

FY 2026-27 Budget Briefing Summary

Department of Military and Veterans Affairs

The Department of Military and Veterans Affairs is responsible for training and maintaining Colorado's Army and Air National Guard to protect the safety and health of Colorado's residents and serve as a reserve force for the U.S. Armed Forces. The Department also administers state programs that assist U.S. military veterans. The Department's FY 2025-26 appropriation represents approximately 0.4 percent of statewide operating appropriations and 0.1 percent of statewide General Fund appropriations.

Summary of Request

Department of Military and Veterans Affairs

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$159,326,002	\$17,452,411	\$2,573,123	\$5,026,042	\$134,274,426	2,337.9
Other legislation	-4,437,213	562,787	0	-5,000,000	0	0.0
Total	\$154,888,789	\$18,015,198	\$2,573,123	\$26,042	\$134,274,426	2,337.9
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$154,888,789	\$18,015,198	\$2,573,123	\$26,042	\$134,274,426	2,337.9
R1 General Fund reductions	-321,254	-321,254	0	0	0	0.0
R2 Cemetery cash fund transfer	0	0	0	0	0	0.0
Employee comp common policies	1,466,707	354,913	24,896	0	1,086,898	0.0
Operating common policies	-699,650	-527,268	-1,765	0	-170,617	0.0
Impacts driven by other agencies	134,750	134,750	0	0	0	0.9
Provider rate common policy	41,016	41,016	0	0	0	0.0
Technical adjustments	-157,886	0	-157,886	0	0	0.0
Total	\$155,352,472	\$17,697,355	\$2,438,368	\$26,042	\$135,190,707	2,338.8
Increase/-Decrease	\$463,683	-\$317,843	-\$134,755	\$0	\$916,281	0.9
Percentage Change	0.3%	-1.8%	-5.2%	0.0%	0.7%	0.0%

Changes are assumed to be ongoing unless otherwise noted.

R1 General fund reductions: The Department asks to decrease General Fund across various line items in the Executive Director's Office and Division of Veterans Affairs as a budget balancing measure.

Year 1: Reduction of \$321,254 General Fund

The proposed reductions will impact several areas across the Department, including Personal Services, IT Asset Maintenance, and the Army National Guard Cooperative Agreement within the Executive Director's Office. Additionally, Veterans Service Operations in the Division of Veterans Affairs and the Operations and Maintenance Agreement for Buckley/Greeley will also be impacted. The Department chose these line items and amounts to minimize the effect on operations and to avoid impacting FTE.

R2 Cemetery cash fund transfer: [legislation] The Department asks for a cash fund transfer to maintain the solvency of the Western Slope Cemetery Cash Fund (WSCCF) and support cemetery operations. The WSCCF is faced with a declining fund balance.

Year 1: One-time transfer of \$100,000 from the Colorado State Veterans Trust Fund (CSVTF) to the Western Slope Cemetery Cash 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.

Employee compensation common policies

Item	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
Health, life, and dental	\$603,316	\$114,298	\$25,906	\$463,112	0.0
Salary survey	534,366	204,062	6,864	323,440	0.0
Unfunded liability amortization payments	137,026	13,959	-7,484	130,551	0.0
Shift differential	127,207	0	0	127,207	0.0
Step plan	57,668	21,868	0	35,800	0.0
Paid family and medical leave insurance	6,165	628	-337	5,874	0.0
Short-term disability	959	98	-53	914	0.0
Total	\$1,466,707	\$354,913	\$24,896	\$1,086,898	0.0

Operating common policies: The request includes a net decrease of \$699,650 total funds for operating common policies.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
State accounting system (CORE)	\$43,923	\$43,923	\$0	\$0	\$0	0.0
Office of Information Technology services	39,772	39,772	0	0	0	0.0
Workers' compensation	21,574	10,787	0	0	10,787	0.0
Digital trunked radios	10,067	10,067	0	0	0	0.0
PERA direct distribution	4,265	170,199	-1,765	0	-164,169	0.0
Capitol Complex leased space	4,171	4,171	0	0	0	0.0
Risk management & property	-763,205	-763,205	0	0	0	0.0
Vehicle lease payments	-34,471	-17,236	0	0	-17,235	0.0
Legal services	-25,746	-25,746	0	0	0	0.0
Total	-\$699,650	-\$527,268	-\$1,765	\$0	-\$170,617	0.0

Impacts driven by other agencies: The request includes a net increase of \$134,750 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 SB24-205 AI compliance	\$130,439	\$130,439	\$0	\$0	\$0	0.9
NP IT accessibility	20,000	20,000	0	0	0	0.0
NP State accounting system (CORE) staff	6,078	6,078	0	0	0	0.0
NP Statewide enable AI	1,034	1,034	0	0	0	0.0
NP IT operating offset	-16,855	-16,855	0	0	0	0.0
NP IT efficiencies	-5,946	-5,946	0	0	0	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Total	\$134,750	\$134,750	\$0	\$0	\$0	0.9

Provider rate common policy: The request includes an increase of \$41,016 related to common policy provider rate adjustment.

Technical adjustments: The request includes a decrease of \$157,866 cash funds for a technical adjustment related to sunseting the Veterans Assistance Grant Program Cash Fund.

Issues Presented

This is a summary of the briefing issues presented to the Joint Budget Committee by their dedicated non-partisan staff.

Colorado National Guard Tuition Waiver: This issue brief provides an update on the Department of Military and Veterans Affairs Tuition Waiver program, which resulted from legislation sponsored by the Joint Budget Committee, SB 25-247 (Tuition Waiver & Colorado National Guard Members), passed during the 2025 legislative session. The Department reports an increase in recruitment numbers and fulfillment of end strength, partially attributing this rise to the benefits of the tuition waiver. However, a review of the legislation by the Attorney General found that the language of SB 25-247 does not require institutes of higher education to absorb any growth associated with the waiver program. This interpretation differs from what staff understood was the Committee's intent when sponsoring the legislation.

Budget Reduction Options: The Department requests reductions of \$321,254, representing 1.8 percent of its General Fund appropriations. Staff options would bring an additional \$3.3 million in General Fund relief.

For More Information

JBC Staff Analyst:

Jon Catlett
(303) 866-4386
jon.catlett@coleg.gov

To read the entire briefing: Go to leg.colorado.gov/content/budget/budget-documents to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2025.