, including supplies and materials, utilities, custodial services, equipment rental, storage, dues and subscriptions, office supplies, and printing expenses.

Statutory Authority: Section 24-21-101, C.R.S.

Request: The Department requests \$516,749 cash funds for this line item.

Recommendation: Staff recommends approval of the request.

Help America Vote Act Program

Congress passed the Help America Vote Act (HAVA) in 2002 to improve the administration of federal elections. In 2003, the Colorado General Assembly passed the "Colorado Help America Vote Act" which included the creation of the Federal Elections Assistance Cash Fund to receive federal and state moneys appropriated for HAVA-related purposes (H.B. 03-1356). \$10,000 of the appropriation for this line item is included for informational purposes only. Funds in the Federal Elections Assistance Cash Fund are shown for informational purposes and are continuously appropriated pursuant to Section 1-1.5-106 (2) (b), C.R.S.

Statutory Authority: Section 1-1.5-106 (2) (b), C.R.S.

Request: The Department requests \$10,000 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Local Election Reimbursement

The Secretary of State is required by statute to reimburse counties for the costs related to having a statewide issue on the ballot. Pursuant to H.B. 12-1143 (State Reimbursement of Counties), counties with fewer than 10,000 active voters are reimbursed at a rate of \$0.90 per active registered voter, and counties with more than 10,000 active registered voters are reimbursed at a rate of \$0.80 per active registered voter, which remains in effect until June 30, 2024. Pursuant to S.B. 23-276 (Modifications to Laws Regarding Elections), the Department will reimburse counties forty-five percent of their actual costs, effective July 1, 2024.

Statutory Authority: Section 1-5-505.5, C.R.S.

Request: The Department requests \$9,427,654 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Initiative and Referendum

This appropriation provides funding for the Department's contract with Runbeck Election Services (RES) to automate the petition review process. RES utilizes software to scan, review, and match petition signatures and signer information with official voter registration records as part of the Department's review and validation process. Expenditures are primarily driven by the number of initiatives received during a given year, and they fluctuate because only TABOR-related initiatives are permitted on the November ballot for odd-year elections. There are no restrictions on the types of initiatives for even-year elections (presidential and gubernatorial election years), so even-year expenditures are generally higher.

Statutory Authority: Section 1-40-101, C.R.S.

Request: The department requests \$165,000 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Document Management

This appropriation provides funding for petition verification provided by the Department of Personnel, the activities of the Ballot Title Setting Board, and the cost of translating the ballot information booklet (the "Blue Book") into Spanish. Expenditures are primarily driven by the number of initiatives received during a given year, and they fluctuate because only TABOR-related initiatives are permitted on the November ballot for odd-year elections. There are no restrictions on the types of initiatives for even-year elections (presidential and gubernatorial election years), so even-year expenditures are generally higher.

Statutory Authority: Section 1-40-101, C.R.S.

Request: The Department requests \$1,003,574 for this line item.

Recommendation: The staff recommendation is pending Committee action on this common policy. Staff requests permission to make adjustments as necessary to reflect the Committee's final action in this common policy.

(3) Business and Licensing Division

The Business and Licensing Division is responsible for processing filings from businesses and nonprofits and collecting the associated fees, as well as: overseeing the Business Intelligence Center; licensing entities involved in charitable gaming; registering charitable organizations; licensing and regulating notaries public; and publishing the Code of Colorado Regulations.

Business and Licensing Division

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$4,189,350	\$0	\$4,189,350	\$0	\$0	51.5
Total FY 2025-26	\$4,189,350	\$0	\$4,189,350	\$0	\$0	51.5
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$4,189,350	\$0	\$4,189,350	\$0	\$0	51.5
Prior year actions	92,257	0	92,257	0	0	0.0
Total FY 2026-27	\$4,281,607		\$4,281,607	\$0	\$0	51.5
Changes from FY 2025-26	\$92,257	\$0	\$92,257	\$0	\$0	0.0
Percentage Change	2.2%	0.0%	2.2%	0.0%	0.0%	0.0%
FY 2026-27 Executive Request	\$4,281,607	\$0	\$4,281,607	\$0	\$0	51.5
Staff Rec. Above/-Below Request	\$0		\$0	\$0	\$0	0.0

The Department did not submit any decision items for this division.

Line Item Detail

Personal Services

This line item provides funding for employees' salaries and wages, as well as the associated state contribution to the Public Employees Retirement Association (PERA) and the state share of the federal Medicare taxes. It also funds contract services, wages for temporary employees, sick and annual leave payouts, and other similar personal services expenditures.

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

Request: The Department requests \$3,788,447 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Operating Expenses

This line item provides funding for the operating expenses of the Information Technology Division, including supplies and materials, utilities, custodial services, equipment rental, storage, dues and subscriptions, office supplies, and printing expenses.

Statutory Authority: Section 24-21-101, C.R.S.

Request: The Department requests \$175,065 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Business Intelligence Center - Personal Services

This line item provides funding for personal services expenditures for the Business Intelligence Center program. This includes funding for: the BIC Program Manager salary and benefits; the contract with the vendor that runs the Go Code Colorado event; the collection and publication of data to the Colorado Information Marketplace; and legal services associated with the one-year contracts offered to the winning teams from the Go Code Colorado event. The Business Intelligence Center was officially created in statute after passage of Joint Budget Committee bill H.B. 16-1014 (Secretary of State Business Intelligence Unit).

Statutory Authority: Section 24-21-116 (3), C.R.S.

Request: The Department requests \$318,095 cash funds for this line item.

Recommendation: Staff recommends approval of this request.

Long Bill Footnotes and Requests for Information

Long Bill Footnotes

Staff recommends **CONTINUING** the following footnote:

- 102 Department of State, Elections Division, Local Election Reimbursement -- If actual reimbursements to counties required by section 1-5-505.5, C.R.S., exceed the cash funds amount specified in this line item, the Department may spend up to 115.0 percent of the cash funds amount specified to make the required reimbursements.

Comment: The Department used its FY 2024-25 footnote authority to exceed the Local Election Reimbursements appropriation in order to fully reimburse counties for the 2024 General Election. It is too early to know whether similar authority will be needed in FY 2025-26 or FY 2026-27. Because the SB 23-276 formula requires the state to reimburse 45% of counties' election costs—costs the Department cannot control and counties struggle to predict—the footnote provides necessary flexibility to make timely payments without a supplemental. Supplemental requests are difficult to time accurately, as final county reimbursement submissions typically arrive in February and March, well after the January 2 deadline and during Long Bill finalization. The Department indicated that this challenge will be even greater in FY 2025-26 when the State Primary occurs on June 30, the last day of the fiscal year.

Requests For Information

Staff recommends continuing the following request for information:

- 1 Department of State, Request for Information #3 The Department is requested to submit a report of the total annual reported costs for counties to conduct elections and the amount of funding the counties received from coordinated entities related to conducting elections in that year, by November 1st of each fiscal year.

Comment: This request will be useful for the General Assembly, particularly in years when General Fund is used to fund presidential primary elections.

Additional Balancing Options

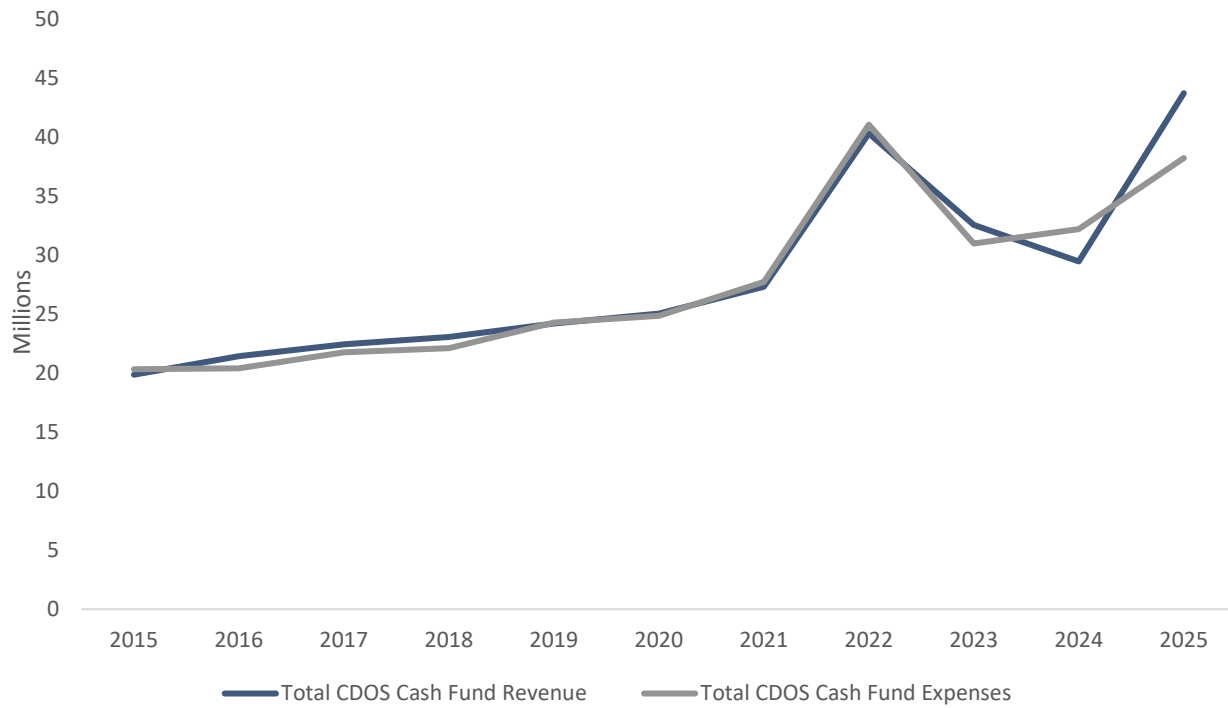
Additional Options for General Fund Relief

Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
Department of State Cash Fund Transfer to General Fund	\$1,000,000	-\$1,000,000	Y	This fund supports Department operations and has accumulated a fund balance of approximately \$5.0 million. Staff notes, however, that this balance reflects a single point in time and does not represent a stable ongoing level. While the balance has fluctuated, both revenues and expenditures appear to be increasing.
Electronic Recording Technology Fund	\$250,000	-\$250,000	Y	This fund provides grants to counties for electronic filing and IT security systems and is supported by statutory filing surcharges. Staff notes that while revenues have remained relatively stable, the fund balance has declined in recent years.
Subtotal - Revenue	\$1,250,000	-\$1,250,000		
Net General Fund Relief	\$1,250,000			

CDOS Cash Fund

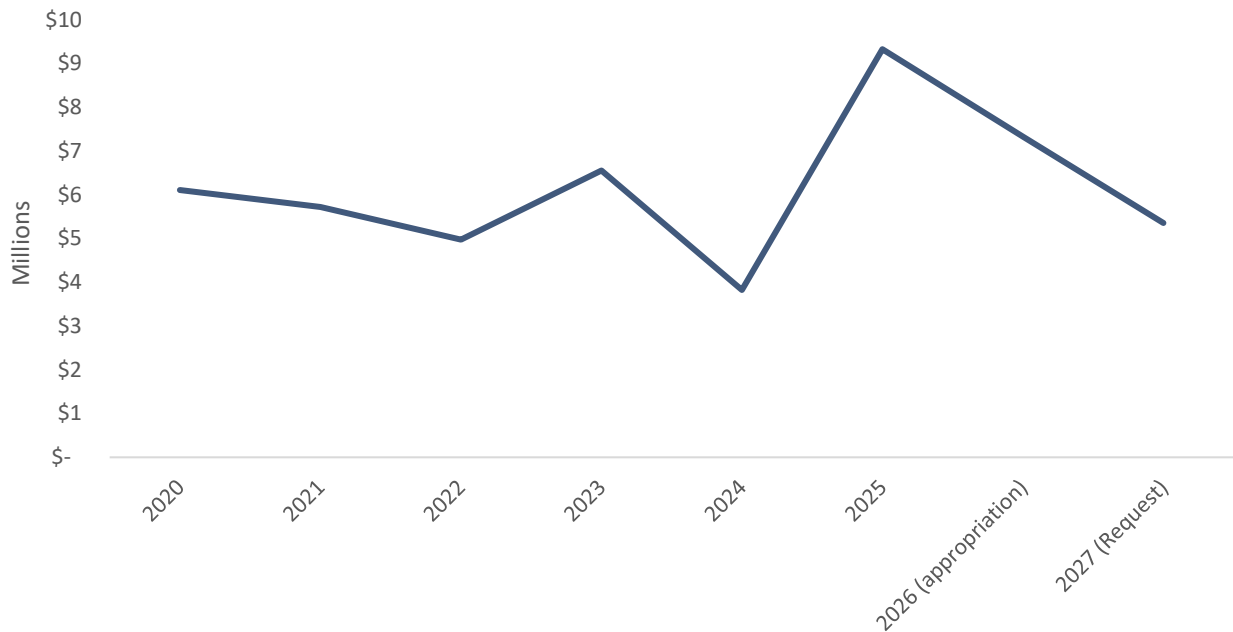
In this section, staff examines whether the CDOS Cash Fund is a viable option to aid budget balancing through a transfer to the General Fund. Staff notes that, over the past several years, the Department has regularly submitted requests indicating that associated costs could be absorbed within the Cash Fund without increasing business filing fees. The Department further stated that the only filing fee increase in the past decade resulted from S.B. 23-276, which significantly increased the state's cost of reimbursing local election expenses. Given the broader fiscal pressures facing the state, staff believes the Department's prioritized requests should be evaluated in the context of whether the Cash Fund could moderately augment the General Fund from a cash fund solvency perspective. The following charts present historical Cash Fund revenue and year-end fund balances to provide additional context on the fund's status.

CDOS Cash Fund Revenue and Expenses



5

CDOS Cash Fund - End of Year Balance



6

⁵ This data was provided by the Department

⁶ This data was collected from the Department's Schedule 9 cash fund report

These historical trends, combined with the Department’s consistent ability to absorb the costs of its prioritized requests, suggest there may be some flexibility to transfer a portion of the Cash Fund to the General Fund.

Considerations for a direct General Fund transfer

The General Assembly may, through legislation, transfer funds from the Department of State Cash Fund to the General Fund. However, the Department has raised legal concerns associated with this approach. Specifically, the Department cites prior litigation involving the National Federation of Independent Business (NFIB), which challenged the use of business filing fees for non-business filing purposes. Although the Colorado Supreme Court ultimately ruled in favor of the State—finding that such fees may be used to fund elections—the Department contends that a transfer from the Cash Fund to augment the General Fund could present additional litigation risk. Even if ultimately unsuccessful, such litigation could impose meaningful costs on the State; therefore, the potential benefit of any transfer would need to exceed the anticipated costs of litigation. Staff emphasizes that litigation is not a foregone conclusion and that the General Assembly retains authority to transfer funds from the Department of State Cash Fund to the General Fund.

Important distinction: future General Fund obligations for elections

Statute⁷ requires that the state reimburse counties for presidential primary election costs using the General Fund. For all other election costs, the Department of State Cash Fund may be used to partially or fully cover costs, with the General Fund generally serving as a backstop if the Cash Fund is insufficient. The Department anticipates that election costs will continue to increase in future years, due in part to S.B. 23-276 and to broader pressures on the election system. Accordingly, staff believes caution is warranted when evaluating both prioritized Department requests and potential transfers to augment the General Fund, as these actions may ultimately drive out General Fund.

Conclusion

For these reasons, staff does not recommend a transfer from the Department of State Cash Fund to the General Fund at this time. However, staff flags this issue for the Committee’s consideration, as the fund appears to reflect a healthy balance and consistently increasing revenue. Staff believes that a transfer of up to \$1.0 million would be feasible. However, if the Committee wishes to pursue this option, staff recommends a comeback to allow for further discussion with the Department and Legislative Legal Services.

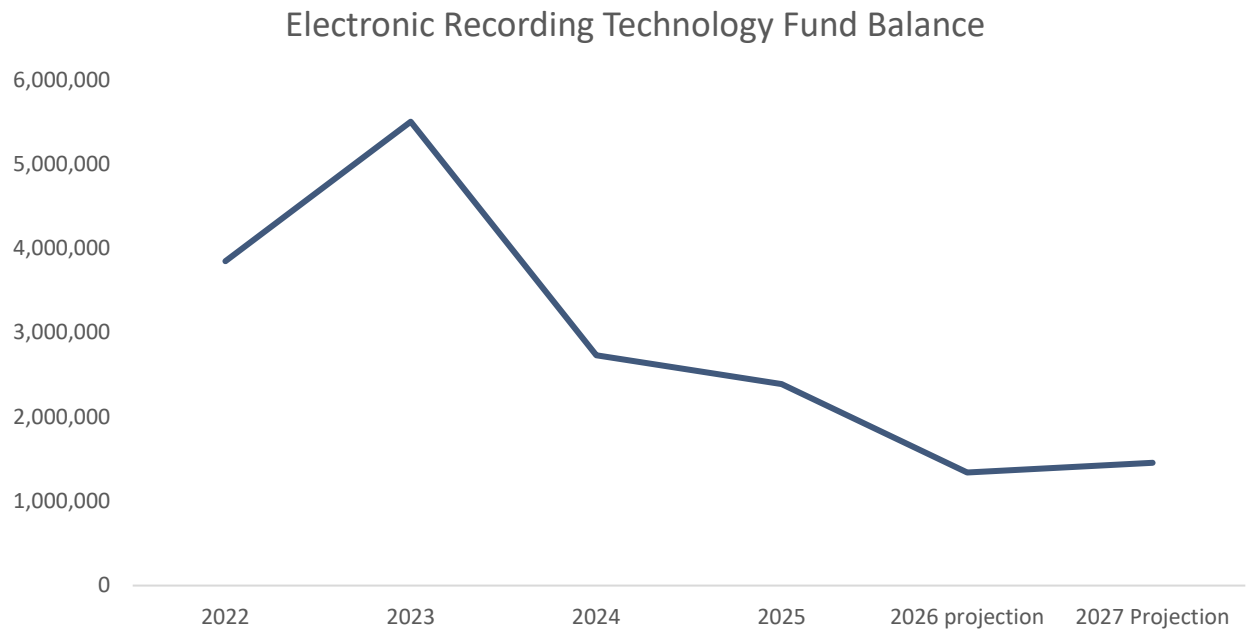
Electronic Recording Technology Fund

This continuously appropriated fund is supported by filing surcharges pursuant to Section 30-10-421 (3)(a), C.R.S., and provides grants to counties to establish, maintain, improve, or replace electronic filing systems and to improve the security of county general information technology systems.⁸ The fund may, through legislation, be used to augment the General Fund in FY 2025-26 without displacing General Fund revenue, provided the state

⁷ C.R.S. 1-5-505.5; C.R.S. 24-21-104.5

⁸ C.R.S. 24-21-104 (2)(a)

remains below the TABOR revenue cap in that year. The following chart illustrates the fund balance since FY 2022-23.



Staff notes that the fund balance has declined in recent years, while revenues have remained relatively stable. If the Committee and the General Assembly wish to use this fund to augment the General Fund, staff recommends a transfer of \$250,000, which would leave an estimated year-end balance of no less than approximately \$1.0 million. Staff further acknowledges that any transfer from this fund would reduce the amount of grant funding available to counties for the statutory purposes described above.

Indirect Cost Assessments

Description of Indirect Cost Assessment Methodology

The Department of State does not have an indirect cost recovery plan for departmental indirect costs because it does not receive any General Fund appropriations that need to be offset by collection from other divisions.

The Department is part of the Statewide Indirect Cost Plan, as determined by the State Controller, and there is a line item in the Administration Division that accounts for that appropriation. Recent expenditures, appropriations, and the FY 2025-26 request are detailed in the table below:

Department of State Statewide Indirect Cost Assessment

FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request
\$259,249	\$334,424	309,604	\$238,824	\$238,824

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
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DEPARTMENT OF STATE
Jena Griswold, Secretary of State

(1) ADMINISTRATION DIVISION

The Administration Division provides general management and administrative support for all department divisions including budgeting, human resources services, and public outreach.

Personal Services	<u>2,597,033</u>	<u>2,941,274</u>	<u>3,144,336</u>	<u>3,376,821</u>	<u>3,376,821</u> *
FTE	28.4	31.0	26.7	27.3	27.3
General Fund	0	0	0	0	0
Cash Funds	2,597,033	2,941,274	3,144,336	3,376,821	3,376,821
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Step pay	<u>0</u>	<u>0</u>	<u>48,752</u>	<u>11,823</u>	<u>11,823</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	48,752	11,823	11,823
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Health, Life, and Dental	<u>1,780,886 28.4</u>	<u>1,965,056</u>	<u>2,226,904</u>	<u>3,049,001</u>	<u>3,049,001</u>
General Fund	0	0	0	0	0
Cash Funds	1,780,886	1,965,056	2,226,904	3,049,001	3,049,001
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
Short-term Disability	<u>17,487</u>	<u>19,768</u>	<u>10,768</u>	<u>11,242</u>	<u>11,242</u>
General Fund	0	0	0	0	0
Cash Funds	17,487	19,768	10,768	11,242	11,242
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Paid Family and Medical Leave Insurance	 <u>0</u>	 <u>59,305</u>	 <u>69,222</u>	 <u>72,270</u>	 <u>72,270</u>
General Fund	0	0	0	0	0
Cash Funds	0	59,305	69,222	72,270	72,270
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 Unfunded liability AED payments	 <u>0</u>	 <u>1,100,000</u>	 <u>1,538,256</u>	 <u>1,605,996</u>	 <u>1,605,996</u>
General Fund	0	0	0	0	0
Cash Funds	0	1,100,000	1,538,256	1,605,996	1,605,996
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
 S.B. 04-257 Amortization Equalization					
Disbursement	<u>582,868</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	582,868	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
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>456,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	456,000	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Salary Survey	<u>627,387</u>	<u>454,764</u>	<u>422,995</u>	<u>545,695</u>	<u>545,695</u>
General Fund	0	0	0	0	0
Cash Funds	627,387	454,764	422,995	545,695	545,695
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
PERA Direct Distribution	<u>42,358</u>	<u>269,595</u>	<u>279,279</u>	<u>279,480</u>	<u>279,480</u>
General Fund	0	0	0	0	0
Cash Funds	42,358	269,595	279,279	279,480	279,480
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>4,699</u>	<u>4,699</u> *
Cash Funds	0	0	0	4,699	4,699
Workers' Compensation	<u>78,177</u>	<u>95,892</u>	<u>89,295</u>	<u>114,798</u>	<u>114,798</u>
General Fund	0	0	0	0	0
Cash Funds	78,177	95,892	89,295	114,798	114,798
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>448,843</u>	<u>355,161</u>	<u>542,302</u>	<u>537,600</u>	<u>537,600</u> *
General Fund	0	0	0	0	0
Cash Funds	448,843	355,161	542,302	537,600	537,600
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Legal Services	<u>1,195,027</u>	<u>1,166,414</u>	<u>1,518,847</u>	<u>818,288</u>	<u>818,288</u>
General Fund	0	0	0	0	0
Cash Funds	1,195,027	1,166,414	1,518,847	818,288	818,288
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Outside Legal Services	<u>0</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	25,000	25,000	25,000	25,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Administrative Law Judge Services	<u>32,857</u>	<u>48,950</u>	<u>10,576</u>	<u>2,376</u>	<u>2,376</u> *
General Fund	0	0	0	0	0
Cash Funds	32,857	48,950	10,576	2,376	2,376
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payment to Risk Management and Property Funds	<u>384,455</u>	<u>104,384</u>	<u>156,118</u>	<u>60,639</u>	<u>60,639</u>
General Fund	0	0	0	0	0
Cash Funds	384,455	104,384	156,118	60,639	60,639
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
Vehicle Lease Payments	<u>10,431</u>	<u>10,827</u>	<u>10,575</u>	<u>10,827</u>	<u>10,827</u> *
General Fund	0	0	0	0	0
Cash Funds	10,431	10,827	10,575	10,827	10,827
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Leased Space	<u>1,383,579</u>	<u>1,442,433</u>	<u>1,499,579</u>	<u>1,559,579</u>	<u>1,559,579</u>
General Fund	0	0	0	0	0
Cash Funds	1,383,579	1,442,433	1,499,579	1,559,579	1,559,579
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Payments to OIT	<u>435,934</u>	<u>461,370</u>	<u>173,710</u>	<u>365,585</u>	<u>365,585</u> *
General Fund	0	0	0	0	0
Cash Funds	435,934	461,370	173,710	365,585	365,585
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
CORE Operations	<u>14,820</u>	<u>4,744</u>	<u>3,877</u>	<u>19,168</u>	<u>19,168</u>
General Fund	0	0	0	0	0
Cash Funds	14,820	4,744	3,877	19,168	19,168
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Electronic Recording Technology Board	<u>4,868,181</u>	<u>2,487,447</u>	<u>3,540,546</u>	<u>3,016,882</u>	<u>3,016,882</u>
General Fund	0	0	0	0	0
Cash Funds	4,868,181	2,487,447	3,540,546	3,016,882	3,016,882
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>334,424</u>	<u>309,604</u>	<u>238,824</u>	<u>238,824</u>	<u>238,824</u>
General Fund	0	0	0	0	0
Cash Funds	334,424	309,604	238,824	238,824	238,824
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Discretionary Fund	<u>0</u>	<u>0</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	5,000	5,000	5,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (1) Administration Division	15,290,747	13,321,988	15,554,761	15,731,593	15,731,593
FTE	<u>56.8</u>	<u>31.0</u>	<u>26.7</u>	<u>27.3</u>	<u>27.3</u>
General Fund	0	0	0	0	0
Cash Funds	15,290,747	13,321,988	15,554,761	15,731,593	15,731,593
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
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(2) INFORMATION TECHNOLOGY DIVISION

The Information Technology Services Division provides technical and project management services, systems development, and support for information technology systems in the Department.

Information Technology

Personal Services	<u>6,599,450</u>	<u>6,944,246</u>	<u>8,007,214</u>	<u>7,839,122</u>	<u>7,752,507</u> *
FTE	40.2	38.9	48.5	50.4	49.4
General Fund	151,651	71,012	0	0	0
Cash Funds	6,447,799	6,576,521	8,007,214	7,839,122	7,752,507
Reappropriated Funds	0	296,713	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>482,204</u>	<u>558,034</u>	<u>4,398,314</u>	<u>4,440,189</u>	<u>4,428,200</u> *
General Fund	525	0	4,254	4,254	0
Cash Funds	481,679	558,034	4,394,060	4,435,935	4,428,200
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Hardware/Software Maintenance	<u>2,735,514</u>	<u>2,780,915</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Cash Funds	2,735,514	2,780,915	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
Information Technology Asset Management	<u>445,418</u>	<u>431,212</u>	0	0	0
General Fund	0	0	0	0	0
Cash Funds	445,418	431,212	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - (2) Information Technology Division	10,262,586	10,714,407	12,405,528	12,279,311	12,180,707
FTE	<u>40.2</u>	<u>38.9</u>	<u>48.5</u>	<u>50.4</u>	<u>49.4</u>
General Fund	152,176	71,012	4,254	4,254	0
Cash Funds	10,110,410	10,346,682	12,401,274	12,275,057	12,180,707
Reappropriated Funds	0	296,713	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
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(3) ELECTIONS DIVISION

The Elections Division oversees state elections and has exclusive responsibility for campaign finance disclosure, statewide ballot initiative certification, and lobbyist registration.

Personal Services	<u>3,430,294</u>	<u>4,013,276</u>	<u>4,363,434</u>	<u>4,549,114</u>	<u>4,549,114</u>
FTE	38.0	41.6	48.1	48.1	48.1
General Fund	0	0	0	0	0
Cash Funds	3,430,294	4,013,276	4,363,434	4,549,114	4,549,114
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>278,986</u>	<u>293,958</u>	<u>528,809</u>	<u>516,749</u>	<u>516,749</u>
General Fund	0	0	0	0	0
Cash Funds	278,986	293,958	528,809	516,749	516,749
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Help America Vote Act Program	<u>428,103</u>	<u>234,488</u>	<u>210,000</u>	<u>10,000</u>	<u>10,000</u>
FTE	0.0	2.8	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	396,524	234,488	210,000	10,000	10,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	31,579	0	0	0	0
Local Election Reimbursement	<u>13,675,495</u>	<u>8,400,026</u>	<u>10,746,664</u>	<u>9,427,654</u>	<u>9,427,654</u>
General Fund	10,159,613	2,265,636	0	0	0
Cash Funds	3,181,458	5,824,786	10,746,664	9,427,654	9,427,654
Reappropriated Funds	334,424	309,604	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
Initiative and Referendum	<u>107,860</u>	<u>207,931</u>	<u>165,000</u>	<u>165,000</u>	<u>165,000</u>
General Fund	0	0	0	0	0
Cash Funds	107,860	207,931	165,000	165,000	165,000
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Document Management	<u>741,956</u>	<u>664,980</u>	<u>802,526</u>	<u>1,003,574</u>	<u>1,003,574</u>
General Fund	0	0	0	0	0
Cash Funds	741,956	664,980	802,526	1,003,574	1,003,574
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Local Election Security Grants	<u>766,290</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	766,290	0	0	0	0
HAVA Federal Title I 2018	<u>1,416,716</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	1,416,716	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 - (3) Elections Division	20,845,700	13,814,659	16,816,433	15,672,091	15,672,091
<i>FTE</i>	<u>38.0</u>	<u>44.4</u>	<u>48.1</u>	<u>48.1</u>	<u>48.1</u>
General Fund	10,159,613	2,265,636	0	0	0
Cash Funds	8,137,078	11,239,419	16,816,433	15,672,091	15,672,091
Reappropriated Funds	334,424	309,604	0	0	0
Federal Funds	2,214,585	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
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(4) BUSINESS AND LICENSING DIVISION

s, promotes availability of government data, and makes performing rights society information accessible.

Personal Services	<u>3,012,684</u>	<u>3,643,440</u>	<u>3,691,190</u>	<u>3,788,447</u>	<u>3,788,447</u>
FTE	34.3	38.0	51.5	51.5	51.5
General Fund	0	0	0	0	0
Cash Funds	3,012,684	3,643,440	3,691,190	3,788,447	3,788,447
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Operating Expenses	<u>104,695</u>	<u>163,607</u>	<u>180,065</u>	<u>175,065</u>	<u>175,065</u>
General Fund	0	0	0	0	0
Cash Funds	104,695	163,607	180,065	175,065	175,065
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Business Intelligence Center Personal Services	<u>262,046</u>	<u>282,948</u>	<u>318,095</u>	<u>318,095</u>	<u>318,095</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	262,046	282,948	318,095	318,095	318,095
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Business Intelligence Center 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
TOTAL - (4) Business and Licensing Division	3,379,425	4,089,995	4,189,350	4,281,607	4,281,607
<i>FTE</i>	<u>34.3</u>	<u>38.0</u>	<u>51.5</u>	<u>51.5</u>	<u>51.5</u>
General Fund	0	0	0	0	0
Cash Funds	3,379,425	4,089,995	4,189,350	4,281,607	4,281,607
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
TOTAL - Department of State	49,778,458	41,941,049	48,966,072	47,964,602	47,865,998
<i>FTE</i>	<u>169.3</u>	<u>152.3</u>	<u>174.8</u>	<u>177.3</u>	<u>176.3</u>
General Fund	10,311,789	2,336,648	4,254	4,254	0
Cash Funds	36,917,660	38,998,084	48,961,818	47,960,348	47,865,998
Reappropriated Funds	334,424	606,317	0	0	0
Federal Funds	2,214,585	0	0	0	0



Memorandum

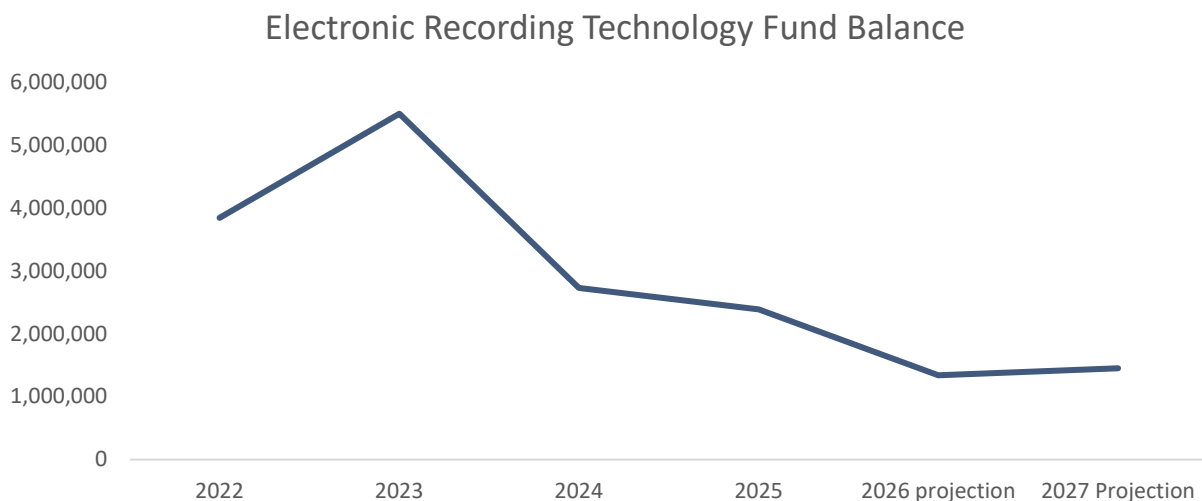
To: The Joint Budget Committee
From: Sam Rickman, JBC Staff (303-866-2981)
Date: February 9, 2026
Subject: Cash fund transfer from Electronic Recording Technology Fund

JBC staff recommends a cash fund transfer of \$200,000 from the Electronic Recording Technology Fund (ERTF). This amount differs from the figure presented on page 28 of the FY 2026-27 figure setting document, which is the reason for this memorandum. In addition, staff has incorporated updated information reflecting the most recent balance of the fund.

Analysis

The Electronic Recording Technology Fund (ERTF) is supported by filing surcharges pursuant to Section 30-10-421 (3)(a), C.R.S., and provides grants to counties to establish, maintain, improve, or replace electronic recording systems, as well as to improve the security of county general information technology systems.

The fund may, through legislation, be used to augment the General Fund in FY 2025-26 without displacing General Fund revenue, provided the state remains below the TABOR revenue cap in that fiscal year. The following chart illustrates the fund balance since FY 2022-23.



Grants awarded from the ERTF support projects such as annual maintenance, cybersecurity improvements, indexing, and web hosting. A full list of grant recipients and project purposes is available in the attached annual report.

Current fund status

The [most recent financial report](#) (linked here and attached) from the Electronic Recording Technology Board (ERTB), published in December 2025, indicates that the fund ended November 2025 with a balance of \$1.02 million. There is one additional grant currently in the pipeline, resulting in an effective fund balance of \$990,370.

Through conversations with the Department, staff learned that the Board has an informal policy of maintaining a minimum fund balance of \$500,000 and would pause issuing new grants to allow the balance to rebuild if it approached that level.

Revenues and expenses

According to the ERTB FY 2024-25 annual report, the fund generated approximately \$3.7 million in revenue and incurred approximately \$3.1 million in expenditures during that year. Reported revenues are generally consistent with historical revenue levels shown in Schedule 9 cash fund reports.

The recent decline in the fund balance appears to reflect an increase in grant awards in recent years.

Recommendation and conclusion

Based on the current balance and revenue trends, staff believes that a transfer of \$200,000 from the ERTF is feasible from a cash fund solvency perspective. Staff notes that the primary tradeoff associated with this option is that the ERTB would have fewer resources available to award grants in the near term. Staff recommends that the transfer be contingent on the state remaining below the TABOR revenue cap and occur on the final day of FY 2025-26.



ELECTRONIC RECORDING TECHNOLOGY BOARD

Electronic Recording Technology Board
December 2025 Treasurer's Report
Elliot Reaven
December 12, 2025

Overview

This report summarizes the Board's finances through the end of November 2025. The Board cash reserves have dwindled over the past year due to increased grant awards. However, based on recent decisions by the board and strong remittance payments in October (\$247,000), the fund balance has somewhat rebounded.

Accounts Receivable

Costilla is currently the only county with two months of past due balances. Michelle will follow up with Costilla.

Revenue

Remittance payments to the Board during November of 2025 totaled \$98,515 (no remittance payments were processed during November of 2024).

Interest income earned by the Board for November of 2025 was \$5,577, reflecting a 41.3% **decline** over the same period in 2024. The decrease in interest income is a function of the overall decline in the fund balance.

Expenses

November saw a cumulative expenditure of \$328,147 in expenses including \$318,769 in grant payments to La Plata, Saguache, Baca, Eagle, and Las Animas (less \$1,410 unused funds returned from Prowers). There were \$9,378 contractor expenses for Ireland Stapleton, Michelle Batey, and Trevor Timmons.

Fund Balance

As of the end of November 2025, the Board's fund balance (inclusive of encumbrances but exclusive of grants in the pipeline) is **\$1,020,138** which is \$2,299,053.12 less than where the Board ended the month of November of last year. In other words, the Board's fund balance has **declined** 69.3% in a year-over-year comparison.

Grant Pipeline

There is currently one grant in the pipeline for Montezuma in the approved amount of **\$29,768**. After considering this grant, the effective fund balance is **\$990,370**.



ELECTRONIC RECORDING TECHNOLOGY BOARD

2025 ANNUAL REPORT

September 1, 2025

www.ertb.org

This Annual Report is presented per the statutory requirements in 24-21-406 (1) and (2):

(1) Notwithstanding section 21-1-136 (11) on or before September 1, 2017, and each September thereafter until September 1, 2025, the board shall prepare a report that, for each grant made during the prior fiscal year, describes the:

(a) County that received the grant;

(b) Grant amount;

(c) Purpose of the grant; and

(d) Grant outcomes.

(2) The board shall follow-up with a county that receives a grant as necessary for the department of state to complete the report. The department shall publish a copy of the report on the department's website.

BACKGROUND

History of the Electronic Recording Technology Board

In the state of Colorado, a one-dollar per document technology fee was implemented in the early 2000's to aid County offices across the state in funding technological advancements in recording. As a result, Colorado was the first multi-jurisdictional state in the nation to adopt e-Recording across the state.

In the spring of 2014 a working group made up of real estate, title, lending, and legal professionals, as well as county subject-matter experts, conducted a statewide needs assessment and a request for information to evaluate the state of recording systems in Colorado.

In the spring of 2016, Senate Bill 16-115 was passed which created the Electronic Recording Technology Board. In 2021, House Bill 21-1225 was passed extending the Electronic Recording Technology Board until 2026 and House Bill 24-1269 was passed extending it again to 2029.

Vision

To create, support, and maintain a statewide land records environment that promotes accessibility and consistency for the public in an efficient and user-friendly manner.

Mission

To develop, maintain, improve, replace, or preserve land records systems in our state.

Goals

- Assure the security, accuracy, and preservation of public records required to be maintained by a Clerk and Recorder.
- Assure that the sequence in which documents are received by a Clerk and Recorder is accurately reflected to the greatest extent practicable.
- Provide for online public access to public documents while maintaining the privacy of personal identifying information when applicable.
- Assure that electronic filing systems used in different counties are similar so as to facilitate the submission and searching of electronic records.

Objectives

1. Develop a strategic plan that incorporates the core goals and establish the administration of the Electronic Recording Technology Fund and Board.
2. Determine functionality standards for an electronic filing system that supports the core goals.
3. Issue a Request for Proposal (RFP) for electronic filing systems, equipment and software that the counties may choose to acquire.
4. Develop best practices for an electronic filing system.
5. Provide training to Clerk and Recorders related to electronic filing systems.
6. Develop a grant program, prepare reports and promulgate any necessary rule-making.
7. Develop subcommittees and project timelines for implementation.

Board Members

Susan Corliss (Chair)

Kit Carson County
Representing County Clerk & Recorders

Amanda Gonzalez (Vice Chair)

Jefferson County Clerk & Recorder
Representing County Clerk & Recorders

Elliot Reaven (Treasurer)

Deputy Secretary of State
Representing Colorado Secretary of State

Jordan May

Frascona Joiner Goodman & Greenstein
Representing Colorado Bar Association

Robert Howe

Title Company of the Rockies
Representing Title Industry

Calvin Ann Evans

CSMC Mortgage Corp
Representing Mortgage Lending Industry

Trish Gilbert

Saguache County Clerk & Recorder
Representing County Clerk & Recorders

Steve Schleiker

El Paso County Clerk & Recorder
Representing County Clerk & Recorders

Candace Rivera

Pueblo County Clerk & Recorder
Representing County Clerk & Recorders

Michelle Batey

Executive Director
ertbexecutivedirector@gmail.com

FINANCIAL

FISCAL YEAR 2024-2025*

FY24-25 REVENUE COLLECTED

\$3,742,520.47

FY24-25 GRANTS AWARDED

\$3,168,931.46

FY24-25 NUMBER OF COUNTIES AWARDED

28

FUND BALANCE AS OF JUNE 30, 2025

\$2,299,580.00

FY24-25 ERTB EXPENSES (NON-GRANT)

\$151,931.92

TOTAL GRANTS AWARDED

TOTAL GRANTS AWARDED

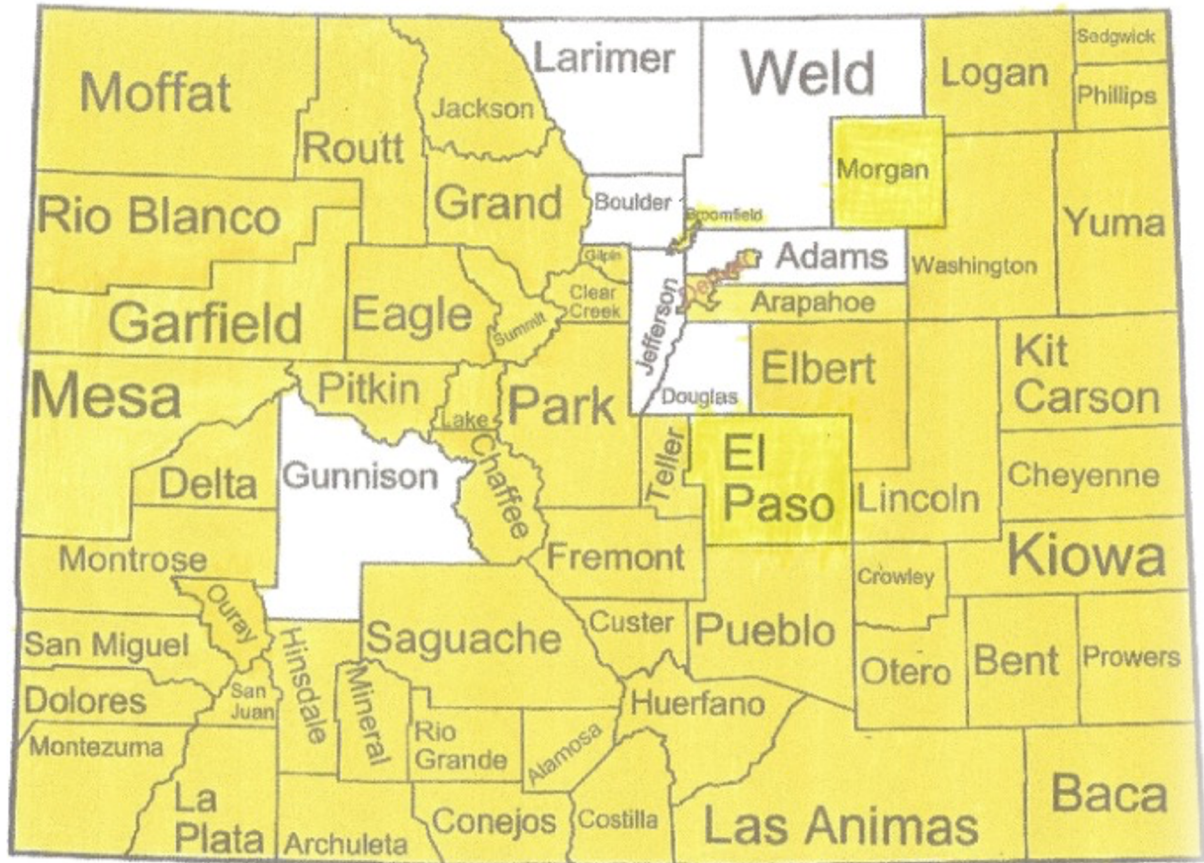
\$20,991,033.35

NUMBER OF COUNTIES

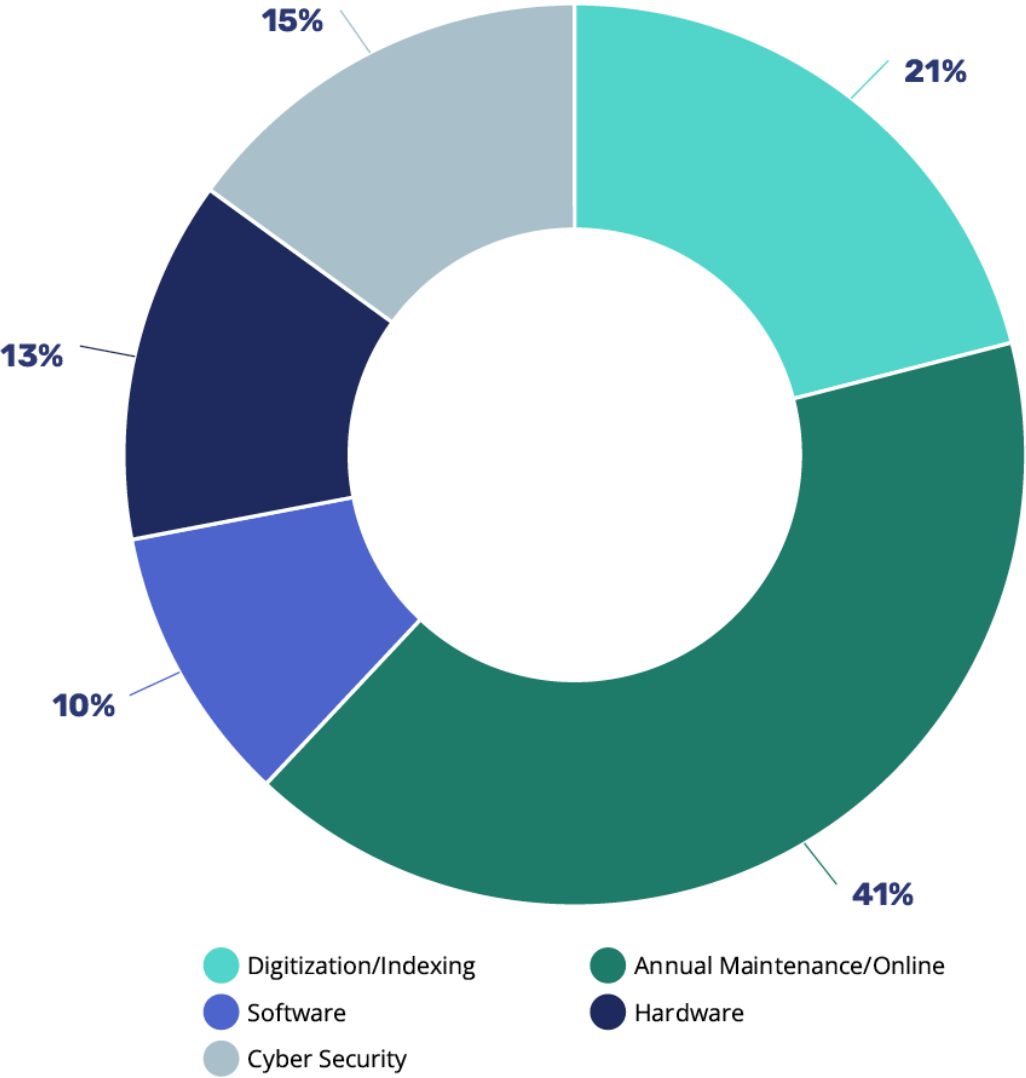
57

* State fiscal year July 1, 2024 - June 30, 2025

MAP OF ALL COUNTY GRANT AWARDS



HOW FUNDS WERE SPENT (FY 2024-2025)



GRANT AWARDS FY 2024-2025

COUNTY	AMOUNT	PURPOSE
Alamosa County	\$236,954.09	Annual maintenance, web hosting, hardware, workstations and scanners, and cyber security
Arapahoe County	\$164,081.00	Annual maintenance
Archuleta County	\$170,789.00	Annual maintenance and cyber security
Bent County	\$72,155.85	Annual maintenance and hardware
Conejos County	\$127,433.14	Cyber Security and hardware
Custer County	\$144,856.34	Annual maintenance and digitization/indexing
Delta County	\$145,735.00	Annual maintenance and recording software
Eagle County	\$32,242.94	Annual maintenance
El Paso County	\$351,911.00	Hardware, recording software and indexing
Fremont County	\$156,183.80	Annual maintenance, indexing and hardware
Grand County	\$11,650.00	Recording software
Hinsdale County	\$22,364.25	Annual maintenance
Kit Carson County	\$66,599.10	Cyber Security, Annual maintenance and hardware
La Plata County	\$30,778.70	Indexing
Lake County	\$115,489.52	Annual maintenance, recording software, indexing and hardware
Mineral County	\$43,596.35	Hardware annual maintenance
Montezuma County	\$10,924.42	Hardware
Montrose County	\$125,301.00	Annual maintenance and recording software
Otero County	\$245,913.85	Annual maintenance, recording software, indexing and hardware

Phillips County	\$104,656.61	Annual maintenance, recording software and hardware
Prowers County	\$10,270.19	Hardware
Pueblo County	\$421,758.00	Indexing
Rio Grande County	\$100,435.56	Cyber security, digitization and indexing
Saguache County	\$133,113.95	Cyber security and annual maintenance
San Juan County	\$5,593.00	Hardware
San Miguel County	\$92,338.00	Annual maintenance and recording software
Teller County	\$4,418.00	Annual maintenance
Yuma County	\$21,388.80	Hardware
TOTAL	\$3,168,931.46	