



# JBC Staff Comeback Memos

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# JBC Staff Comeback IT Capital

**JBC Staff:** Andrew McLeer, (303-866-4959)

**Date:** March 23, 2026

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## IT Capital Request

On March 16, 2026, staff presented the IT Capital figure setting document, highlighting the recommendations from the Joint Technology Committee (JTC). At that time, the Committee declined to take any action on the request. This memo is intended to remind the Committee of the JTC's project prioritization and recommended appropriations, as well as providing a potential budget balancing action regarding the Stationary Sources Modernization project in the Department of Public Health and Environment

## Project Update and Updated Staff Recommendation

The Department of Public Health and Environment has reported that the Community Impact Cash Fund could be used to pay for the final phase of the Stationary Sources Modernization Project, replacing the requested General Fund appropriations for this project. Staff has incorporated this change into the table of recommended IT capital projects from the JTC. **Should the Committee approve the final phase of this project, staff recommends including a transfer of the requested funds from the Community Impact Cash Fund to the IT Capital Account in the approved Capital Construction transfer bill.**

## Summary of Recommendation

The updated cost of the JTC's "above the line" projects total \$8,052,245 General Fund. This is approximately \$2.5 million below the Governor's requested appropriation of \$10,547,139 for IT capital projects. This reduction is primarily due to a decrease in

## Recommendations Table

The following table outlines the projects recommended by the JTC for funding in FY 2026-27, with the highlighted items not prioritized in the request.

### JTC Recommendations for FY 2026-27 IT Capital Projects

JTC Rank	Phase	Dept.	Project	Total Funds	GF/CCF	Cash Funds	Reapprop. Funds	Federal Funds
<i>Projects Recommended from General Fund/Capital Construction Fund</i>								
1	1 of 2+	DHS	Reimaging Benefit Management System	\$4,823,806	\$905,237	\$0	\$0	\$3,918,569
2	2 of 2	EDU	School finance modernization	\$369,279	\$369,279	\$0	\$0	\$0
3	4 of 4	PHE	Stationary sources modernization	\$1,748,863	\$0	\$1,748,863	\$0	\$0
4	3 of 3	HCPF	Social health information exchange	\$4,049,989	\$743,838	\$0	\$0	\$3,306,151
5	1 of 1	COR	Insp. Gen. offense reporting (IGOR) system	\$510,669	\$510,669	\$0	\$0	\$0
6	1 of 2+	DPA	Human resources information system	\$955,500	\$955,500	\$0	\$0	\$0
7	1 of 1	HED	UNC Life safety tech. modernization	\$1,982,160	\$1,861,248	\$120,912	\$0	\$0
8	1 of 1	HED	Fort Lewis College door access control upgrade	\$722,818	\$722,818	\$0	\$0	\$0
9	1 of 1	HED	Otero College Campus sec improvements	\$234,300	\$184,300	\$50,000	\$0	\$0
10	1 of 1	HED	CO Northwest CC Security camera upgrades	\$974,983	\$974,983	\$0	\$0	\$0
11	1 of 3	HED	Pueblo CC Wireless network upgrade	\$824,373	\$824,373	\$0	\$0	\$0
<b>Subtotal - Recommended General Funded Projects</b>				<b>\$17,196,740</b>	<b>\$8,052,245</b>	<b>\$1,919,775</b>	<b>\$0</b>	<b>\$7,224,720</b>
<i>Projects Recommended from Cash Funds</i>								
1	3 of 3	PubSaf	Records Utilization Upgrade	\$2,564,100	\$0	\$2,564,100	\$0	\$0
2	2 of 2	DPA	Statewide Procurement System	\$2,299,500	\$0	\$2,299,500	\$0	\$0
3	3 of 3	LAB	Workers' Comp Database Replacement	\$9,964,519	\$0	\$9,964,519	\$0	\$0
4	1 of 2+	PHE	Health Facilities and EMS modernization	\$2,100,000	\$0	\$2,100,000	\$0	\$0
<b>Subtotal - Recommended Cash Funded Projects</b>				<b>\$16,928,119</b>	<b>\$0</b>	<b>\$16,928,119</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Recommended Project Funding</b>				<b>\$34,124,859</b>	<b>\$8,052,245</b>	<b>\$18,847,894</b>	<b>\$0</b>	<b>\$7,224,720</b>
<i>Projects Recommended for Funding if Additional Funds Available</i>								
1	1 of 1	HED	Front Range CC Cell sys improvements	\$5,824,000	\$5,468,000	\$356,000	\$0	\$0
2	1 of 3	HED	Arapahoe CC Classroom tech	\$1,311,447	\$1,174,447	\$137,000	\$0	\$0
3	1 of 1	HED	Colorado Mesa Univ SIS modernization	\$8,147,161	\$7,611,602	\$535,559	\$0	\$0
4	1 of 1	HED	Western CO Univ Digital ID, sec, & access	\$4,970,600	\$4,658,106	\$312,494	\$0	\$0
5	1 of 3	HED	CC of Aurora Modern campus tech	\$999,000	\$949,050	\$49,950	\$0	\$0
<b>Subtotal - Projects if Additional Funding Available</b>				<b>\$21,252,208</b>	<b>\$19,861,205</b>	<b>\$1,391,003</b>	<b>\$0</b>	<b>\$0</b>
<b>Total of All Requests</b>				<b>\$55,377,067</b>	<b>\$27,913,450</b>	<b>\$20,238,897</b>	<b>\$0</b>	<b>\$7,224,720</b>

## Additional Information

Staff wishes to highlight the following for the committee:

- The school finance modernization item was anticipated to be a three-phase project at a cost of \$9.3 million General Fund. A subsequent budget amendment in January 2026 indicates that the project will be under budget, at a total cost of \$3.4 million General Fund for two phases.
- The out-year costs for the human resources information system (General Fund priority 6) are substantial. The initial appropriation of \$1.0 million recommended here includes a study to evaluate implementation of a statewide human resources system. Initial estimates from the Department indicate that full implementation will cost an additional \$63.7 million General Fund from FY 2027-28 through FY 2030-31.
- The “Reimagining Benefit Management System” item is mistakenly labeled as a Health Care Policy and Financing project in the JTC letter. The originally requested re-procurement was a HCPF project, but a subsequent supplemental and budget amendment replaced this project with the “Reimagining Colorado’s Benefit Management System” project in the Department of Human Services, with funding for the project beginning in FY 2025-26. Staff has made the technical correction in the table above, with agreement from the Office of State Planning and Budgeting, aligning this continuation funding with the previously approved project.

## Summary of Possible JBC Action

While not an exhaustive list, common actions taken in the past on the IT Capital list include:

- Approving the JTC list and fund all projects above the JTC line;
- Drawing the JBC line based on expected General Fund impact, (e.g., all projects up to \$15 million General Fund);
- Transferring cash funds to the Capital Construction Fund to fund Cash Funded projects;
- Prioritizing multiphase projects that have already received funding for prior phases and then drawing the line;
- Adjusting the priority order by moving projects up and down the list; and
- Adding or removing specific projects from the priority list and drawing the line.

The latter three actions will trigger the requirement to meet with the JTC to discuss prioritization of IT capital projects, while taking any of the first three actions will not.

# JBC Staff Comeback

## Capital Construction

**JBC Staff:** Andrea Uhl, (303-866-4956)

**Date:** March 23, 2026

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### General Fund/CCF Recommendations

The Committee tabled a decision on the General Fund/Capital Construction Fund (CCF) list of recommendations from the Capital Development Committee (CDC). The CDC recommendations exceeded the OSPB January 15<sup>th</sup> request by \$0.5 million. The requests are shown on the following page.

An important note, OSPB's March 18<sup>th</sup> comeback packet includes a proposal to pay for the Colorado School for the Deaf and the Blind (CSDB) West Hall Renovation and Addition from the Disability Support Fund. This request can be found in the Colorado Department of Labor and Employment Comeback #11. Staff defers to the JBC staff analyst for CDLE on whether using the Disability Support Fund for this purpose is doable. If the CSDB project is funded with the Disability Support Fund instead of the General Fund, the cost of the CDC list would be reduced to \$154,479,548.

### Cash Funded Recommendations

The Committee tabled the CDC recommendations for cash-funded projects, with the exception of the Capitol Complex Renovation and Footprint Reduction. The Committee approved staff recommendation to not make a \$41.5 million appropriation for that project. The remaining projects awaiting approval are shown on the following page.

### General Fund Exempt for Transportation

The Committee tabled the CDC recommendation for \$500,000 for highway construction projects in CDOT's Asset Management Program, which originates from the General Fund Exempt account. This item has been funded annually at \$500,000 since FY 2010-11 to expend a portion of revenue retained under Referendum C for transportation projects. Staff has verified with OLLS that this amount could be \$0. The \$500,000 would have to be used for a different allowable purpose and can offset regular General Fund. See Director Harper's Ref. C and General Fund Exempt Allocations memo dated March 23, 2026.

**FY 2026-27 State-Funded CDC Recommendation**

CDC	OSPB	CCH	Project [1] [2]	Total Funds	General Fund/ CCF	Cash Funds	FY 2027-28 CCF Cost	Later Year CCF Cost
1	1		Controlled Maintenance Level 1	\$109,383,329	\$109,383,329	\$0	\$0	\$0
2	2	1	IHE: CSU Clark Building renovation & addition ph 4/4	25,798,175	25,798,175	0	0	0
3	5		DHS: Campus utility infrastructure upgrade, CMHIP ph 2/4 (CR)	4,144,206	4,144,206	0	0	30,543,726
4	3		DOC: Electronic security system replacement, CSP ph 1/2 (CR)	748,289	748,289	0	6,832,184	0
5	13		DOC: Critical living unit improve shower/drain/toilets, Arkansas Valley ph 2/2 (CR)	12,506,208	12,506,208	0	0	0
6	6		EDU: CSDB West Hall renovation and addition ph 1/2	13,778,673	13,778,673	0	15,897,641	0
7	7		CDLE: Testing lab relocation	1,899,341	1,899,341	0	0	0
<b>Total State-Funded, Recommended</b>				<b>\$168,258,221</b>	<b>\$168,258,221</b>	<b>\$0</b>	<b>\$22,729,825</b>	<b>\$30,543,726</b>

[1] (CR) indicates the project is capital renewal, which refers to a controlled maintenance project or bundled projects with costs exceeding \$4.7 million in a single year.

[2] IHE refers to institutions of higher education.

**FY 2026-27 Cash-Funded CDC Recommendation**

Project	Total	General Fund/ CCF	Cash Funds	Other	FY 2027-28 CCF Cost	Later Year CCF Cost
DHS: Depreciation Fund for regional center group homes	\$832,718	\$0	\$832,718	\$0	\$0	\$0
DNR: CPW Property acquisition and improvements	12,100,000	0	12,100,000	0	0	0
DNR: CPW Infrastructure and property maintenance	11,293,800	0	11,293,800	0	0	0
DOC: Colorado Correctional Industries small projects	1,000,000	0	1,000,000	0	0	0
<del>DPA: Capitol Complex renovation and footprint reduction ph 3/4</del>	<del>41,450,138</del>	<del>0</del>	<del>41,450,138</del>	<del>0</del>	<del>15,845,730</del>	<del>15,845,730</del>
HistCO: Regional property preservation projects	700,000	0	700,000	0	0	0
<b>Total Cash-Funded, Recommended</b>	<b>\$67,376,656</b>	<b>\$0</b>	<b>\$67,376,656</b>	<b>\$0</b>	<b>\$15,845,730</b>	<b>\$15,845,730</b>
Total Cash-Funded Less Capitol Complex renovation and footprint reduction	\$25,926,518	\$0	\$25,926,518	\$0	\$0	\$0



## Long Bill Headnotes for Capital Construction

This item was not previously presented. Capital construction is its own section of the Long Bill and is preceded by specific headnotes. The Office of Legislative Legal Services suggested several technical changes that are shown in Appendix A. Staff recommends the Committee approve the attached headnotes.



## Appendix A

Appendix A shows suggested capital construction headnotes language prepared by OLLS.

**SECTION 3. Capital construction appropriation.**

(1) (a) The ~~sums~~ LESSER OF THE AMOUNTS DESCRIBED in this section, or ~~so much thereof as may be~~ THE PORTION OF THOSE AMOUNTS necessary for the purposes specified IN THIS SECTION, ~~are hereby~~ IS appropriated out of any funds accrued or accruing to the capital construction fund THAT ARE not otherwise appropriated and out of the cash funds and federal funds specified for construction projects at the respective institutions and agencies ~~enumerated~~ IDENTIFIED in this section. Except as otherwise provided in particular line items of appropriation, pursuant to section 24-75-303 (5)(a)(I), ~~Colorado Revised Statutes C.R.S.~~, the appropriations made in this section ~~shall become~~ ARE available ~~upon passage and approval~~ ON THE EFFECTIVE DATE of this act and, if any appropriated project is initiated within the fiscal year, ~~the~~ THAT appropriation ~~therefor shall remain~~ IS available until THE EARLIER OF THE completion of the project or ~~for a period of three years, whichever comes first,~~ at which time unexpended and unencumbered balances ~~shall~~ revert to the funds from which they were appropriated.

(b) For purposes of section 20 of article X of the state constitution and pursuant to section 24-75-302 (1)(b), ~~Colorado Revised Statutes C.R.S.~~, the unrestricted year-end balance of the capital construction fund

1 for the 1991-92 STATE fiscal year ~~shall constitute~~ CONSTITUTES a reserve.

2 Consequently, any money credited to the capital construction fund

3 ~~constitutes~~ IS a reserve increase and ~~therefore constitutes~~ IS state fiscal

4 year spending, as defined in section 24-77-102 (17)(a). ~~Colorado Revised~~

5 ~~Statutes and C.R.S.~~ Any money transferred or expended from the capital

6 construction fund ~~constitutes~~ IS a reserve transfer or expenditure which

7 AND is excluded from state fiscal year spending, as defined in section

8 24-77-102 (17)(b). ~~Colorado Revised Statutes. C.R.S.~~

9 (c) Money appropriated in this section from the capital

10 construction fund includes ~~sums~~ AMOUNTS transferred BY THE

11 CONTROLLER pursuant to section 24-75-302. ~~Colorado Revised Statutes~~

12 ~~which sums constitute C.R.S.~~ THESE AMOUNTS ARE state fiscal year

13 spending as defined in section 24-77-102 (17)(a). ~~Colorado Revised~~

14 ~~Statutes C.R.S.~~

15 (d) Money appropriated in this section from cash funds ~~shall~~

16 ~~constitute~~ OTHER THAN THE CAPITAL CONSTRUCTION FUND IS state fiscal

17 year spending as defined in section 24-77-102 (17)(a). ~~Colorado Revised~~

18 ~~Statutes C.R.S.~~

19 (2) Except as otherwise specifically noted, appropriations from

20 state funds ~~shall be~~ ARE reduced by the amount of any funds received

1 from federal, local, private, or other state sources and not appropriated in  
2 this act. This restriction ~~shall~~ DOES not apply to any funds received by a  
3 state agency, ~~or~~ institution of higher education, or the council on the arts  
4 from any state or nonstate source for use in the art in public places  
5 program.

6 (3) Operating and maintenance costs ~~shall be~~ ARE a major  
7 consideration in the design and construction of any project involving  
8 renovation.

9 (4) A construction project for which the lowest bid is in excess of  
10 the appropriation ~~shall~~ MUST be redesigned to conform to the  
11 appropriation and may be commenced if approved under the procedures  
12 set forth in this subsection (4). The agency shall submit the redesigned  
13 project to the state buildings division of the department of personnel or,  
14 for higher education projects, to the Colorado commission on higher  
15 education, which shall assure that the redesigned project meets the  
16 program needs of the agency and the necessary quality of the building.  
17 The state buildings division and the Colorado commission on higher  
18 education shall report all such analyses to the joint budget committee and  
19 to the capital development committee on a regular basis. If the redesigned  
20 project is approved by the state buildings division or the Colorado

1 commission on higher education, the project may commence. If the  
2 redesigned project is not approved, it shall not be commenced until  
3 further action is taken by the general assembly to reauthorize the project.

4 (5) Expenditures of funds appropriated for capital construction  
5 ~~shall be in accord~~ MUST BE MADE IN ACCORDANCE with section 17-24-111.  
6 ~~Colorado Revised Statutes C.R.S., which requires institutions, agencies,~~  
7 ~~and departments to purchase such goods and services as are produced by~~  
8 ~~the division of correctional industries from said division.~~

9 (6) **Definitions.** As used in this section, UNLESS THE CONTEXT  
10 OTHERWISE REQUIRES:

11 (a) "Physical planning" includes all fees for survey and site  
12 investigation and architectural and engineering services, but no contract  
13 for ~~architectural/engineering~~ ARCHITECTURAL, ENGINEERING, OR  
14 ARCHITECTURAL AND ENGINEERING services ~~shall~~ MAY commit the state  
15 to physical planning expenses greater than those which are provided in  
16 the appropriation. No funds appropriated for any other purpose ~~shall~~ MAY  
17 be expended for physical planning.

18 (b) "Program plan" or "program planning" relates to a specific  
19 project or facility and ~~shall~~ MUST include ~~but is not limited to~~, an  
20 inventory of amounts and types of space currently available; an analysis

1 of amounts, types, and relative locations of space required for current  
2 programs as determined by use of accepted state space standards; an  
3 analysis of projected programs and space required; and, if a change in  
4 facilities is justified based on analysis, recommendations for demolition,  
5 remodeling, or construction, including a detailed budget which relates to  
6 a realistic timetable for implementation.