



JOINT BUDGET COMMITTEE STAFF FY 2024-25 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Capital Construction

The capital construction section of the Long Bill includes funding appropriated to state departments and institutions of higher education for controlled maintenance, capital renewal and recapitalization, and capital expansion. Capital construction appropriations are typically supported by General Fund transferred to the Capital Construction Fund (CCF). However, appropriations for FY 2023-24 were partially funded from the Revenue Loss Restoration Cash Fund, from funds originating from the federal American Rescue Plan Act of 2021. The FY 2023-24 General Fund transfers related to Capital Construction represent 1.9 percent of FY 2023-24 General Fund revenues, based on the September 2023 Legislative Council Staff forecast.

FY 2023-24 APPROPRIATION AND FY 2024-25 REQUEST

CAPITAL CONSTRUCTION							
		TOTAL FUNDS	CAPITAL CONSTR'N FUND	CASH FUNDS	REAPP'D FUNDS	FEDERAL FUNDS	ADD'L OUT-YEAR STATE FUNDS
FY 2023-24 APPROPRIATION:							
		\$471,149,105	\$256,358,189	\$212,411,819	\$0	\$2,379,097	
		13,108,609	10,000,000	3,108,609	0	0	
		20,479,729	0	20,479,729	0	0	
		\$504,737,443	\$266,358,189	\$236,000,157	\$0	\$2,379,097	
OSPB	CCHE	FY 2024-25 STATE-FUNDED OSPB REQUEST					
1		\$86,812,643	\$0	\$86,812,643	\$0	\$0	\$0
2	na	4,753,000	4,753,000	0	0	0	80,810,825
3		40,029,390	40,029,390	0	0	0	0
4		18,475,417	10,161,480	8,313,937	0	0	10,500,420
5		9,899,619	9,899,619	0	0	0	16,950,877
6		1,483,534	1,483,534	0	0	0	7,075,286
7		16,367,035	16,367,035	0	0	0	0
8	3	3,641,741	3,641,741	0	0	0	0
9	1	31,814,757	23,814,757	8,000,000	0	0	25,798,175
10	2	13,669,574	12,288,947	1,380,627	0	0	0

CAPITAL CONSTRUCTION							
		TOTAL FUNDS	CAPITAL CONSTR'N FUND	CASH FUNDS	REAPP'D FUNDS	FEDERAL FUNDS	ADD'L OUT-YEAR STATE FUNDS
11	DPA: Kipling Campus Chiller Replacement (CR)	3,717,529	3,717,529	0	0	0	0
12	CDOT: Vail Pass Supporting Structures I-70 Avalanche Defense	6,400,000	6,400,000	0	0	0	0
13	DOR: Collocation and Consolidation to Auraria	3,533,931	3,533,931	0	0	0	0
	SUBTOTAL - State-Funded, Recommended	\$240,598,170	\$136,090,963	\$104,507,207	\$0	\$0	\$141,135,583
FY 2024-25 CASH-FUNDED OSPB REQUEST							
	HistCO: Regional Property Preservation Projects	\$700,000	\$0	\$700,000	\$0	\$0	\$0
	DHS: Depreciation Fund for Regional Center Group Homes	1,547,881	0	1,547,881	0	0	0
	DPA: Capitol Complex Renovation and Footprint Reduction	17,300,000	0	17,300,000	0	0	73,928,122
	DNR: Infrastructure and Property Maintenance	34,001,000	0	34,001,000	0	0	0
	DNR: Property Acquisition and Improvements	25,000,000	0	25,000,000	0	0	0
	SUBTOTAL - Cash-Funded, Recommended	\$78,548,881	\$0	\$78,548,881	\$0	\$0	\$0
	TOTAL -FY 2024-25 Governor's Request	\$319,147,051	\$136,090,963	\$183,056,088	\$0	\$0	\$141,135,583
	INCREASE/(DECREASE)	(\$185,590,392)	(\$130,267,226)	(\$52,944,069)	\$0	(\$2,379,097)	
	Percentage Change	(36.8%)	(48.9%)	(22.4%)	n/a	(100.0%)	

(CR) indicates the project is capital renewal.

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

DOC CONTROLLED MAINTENANCE FUNDING: The Department of Corrections (DOC) submitted two FY 2024-25 operating requests that have substantial overlap with issues frequently discussed in the context of Capital Construction. The DOC is the largest state agency in terms of square footage; this issue brief discusses how the information submitted in DOC requests calls attention to larger concerns with the way the statewide Capital Construction process consistently underfunds controlled maintenance and capital renewal.

LEGISLATIVE PROPOSAL TO RAISE THE CONTROLLED MAINTENANCE THRESHOLD: This issue brief discusses a legislative proposal to increase the cost limit for individual controlled maintenance projects from \$2.0 million to \$5.0 million. Under current law, projects that exceed \$2.0 million cannot be included on the controlled maintenance list and must instead be individually ranked and recommended as capital renewal projects by the Capital Development Committee. This outdated cost threshold leads to projects being unnecessarily split into multiple phases and creates inefficiencies related to costs, contracting, and operational disruptions. Raising the threshold to \$5.0 million would allow more capital renewal projects to remain on the controlled maintenance list for bundled ranking and decrease instances of inefficient project phasing.

NATURAL RESOURCES CASH FUND/CAPITOL COMPLEX RENOVATION CHANGES: This issue brief discusses a legislative request submitted through the Department of Natural Resources operating budget (R3 Reverse Wildlife Cash and Lottery Transfers to Capital Construction) to reverse certain transfers made through the annual depreciation lease-equivalent payment process and transferred into the Capitol Complex Renovation Fund and make statutory changes related to the use of Colorado Parks and Wildlife's Wildlife Cash Fund for the Capitol Complex Renovation and Footprint Reduction project.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: Go to <http://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 2023.