



Memorandum

To: Members of the Joint Budget Committee
From: Craig Harper, JBC Staff Director (303-866-3481)
Andrew McLeer, JBC Staff (303-866-4959)
Date: January 13, 2026
Subject: Process Change for Non-prioritized Requests and Supplemental Presentation for Departments with Only Non-Prioritized Requests (Departments of Agriculture, Local Affairs, Military and Veterans Affairs, and Transportation)

Process Change for Non-prioritized Requests

JBC staff is implementing/recommending three process changes related to “non-prioritized” supplemental requests for the 2026 supplemental process¹:

- For Departments that only have non-prioritized requests, JBC staff is presenting this consolidated memo with the requested impacts for Departments that only have non-prioritized requests rather than creating entire supplemental documents.
- For all other departments, non-prioritized requests will continue to appear in the summary table at the beginning of supplemental documents. However, staff will not include a separate section for the non-prioritized items.
- Staff recommends no longer taking motions and votes on non-prioritized items in every department. The staff recommendation is nearly always to reflect the Committee’s decision on the prioritized request, and staff recommends eliminating the additional vote (which has long been a source of frustration for members). If an individual analyst disagrees with the common policy recommendation, then the analyst will continue to provide a separate recommendation. That scenario would require a motion and vote.

Previous Process

It has been long-standing practice of JBC staff to produce a supplemental write-up for all departments with supplemental requests, even those with only non-prioritized requests. In recent years, the frequency of non-prioritized supplementals has increased, largely because of the adoption of real-time billing for Office of

¹ Non-prioritized requests represent the impact of decision items submitted by another department. For example, OIT submits a prioritized request to adjust Payments to OIT for multiple agencies, while the client agencies submit non-prioritized requests reflecting the impact on their appropriations. The Committee makes the decision during discussion of the prioritized request (with OIT in this example).

Information Technology (OIT) services and annual true-ups for Department of Personnel and Administration (DPA) vehicle fleet services. This has resulted in write-ups for Departments where the only adjustments are based on decisions made in other state agencies. For departments with prioritized requests, staff supplemental documents have also included separate sections for non-prioritized items, adding length to documents even though the Committee makes the actual decisions elsewhere.

Staff has identified the following problems with the previous process that the change aims to address:

- Staff develop documents that have limited utility to the Committee. The documents for non-prioritized request don't have any decisions to be made, as any adjustments are reflective of Committee action elsewhere.
- During presentations, staff discuss budgetary decisions for which they may have minimal expertise.

Starting with this cycle, staff will present a memo on Departments that only have non-prioritized requests. This change is intended to streamline the supplemental process by reducing the number of documents produced for the Committee by eliminating those for which there are no-prioritized decisions. Additionally, the memo format will more clearly identify the state agency responsible for the non-prioritized request, allowing the Committee to direct questions regarding these requests to the analyst for the lead agency.

FY 2025-26 Departments with Only Non-prioritized Requests

The following four Departments only submitted non-prioritized supplemental budget requests for the current year:

- Agriculture
- Local Affairs
- Military and Veterans Affairs
- Transportation

The following subsections show the requested impact of the various non-prioritized requests on these four departments.

OIT Real-time Billing

The following table shows requested adjustments to real-time billing for OIT, reflecting changes in Department utilization of OIT services. Andrew McLeer will discuss OIT real-time billing during the supplemental presentation for the Office of the Governor scheduled for January 22.

OIT Real-time Billing

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Agriculture	-\$192,759	-122,479	-\$70,280	\$0	\$0	0.0
Local Affairs	-504,652	-155,563	-182,027	-101,042	-66,020	0.0
Military and Veterans Affairs	-2,741	-2,741	0	0	0	0.0
Transportation	-2,741,494	0	-2,741,494	0	0	0.0

Fleet Vehicle Adjustment

The following table shows requested adjustments to fleet vehicle appropriations, reflecting changes in Department utilization of fleet vehicle services. Tom Dermody will discuss the fleet request during the supplemental presentation for operating common policies scheduled for January 13.

Fleet Vehicle Adjustment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Agriculture	-\$111,776	-\$55,741	-\$54,814	\$0	-\$1,221	0.0
Local Affairs	-31,090	-13,765	-13,180	-4,145	0	0.0
Military and Veterans Affairs	-27,359	-12,969	0	0	-14,390	0.0

Health, Life, and Dental Adjustment

The following table shows requested adjustments to health life and dentals, reflecting changes in Department utilization of fleet vehicle services. Alfredo Kemm will discuss the health, life, and dental requests during the supplemental presentation for total compensation scheduled for January 20.

Health, Life, and Dental Adjustment

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Agriculture	\$112,193	\$3,406	\$95,157	\$0	\$13,630	0.0
Local Affairs	-75,264	-71,523	-49,208	41,288	4,179	0.0
Military and Veterans Affairs	\$9,513	147,460	1,436	0	-139,383	0.0
Transportation	\$106,273	0	106,273	0	0	0.0