



JBC Staff Comeback Memos

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Labor and Employment

JBC Staff: Phoebe Canagarajah, (303-866-2149)

Date: March 2, 2026

The Committee tabled figure setting decisions for three Department of Labor and Employment requests to confirm the TABOR impact of staff recommendation for R1a/BA1. Staff has confirmed with this with the Office of the State Controller and OSPB, and the recommendation has not changed.

R1a/BA1 New special purpose authority

Staff write-up for R1a/BA1 is below. Staff also makes two additions to staff recommendation:

- Require the state auditor to annually audit the new SPA's accounts, and submit a written report to the JBC. Section 2-3-103 (1)(b), C.R.S., permits the state auditor to conduct post-audits of all financial transactions and accounts kept by or for any SPA. This ensures independent accountability of the SPA's finances. The SPA would still submit its own annual performance and financial report to the JBC.
- Specify that Centers for Independent Living are eligible for grants awarded by the SPA. While some Centers have already been awarded grant funds, this addition ensures clarity about their eligibility. Centers would still need to apply under a competitive process.

Request

The Department requests to stop historic license plate fees in FY 2026-27 and create a new special purpose authority (SPA) to take over the functions and funding of the Colorado Disability Funding Committee in FY 2027-28. This has the following appropriations impact:

Year 1: Reduction of \$100,000 spending authority from the Disabled Parking Education and Enforcement Fund

Year 2: Reduction of \$294,116 spending authority from the Disability Support Fund and 3.0 FTE

The Department's request provides about \$14.9 million General Fund relief in FY 2026-27, and between \$13.2 million and \$13.6 million General Fund relief ongoing, starting in FY 2027-28. This relief may be higher or lower than predicted, particularly in the out-years.

Recommendation

Staff recommends modified approval of the request, differing in the following:

- Instead of an annually adjusted revenue split, define the fee and donation amounts in statute, replicating the revenue structure for the Adopt a Shelter Pet license plate
- Deny the request to stop fees in FY 2026-27. Implement the new fee/donation structure on October 1, 2026 (earliest feasible implementation date for DOR)

- One-time \$27,000 appropriation from the DSF to DOR in FY 2026-27
- Deny the request to provide a \$9.3 million warrant to the SPA for start-up grant expenses. Staff recommendation to start the fee/donation split in FY 2026-27 ensures the SPA has revenue to start awarding grants in FY 2027-28. The DSF balance could be used to temporarily refinance General Fund
- An annual performance and financial report to the Committee from the SPA

Staff recommendation results in lower General Fund relief of about \$10.1 million in FY 2026-27 and \$13.5 million in FY 2027-28 and ongoing. However, this is offset by the \$4.1 million General Fund refinance staff recommends in R7 (Independent Living Services reduction), which is possible through staff recommendation to start the fee/donation in FY 2026-27 (October 1, 2026) and not issue a \$9.3 million warrant in FY 2027-28.

General Fund Relief: Request vs Recommendation

Decision Item and Fiscal Year	Request	Recommendation	Difference: Rec. to Request
FY 2026-27			
R1a General Fund relief	\$14,954,312	\$10,094,161	-\$4,860,151
R7 General Fund relief	108,906	4,108,906	4,000,000
Total FY 2026-27 relief	\$15,063,218	\$14,203,067	-\$860,151
FY 2027-28			
R1a General Fund relief	\$13,417,009	\$13,458,881	\$41,872
R7 General Fund relief	108,906	4,108,906	4,000,000
Total FY 2027-28 relief	\$13,525,915	\$17,567,787	\$4,041,872

The Committee had provided drafting authority for this bill during staff budget briefing in November.

Analysis

House Bill 24-1360 (Colorado Disability Opportunity Office) created the Colorado Disability Opportunity Office in the Department of Labor and Employment, and transferred the Colorado Disability Funding Committee (CDFC) from the Department of Personnel to the Office. The CDFC is made up of 13 members appointed by the Governor, most of whom must be people with disabilities, people with immediate family members who are people with disabilities, or people who are caregivers to a family member who is a person with disabilities. The CDFC is authorized to do the following:

- Fund grants to assist people with disabilities obtain or retain benefits;
- Fund grants to study or pilot new and innovative programs that improve quality of life for people with disabilities; and
- Generate revenue through the sale of certain license plate registration numbers.

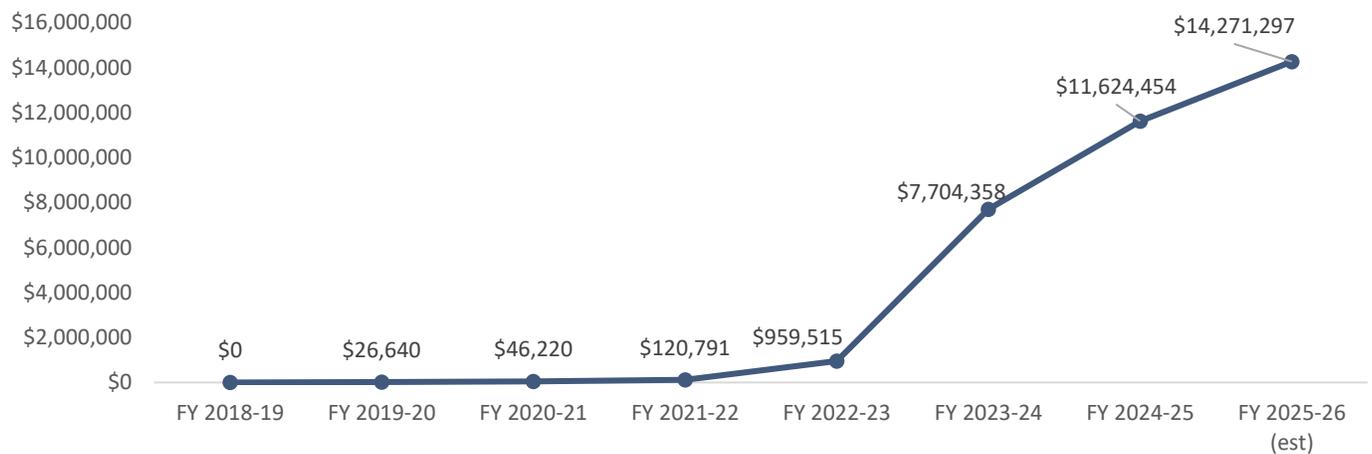
Disability Support Fund

The Disability Support Fund (DSF) finances grants offered by the CDFC and operations for the Colorado Disability Opportunity Office (CDOO). The DSF gains revenue from the sale of registration numbers for personalized plates and fees from historic plate styles. The DSF is not TABOR-exempt.

Senate Bill 22-217 (Programs That Benefit Persons With Disabilities) renewed historic solid black, blue, and red background license plates, created a \$25 fee for those plates, and transferred fee revenue to the DSF. DSF revenue grew significantly after this, namely through the sale of the black background license plate.

However, DSF fee revenue remains hard to predict. This means that the General Fund relief from this proposal may be higher or lower than reflected in the Department’s request and staff recommendation.

License plate fee revenue into the Disability Support Fund has grown significantly.



What is a special purpose authority?

Special purpose authority (SPA) is defined in Section 24-77-102 (15)(a), C.R.S., as follows:

“Special purpose authority” means any entity that is created pursuant to state law to serve a valid public purpose, which is either a political subdivision of the state or an instrumentality of the state, which is not an agency of the state, and which is not subject to administrative direction by any department, commission, bureau, or agency of the state.

Additionally, Section 24-77-102 (16)(b)(II), C.R.S., carves out a special purpose authority from the definition of the “state” for TABOR implementation.

Therefore, a SPA is created in state law, and its power, duties, and governing structure is defined in its legislation. However, its revenue is not considered state revenue for TABOR purposes and expenditures do not count against TABOR limits. Finally, it operates independently of any state administrative oversight. The state also does not have any budgetary function over SPAs, including in appropriating or transferring money.

While a SPA operates independently of the state once formed, the General Assembly can have some oversight by requiring reports. The General Assembly can also abolish a SPA and restrict powers that were previously granted. However, it cannot abolish a SPA or restrict powers that would impair the “obligation of contracts”, such as actions that would interfere with grants that have not been fully paid.¹

¹ This is a Colorado constitutional prohibition under Article II, Section 11. This same prohibition means the CDFC cannot be dissolved if it has outstanding obligations. The Department’s request indicates that the CDFC will resolve its obligation before it is dissolved, and is likely the reason the Department requests to dissolve the CDFC in FY 2027-28.

Special purpose authority proposal

The Department proposes to move the grantmaking functions and funding of the CDFC into a new SPA. The CDFC would be dissolved but CDOO will remain in the Department to continue its other statutory functions, including coordination of disability work across state agencies. Historic license plate revenue would be split between the SPA and CDOO. The DSF will still fund CDOO but collect less in historic license plate revenue. The Department proposes this timeline:

FY 2026-27 actions:

- Establish SPA and a separate SPA cash fund
- Transfer \$523,343 start-up costs from the DSF to the SPA cash fund²
- Fully expend remaining grant awards operated by CDFC by the end of the fiscal year
- Eliminate the Disabled Parking Education program and Disabled Parking Education and Enforcement Fund
 - Reduce \$100,000 spending authority from the Disabled Parking Education and Enforcement Fund
- Eliminate the current \$25 fee for historic license plates

FY 2027-28 actions:

- Create new fee and donation mechanism on historic license plates to fund CDOO and the new SPA, respectively
- Dissolve the CDFC and transfer all of its responsibilities to the new SPA:
 - Operation of the Disability Application Assistance Grant and the New and Innovative Idea Grant
 - The authority to auction certain license plate configurations
 - Authority to make grants for disability parking education programs
- Transfer \$9.3 million in starting grant funds from the DSF to the SPA cash fund
- Remove 3.0 FTE from CDOO that supported the CDFC and its grant responsibilities

Fee structure proposed

The Department proposes that the plate fees be collected by DOR, and then split as a fee to the DSF and a donation to the SPA's cash fund. The Department requests that the fee split be determined annually so that it is informed by license plate fee revenue data. The request currently estimates that of the \$25 fee, \$2.57 will go into the DSF for CDOO, and the remaining \$22.43 will go to the SPA.

Benefits of creating a special purpose authority

- **General Fund relief:** Estimated at \$13.5 million ongoing under staff recommendation but will vary based on historic license plate revenue and the amount given to the SPA
- **Administrative efficiency in grantmaking:** The Department, and feedback from external stakeholders, indicate that moving grantmaking functions into a SPA will allow more flexibility and efficiency in grant procedures. This is namely from the SPA not having to follow typical agency procurement requirements for grant awards or having to time their grant awards and disbursements by fiscal year.

² This would technically happen through a warrant issued by the Treasurer, not as a transfer.

Consequences of creating a special purpose authority

- **Very limited State oversight:** A SPA is meant to operate independently of any state administrative oversight. The General Assembly can require audits and regular financial and performance reporting from a SPA, abolish a SPA, or restrict its powers. The State cannot direct the daily functions and operations of a SPA.
- **Ongoing TABOR trade off:** While diverting most historic license plate revenue to a SPA results in General Fund relief, increasing fees to the DSF later will have a TABOR impact.
- **No cash fund for other programs that assist the disabled community:** Currently, the DSF can only be used by the CDFC and CDOO. However, the Committee has discussed the option to amend DSF statute so it could refinance other General Fund programs that help the disability community. The pros and cons of that follow:
 - **Con:** Assuming demand for the plates remains the same, only about \$8.0 to 9.0 million General Fund could be offset. At some point, this may decrease to about \$6.0 million as the DSF's balance is spent down. This is less than the estimated \$13.2 million savings from approving the SPA.
 - **Pro:** This allows the Committee to preserve funding for other programs that support individuals with disabilities that may otherwise get cut. For example, this amount could refinance either all General Fund received for Independent Living Services (\$7.1 million) or for vocational rehabilitation (\$5.5 million). However, this can only be sustained if the DSF keeps receiving all historic license plate fee revenue. *Staff's R7 recommendation includes amending statute to allow refinancing some General Fund with the DSF for Centers for Independent Living, temporarily.*

Staff Recommendation

Staff recommends to create the SPA, for both the General Fund relief impacts and the efficiencies to grant operations. Staff recommendation differs from the Department's request in the following ways:

- No annual adjustment to revenue splits. Instead, the fees and donations would be modeled after the Adopt a Shelter Pet license plate and the Pet Overpopulation Authority.
- No stop to license plate fees in FY 2026-27, to avoid consumer confusion when the new fee and donation structure start in FY 2027-28. Start the new fee and donation structure on October 1, 2026.
- No warrant of \$9.3 million in FY 2027-28 to the SPA as start-up grant funds. Instead, spend down the DSF balance through refinancing \$4.1 million General Fund for Centers for Independent Living for the next four fiscal years (through staff recommendation for R7)
- Add an annual financial and performance report from the SPA to the Joint Budget Committee. This could either be a verbal presentation or a written report, depending on the Committee's preference.

All recommended and requested legislative and Long Bill changes related to R1a are in Appendix B. Financial impact is summarized below.

Staff recommendation results in an estimated \$10.1 million General Fund relief in FY 2026-27 and \$13.5 million in FY 2027-28 ongoing. This results in lower General Fund relief than the request in FY 2026-27, and *possibly* the outyears. The outyear relief under the request is dependent on how much license plate revenue the Department keeps as fees after annual adjustments.

Staff recommendation also means the appropriation to DOR would be one-time.

Summary of R1a Staff Recommended Appropriations, Transfers, and Estimated General Fund Relief [1]

Category	Details	FY 2026-27 Recommendation	FY 2027-28 Recommendation
Department of Revenue (DOR) appropriations	Appropriation to DOR from CDLE to implement historic license plate fee changes	\$27,000	\$0
Special Purpose Authority warrant	Warrant from the Treasurer issuing Disability Support Fund balance to the special purpose authority for start-up costs	\$523,343	
Total SPA Revenue	Estimated revenue from historic license plate donations into the new special purpose authority	\$10,094,161	\$13,458,881
FTE Removed from CDOO	Removal of 1.0 FTE Administrator IV, and 2.0 FTE Purchasing Agent III who support the CDFC and grantmaking	\$0	-\$294,116
Total General Fund relief - Staff Recommendation	Total revenue that will not be collected into the Disability Support Fund	\$10,094,161	\$13,458,881
General Fund relief - Department request	Total revenue that will not be collected into the Disability Support Fund	\$14,954,312	\$13,417,009

[1] All appropriations and transfers are from the Disability Support Fund.

Staff recommendation: License plate revenue split

Instead of the request to have plate revenue be adjusted annually, staff recommends statute specify:

- A \$2.5 fee to CDOO, upon initial purchase of a license plate and renewal
- A \$22.5 donation to the SPA, upon initial purchase of a license plate and renewal

This structure is similar to the Adopt a Shelter Pet plate (discussed more below). The trade-off of this approach is that future changes to the fee/donation structure would require a bill, such as if CDOO needs more funding.

License Plate Revenue Division

Item	Department Request	Staff Recommendation
Revenue Estimate	\$14,954,312	\$14,954,312
Amount to CDOO	1,537,303*	1,495,431
Amount to SPA	13,417,009*	13,458,881
General Fund Relief	\$13,417,009	\$13,458,881

*Amount will vary annually based on Department's adjustment.

Adopt a Shelter Pet plate and Pet Overpopulation Authority

The Adopt a Shelter Pet plate, created in Section 42-3-234 (2)(a), C.R.S., contributes to the Highway Users Tax Fund and the Pet Overpopulation Fund. The Pet Overpopulation Fund supports the Pet Overpopulation Authority, created in Section 35-80-116.5 (1), C.R.S., as a "body corporate and a political subdivision of the state" that "is not subject to administrative direction by any state agency".

The Authority, whose board is appointed by the Department of Agriculture's Commissioner, creates educational programming on pet overpopulation and funds grants to veterinarians, animal shelters, and other providers for animal sheltering, spaying, neutering, and trap-neuter-return. The Authority has existed since 2001, but the Adopt a Shelter Pet license plate was created through H.B. 10-1214 (Adopt a Shelter Pet License Plate).

Relevant to this SPA request, buyers of the Adopt a Shelter Pet license plate are charged:

- One-time \$25 *fee* to the Highway Users Tax Fund for plate issuance or replacement
- One-time \$30 *donation* to the Pet Overpopulation Fund for plate issuance or replacement, and
- Annual \$25 *renewal donation* to the Pet Overpopulation Fund

Since this fee/donation structure exists in statute, staff recommends copying it for historic license plates.

Staff recommendation: FY 2026-27 license plate fees

The Department requests to stop the current \$25 historic license plate fee in FY 2026-27, for budget balancing. To license plate buyers, this would look like the license plate is nearly free in one year (except for DOR’s fees to produce the plate) but costs \$25 upon renewal the next year. Staff does not recommend this due to the potential for consumer confusion and how it could impact outyear plate sales.

Instead, staff recommends starting the new fee/donation structure in FY 2026-27. DOR indicates this would be implemented on October 1, 2026. This results in less General Fund relief than under the Department’s request, which staff nearly balances out through refinancing \$4.1 General Fund through R7.

FY 2026-27 Impact of Staff Recommendation

Item	Department Request	Staff Recommendation
Revenue Estimate	\$0	\$14,954,312
Amount to CDOO	0	4,860,151
Amount to SPA	0	10,094,161
General Fund Relief	\$14,954,312	\$10,094,161

Staff recommendation: No warrant in FY 2027-28 and spend down DSF balance on temporary ILC refinance

If the Committee approves starting the new fee and donation structure in FY 2026-27, then the SPA does not need a warrant of \$9.3 million from the DSF as start-up grant funding. It would have earned about \$13.2 million from the sale of license plates in FY 2026-27.

The Committee could keep that \$9.3 million in the DSF and spend it down. Staff believes, without knowing how demand for the historic license plates would change, that the DSF could support the approximate \$108,000 General Fund reduction requested in R7 for Centers of Independent Living (CILs) ongoing. The Committee could refinance more of that General Fund with the DSF, **but this would be temporary**. Eventually, CILs would need General Fund or another fund sources as the DSF balance is spent down.

If the Committee were to take this option, staff recommends refinancing an additional \$4.0 million General Fund from CILs for the next four fiscal years (for vote in R7). While CDOO expenses are currently expected to decrease in the outyears based on the R1b request, it expenses will need to increase to perform its statutory duties.

Disability Support Fund Performance under Staff Recommendation for R1a, R1b, and R7

Item	FY 2024-25 Actual	FY 2025-26 Approp.	FY 2026-27 Request	FY 2027-28 Request	FY 2028-29 Proj.	FY 2029-30 Proj.	FY 2030-31 Proj.
Beginning Year Balance	\$8,900,818	\$20,152,375	\$24,174,644	\$11,793,519	\$8,166,723	\$5,011,680	\$1,827,545
Fee Revenue	11,624,454	14,954,312	4,860,151	1,495,431	1,495,431	1,495,431	1,495,431
Interest Revenue	480,357	428,193	428,193	428,193	428,193	428,193	428,193
S1 Transfer to GF		-7,000,000					
R1 Warrants			-523,343				

CDOO and CDFC Expenses	-853,254	-4,360,236	-13,037,220	-1,441,515	-969,760	-998,853	-1,028,819
Additional Expenditure			-4,108,906	-4,108,906	-4,108,906	-4,108,906	-4,108,906
End Year Balance	\$20,152,375	\$24,174,644	\$11,793,519	\$8,166,723	\$5,011,680	\$1,827,545	-\$1,386,555

The Department indicates this request is ineligible for an evidence-based designation, and staff agrees.

Figure Setting Appendix B: R1a Requested and Recommended Changes by Fiscal Year

The table below notes all requested and recommended changes resulting from R1a (Create new special purpose authority). Differences between staff recommendation and the request are highlighted.

Changes to Create a New Special Purpose Authority

Statue Section	Fiscal Year Effective	Request	Recommendation
New Section	FY 2026-27	Warrant from treasurer for start-up costs to SPA - \$523,343 from the DSF to hire and pay for 0.75 FTE of a Director, and 0.25-0.5 FTEs for assistants, finance director, grants specialist, and communications/marketing director	Approve
42-1-227 Disabled parking education program	FY 2026-27	Repeal. Authorize SPA to give out grants for to entities to deliver education programs on reserved parking for people with disabilities for peace officers, local governments, entities that provide parking, and entities that provide private parking enforcement including tow operators, medical providers, drivers, and person with disabilities	Approve
Long Bill	FY 2026-27	Remove \$100,000 spending authority from the Disabled Parking Education and Enforcement Fund	Approve
New Section	FY 2026-27	Establish a SPA where the board mirrors the statute requirements of the CDFC	Approve
New Section	FY 2026-27	Create new SPA cash fund to receive DSF funds warranted from the Treasury and ongoing donations for license plates	Approve
42-3-206.5(b) - Issuance of plates in a retired style authorized - additional fee - rules	FY 2026-27	Strike out \$25 fee	Deny this request, start fee and donation structure in FY 2026-27
New Section	FY 2027-28		Annual financial and performance reporting from the SPA as a presentation to the JBC
New Section	FY 2027-28	One-time warrant from Treasurer of \$9.3 million from the DSF as initial grantmaking funds to SPA	Deny this request
8-88-202 Colorado disability funding committee - powers and duties	FY 2027-28	Eliminate the CDFC	Approve
8-88-203 Program to assist individuals to obtain disability benefits	FY 2027-28	Move the Disability Application Assistance grant program to the SPA	Approve
8-88-204 Program to investigate, fund, and pilot projects or programs to benefit individuals with disabilities	FY 2027-28	Move the New and Innovative grant program to the SPA	Approve

Statute Section	Fiscal Year Effective	Request	Recommendation
New Section	FY 2027-28	Allow the SPA to make grants to improve education to law enforcement and local governments on disability-friendly parking creation and enforcement	Approve
8-88-205 Disability Support Fund	FY 2027-28	Technical adjustment to move this section under CDOO statute in Part 1 of Article 88 (as Part 2 will be eliminated)	Approve
8-88-206 Sale of registration numbers for license plates - license to buy and sell - market for - royalty payment - administration - third-party contracting entity	FY 2027-28	Move auctioning authority for license plate combinations to the SPA	Approve
8-88-207 Sunset review - repeal of part	FY 2027-28	Technical adjustment to eliminate (Part 2 will no longer exist)	Approve
42-3-206.5(b) - Issuance of plates in a retired style authorized - additional fee - rules	FY 2027-28	Create new fee and donation structure where amount in license plate fee shall be reviewed and adjusted up to once per year to not exceed the appropriation for CDOO as determined by the General Assembly	Create fee/donation structure in FY 2026-27. Specify fee and donation amount in statute (\$3 fee and \$22 donation). No annual adjustment process.
Long Bill	FY 2027-28	Remove 3.0 FTE that currently support the CDFC (not inclusive of the Department's R1b request). Reduce DSF spending authority by \$294,116 between the Executive Director's Office for centrally appropriated costs and the Colorado Disability Opportunity Office line item	Approve

R1b Colorado Disability Opportunity Office spending authority increase

Staff write-up for R1b is below. There is no change to staff recommendation.

Request

The Department requests additional spending authority from the Disability Support Fund and temporary FTE to fund more grants in FY 2026-27 and to complete ongoing statutory functions of the Colorado Disability Opportunity Office (CDOO). Specifically, the Department requests:

- FY 2026-27: Increase spending authority of \$4,996,178 and 2.0 FTE
- FY 2027-28: \$550,000 spending authority
- FY 2028-29 and ongoing: \$50,000 spending authority

The Department will use ongoing funding to convene a disability collaboration conference, hire a contractor to perform a state-wide disability needs assessment, and hire a contractor to develop a comprehensive database of disability resources. The database and needs assessment funding is for FY 2026-27 and FY 2027-28 only.

Recommendation

Staff recommends modified approval of the request, under the assumption the Committee approves staff recommendation or the Department request for R1a. Staff recommendation differs only in FY 2026-27: staff recommends increased spending authority of \$4,956,705 and 2.0 FTE, from using Legislative Council Staff fiscal note standards for personal services and operating expenses. Staff also recommends modifying an RFI to include progress and outcomes reporting from these programs.

If the Committee denies R1a, staff will present an adjusted recommendation on R1b during a comeback, as one-time expenses may become ongoing.

Analysis

Aside from housing the Colorado Disability Finance Committee and its grantmaking programs, CDOO's responsibilities include coordinating and implementing statewide strategies to improve opportunities for people with disabilities.

Temporary FTE and Funding for Increased Grant Awards

For FY 2026-27 only, the Department requests an additional \$4.4 million spending authority from the DSF and 2.0 FTE to award additional Disability Application Assistance and New and Innovative Ideas grants.

Temporary FTE request

The Department requests spending authority of \$189,178 from the DSF for a Grants Specialist III and a Purchasing Agent III. The Department currently has 1.0 FTE Administrator IV and 2.0 FTE Purchasing Agent III to administer grants. This support ensures grantees can expend their awards before the CDFC dissolves at the end of FY 2026-27. The Grant Specialist would answer questions from prospective grantees, process reimbursement

requests and submitted budgets, assist the CDFC, and help with bookkeeping. The Purchasing Agent would develop efficiencies in the Office’s procurement and grantmaking process, draft procurements and agreements for grants, help review and develop grantee statements of work, and process the accounting aspects of reimbursements. **Staff recommends appropriating \$149,705 spending authority for 2.0 FTE.**

R1b FTE for FY 2026-27 Only

Item	Department Request	Staff Recommendation
FTE	2.0	2.0
Personal Services	\$135,773	\$133,145
Operating Expenses	1,470	2,560
Capital Outlay	7,000	14,000
Centrally Appropriated Costs	44,935	0
Total	\$189,178	\$149,705

Increased grant awards

The Department also requests a one-time appropriation of \$4.4 million spending authority to increase grant awards in FY 2026-27. The Department plans to open applications and select grant awardees before the start of FY 2026-27, to give grantees a year to expend their awards. The Department hopes to award grants to 66 to 135 organizations. Demand for the grants has increased over time. **Staff recommends approval of this increase.**

Ongoing Expenses for CDOO Operations

The Department requests \$550,000 spending authority from the DSF for the following:

- Contractor to perform a Colorado Disability Services Needs Assessment: \$250,000 (two years only)
- Contractor to create an online cross-disability resource database: \$250,000 (two years only)
- Host an annual disability conference: \$50,000 (ongoing)

The online database may need ongoing maintenance costs, which the Department would submit in its FY 2028-29 budget request.

Staff recommends approval of these requests, as they align with the Office’s statutory responsibilities. **Staff also recommends modifying the RFI to CDOO to include progress updates on the implementation and outcomes of these initiatives.**

Colorado Disability Services Needs Assessment

This assessment will identify service gaps and opportunities to improve service availability for people with disabilities statewide and across disabilities. The contractor would review statewide resources, conduct qualitative and quantitative assessments, do stakeholder and community engagement, coordinate with other state agencies, and write a report with recommendations.

This is in alignment with and would inform CDOO’s statutory functions under Section 8-88-102 (3), C.R.S., to provide guidance to the Governor and state agencies on a statewide strategy for societal integration of people with disabilities, particularly in ensuring equitable opportunities and access to services.

Gap analyses previously done in the State have focused on specific disabilities or areas of care, such as CU Anschutz's report for the Office of Community Living on access to mental health services for people with intellectual and developmental disabilities (IDDs).³

Cross-Disability database

Section 8-88-102 (2)(b), C.R.S., requires CDOO to “coordinate with the disability technical advisory committee to develop, maintain, and make publicly available on the CDOO website a collection of resources available to Coloradans with disabilities and links to the agencies or other bodies that administer those resources.” The Department's request to hire a contractor to create an online database of resources and benefit programs is directly related to this statutory requirement.

The Department will create a one-stop website for anyone in the disability community to find and access federal, state, and local resources. Examples in other states include Disability Benefits 101 websites for California⁴ and Minnesota⁵, although these may offer more functionality than CDOO's initial website.

Host an annual disability conference

This would be a hybrid conference for state agencies, service providers, and community members to learn about services and needs across the state, identify gaps, and ensure the disability community voice is represented in service delivery. A conference allows the Office to implement Section 8-88-102 (3)(d), C.R.S. to collaborate on a reoccurring basis with disability community stakeholders to understand the issues that Coloradans with disabilities want prioritized and make recommendations on addressing them.

The \$50,000 appropriation would fund the conference venue, accessibility accommodations such as ASL interpreters, technical hardware, speaker fees, printing, travel support, and food/beverage expenses.

R7 Office of Independent Living Services reduction

Staff write-up for R7 is below. There is no change to staff recommendation.

Request

The Department requests a \$108,906 General Fund reduction to Centers for Independent Living, representing a 1.6% reduction to grants to all nine Centers.

Recommendation

Staff recommends to refinance \$4,108,906 General Fund with the Disability Support Fund (DSF). This requires legislation to change the uses of the DSF. Staff requests bill drafting authority and to work with the Office of Legislative Legal Services, Legislative Council Staff, the Executive Department, and other stakeholders. If possible, staff may seek to make this change in the bill approved for R1a, if the Committee will sponsor it.

³ https://medschool.cuanschutz.edu/docs/librariesprovider95/default-document-library/gap-report-12-3-14-revised.pdf?sfvrsn=eaecbeb9_0

⁴ <https://ca.db101.org/>

⁵ <https://mn.db101.org/>

This assumes the Committee approves staff recommendation for R1a, to ensure a balance in the DSF. If the Committee does not approve R1a, staff recommends a refinance of \$108,906 General Fund to the DSF and authorizing legislation.

Analysis

Centers for Independent Living are nonprofits that provide support to individuals with disabilities to live independently, and serve over 2,000 individuals a month. Services include information and referral, independent living skills training, peer mentoring, and transition services. Centers may also help with finding affordable and accessible housing, accessing assistive technology and adaptive equipment, and transportation. Centers are majority operated by people with disabilities; 51.0% of Centers’ staffing, board, and leadership must be individuals with disabilities according to federal law.

The Office of Independent Living Services oversees contracts with the State’s nine Centers. Centers for Independent Living are funded by a mix of state General Fund, federal grants, fee-for-service arrangements, and private funds. Centers also receive Community Provider Rate increases.

Option to Refinance with Disability Support Fund

Staff recommendation for R1a creates the option to refinance \$4.1 million from Centers for Independent Living with the Disability Support Fund. This will preserve funding to Centers, and continues support to individuals with disabilities as intended with Disability Support Fund usage.

Disability Support Fund Performance under Staff Recommendation for R1a, R1b, and R7

Item	FY 2024-25 Actual	FY 2025-26 Approp.	FY 2026-27 Request	FY 2027-28 Request	FY 2028-29 Proj.	FY 2029-30 Proj.	FY 2030-31 Proj.
Beginning Year Balance	\$8,900,818	\$20,152,375	\$24,174,644	\$11,793,519	\$8,166,723	\$5,011,680	\$1,827,545
Fee Revenue	11,624,454	14,954,312	4,860,151	1,495,431	1,495,431	1,495,431	1,495,431
Interest Revenue	480,357	428,193	428,193	428,193	428,193	428,193	428,193
S1 Transfer to GF		-7,000,000					
R1 Warrants			-523,343				
CDOO and CDFC Expenses	-853,254	-4,360,236	-13,037,220	-1,441,515	-969,760	-998,853	-1,028,819
Additional Expenditure			-4,108,906	-4,108,906	-4,108,906	-4,108,906	-4,108,906
End Year Balance	\$20,152,375	\$24,174,644	\$11,793,519	\$8,166,723	\$5,011,680	\$1,827,545	-\$1,386,555

Impact of Requested Reductions

Requested cuts to individual Centers will range from \$6,000 and \$24,000, as listed in the table below.

Center for Independence Original General Fund Allocation and Proposed Reduction

Center for Independent Living	Original FY 2026-27 Allocation	Proposed Reduction
Atlantis Community, Inc	\$889,197	-\$23,568
Center Towards Self-Reliance	860,000	-21,189
Center for Independence	729,531	-10,556
Connections for Independent Living	711,491	-9,087
Center for People with Disabilities	724,015	-10,108
CO Springs Independence Center	793,747	-15,790
Disabled Resource Services	675,320	-6,138

Center for Independent Living	Original FY 2026-27 Allocation	Proposed Reduction
Northwest CO Center for Independence	672,818	-5,934
Southwest Center for Independence	680,205	-6,536
Total	\$6,736,324	-\$108,906

The Department indicates Centers will sustain cuts by reducing or cutting programs like home health, nursing home transitions, benefits counseling, and employment programs. This could include reduced travel to meet individuals, materials purchased, or staff time.

This reduction will not risk receipt of federal funds that support Centers. Section 725(b) of the federal Rehabilitation Act requires a state maintain a Statewide Independent Living Council, and submit an approved State Plan for Independent Living to receive federal funds. This reduction does not risk either requirement.

The Department indicates it cannot cut administrative costs in its Independent Living Services program without disrupting its operations. The Department uses \$313,516 General Fund to support 2.0 FTE (a Program Manager II and Administrator IV). Those FTE distribute money to Centers and collect reporting, conduct rulemaking on certification reviews for Centers, and administer the federally-mandated Statewide Independent Living Council.

Other Funding Received by Centers for Independent Living

Centers also receive federal grants and other sources of revenue, although the Department does not have visibility into all external funding for all Centers. Three Centers receive Older Individuals Who are Blind grants from the Division of Vocational Rehab, totaling \$204,907 federal funds. Six Centers receive grants from the Colorado Disability Funding Committee, totaling \$710,000.

CDFC Grants Awarded to Centers

Center for Independent Living	FY 2025-26 Grant Award
Atlantis Community	\$175,000
Center for Independence	200,000
Connections for Independent Living	60,000
Center for People with Disabilities	215,000
Disabled Resource Services	40,000
Northwest Center for Independence	20,000
Total	\$710,000

In 2021, Centers received a total of \$9.7 million state, local and federal funds, of which \$6.1 million was General Fund.⁶ The table below shows total funding to Centers from federal fiscal year 2018 to 2021. In 2021, Centers served 4,798 individuals, the majority of whom were 25 to 59 years old and had a physical disability.

⁶ See 2021 Performance Report, here: https://drive.google.com/drive/folders/1Ho_BBkA1_UK05hOAlEk_DPW0b4zwVMj6

Federal Fiscal Year to Year Comparison of Total CIL System Revenue (2018/2019/2020/2021)						
	Local, State, & Federal Contracts	Foundation Grants	Fee for Service	Local Contributions	Other	Total
FFY 2018	\$ 8,104,832.50	\$ 412,548.83	\$ 2,842,968.96	\$ 414,429.19	\$ 736,185.54	\$ 12,510,965.02
FFY 2019	\$ 8,909,151.56	\$ 486,318.56	\$ 3,631,802.14	\$ 125,286.05	\$ 653,343.09	\$ 13,805,901.40
FFY 2020	\$ 9,760,415.07	\$ 444,345.36	\$ 4,059,927.98	\$ 152,490.13	\$ 353,383.29	\$ 14,770,561.83
FFY 2021	\$ 9,719,468.89	\$ 712,573.20	\$ 3,123,678.47	\$ 896,357.91	\$ 402,515.35	\$ 14,854,593.82

Source: FFY 2021 CIL Metrics Report, available here: <https://drive.google.com/drive/folders/1t6w8LxdvpSDKc8ph9YsKq6PMr1QuhICB>

Prior Reductions to Centers for Independent Living

In FY 2020-21, the Joint Budget Committee reduced \$600,000 General Fund from Independent Living Services, through a finding that one of the original 10 Centers had closed in 2016. Section 8-85-103 (4), C.R.S., sets the distribution formula of state money to Centers as (1) a base amount of at least \$600,000, and (2) other factors agreed to by the Centers, which may include a per capita adjustment, per county adjustment, or other adjustments. Therefore, appropriations were reduced by that base amount and an additional \$68,008 from prior provider rate increases.

Since that time, Independent Living Services were reallocated \$0.7 million in Federal Social Security Reimbursements in FY 2024-25. Additionally, its General Fund appropriation has grown by \$0.6 million through provider rate increases.

The Department indicates this request is ineligible for an evidence-based designation as it is not a program or practice. Staff agrees.

Regulatory Agencies

JBC Staff: Michelle Curry, (303-866-2062)

Date: March 02, 2026

Line Item and Detail for Division of Banking

After the figure setting presentation for the Department of Regulatory Agencies, the Department identified an error in the presented and public document.

Staff inadvertently included the incorrect table showing the line item and detail for the Division of Banking’s Personal services line. Staff had intended to include the table shown below:

Division of Banking, Personal Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$5,135,697	\$0	\$5,135,697	\$0	\$0	45.0
Total FY 2025-26	\$5,135,697	\$0	\$5,135,697	\$0	\$0	45.0
FY 2026-27 Recommended Appropriation						
FY 2025-26 Appropriation	\$5,135,697	\$0	\$5,135,697	\$0	\$0	45.0
Prior year actions	77,132	0	77,132	0	0	0.0
Total FY 2026-27	\$5,212,829	\$0	\$5,212,829	\$0	\$0	45.0
Changes from FY 2025-26	\$77,132	\$0	\$77,132	\$0	\$0	0.0
Percentage Change	1.5%	n/a	1.5%	n/a	n/a	0.0%
FY 2026-27 Executive Request	\$5,212,829	\$0	\$5,212,829	\$0	\$0	45.0
Staff Rec. Above/-Below Request	\$0	\$0	\$0	\$0	\$0	0.0

This table accurately represents staff recommendation, which has not changed since the figure setting presentation.