



# FY 2026-27 Budget Briefing Summary

## Department of Corrections

The Department of Corrections (DOC) manages the State's prison and parole systems. The Department's FY 2025-26 appropriation represents approximately 2.5 percent of statewide operating appropriations and 6.4 percent of statewide General Fund appropriations.

### Summary of Request

#### Department of Corrections

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
<b>FY 2025-26 Appropriation</b>						
SB 25-206 Long Bill	\$1,185,594,856	\$1,086,514,775	\$50,574,557	\$45,164,521	\$3,341,003	6,389.0
Other legislation	4,661,591	-485,829	842,346	4,305,074	0	2.0
<b>Total</b>	<b>\$1,190,256,447</b>	<b>\$1,086,028,946</b>	<b>\$51,416,903</b>	<b>\$49,469,595</b>	<b>\$3,341,003</b>	<b>6,391.0</b>
<b>FY 2026-27 Requested Appropriation</b>						
FY 2025-26 Appropriation	\$1,190,256,447	\$1,086,028,946	\$51,416,903	\$49,469,595	\$3,341,003	6,391.0
R1A Prison caseload	8,280,157	8,280,157	0	0	0	27.5
R1B Private prison per diem	14,534,271	14,534,271	0	0	0	0.0
R2 Medical caseload	5,517,207	5,517,207	0	0	0	0.0
R3 Food service inflation	648,870	648,870	0	0	0	0.0
R4 Offender management system ongoing support (eOMIS)	3,388,210	3,388,210	0	0	0	0.0
R5 Broadband	684,297	0	684,297	0	0	1.0
R6 Transfer drug and alcohol contract funding	0	0	0	0	0	3.7
R7 Laundry inflation	74,235	74,235	0	0	0	0.0
R8 State fleet garage spending	529,937	0	0	529,937	0	1.9
R9 Inmate phone calls cost cap	-2,308,237	-2,308,237	0	0	0	0.0
R10 Offset - transgender healthcare	-3,681,100	-3,681,100	0	0	0	0.0
R11 Offset - polygraph testing	-113,180	-113,180	0	0	0	0.0
R12 Offset - volunteer program	-77,880	-77,880	0	0	0	-1.0
R13 Offset - drug testing	-118,124	-118,124	0	0	0	0.0
R14 Offset - recidivism program	-403,250	-403,250	0	0	0	0.0
R15 Technical adjustments	-3,267,531	0	-10,000	-209,440	-3,048,091	-2.0
Employee comp common policies	28,500,441	28,181,486	318,955	0	0	0.0
Operating common policies	7,778,147	7,869,331	291,794	-90,066	-292,912	0.0
Impacts driven by other agencies	-842,659	-821,553	-21,106	0	0	0.1

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Technical adjustments	264,853	264,868	-15	0	0	0.0
Prior year actions	-1,208,108	-303,354	-842,314	-62,440	0	-2.0
<b>Total</b>	<b>\$1,248,437,003</b>	<b>\$1,146,960,903</b>	<b>\$51,838,514</b>	<b>\$49,637,586</b>	<b>\$0</b>	<b>6,420.2</b>
Increase/-Decrease	\$58,180,556	\$60,931,957	\$421,611	\$167,991	-\$3,341,003	29.2
Percentage Change	4.9%	5.6%	0.8%	0.3%	-100.0%	0.5%

**R1A Prison caseload:** The request funds 553 male prison beds to account for a projected increase in the prison population.

Year 1: \$8.3 million General Fund and 27.5 FTE

The request includes 153 Level 3 beds at private prisons and 400 Level 2 beds, including 200 at Sterling and 200 at Buena Vista. The 153 private prison beds are the same beds approved by the JBC for FY 2025-26 through an interim supplemental request in September 2025.

Staff notes that there are two prioritized capital requests that would affect prison caseload in future years. First, a \$14.0 million request to add a perimeter fence at the Delta prison. This would move Delta from a Level 1 to a Level 2 facility. The change aims to free up Level 3 medium custody beds and accommodate projected growth in the inmate population.

Second, a \$7.6 million request to replace the electronic security system at the Colorado State Penitentiary (CSP). The Department would have to move 128 inmates beginning in October 2027. Most of the inmates in CSP are there because they were too dangerous for the general population in other prisons. The Department says it would need to use the C-tower at Centennial South to accommodate the impact of the project.

**R1B Private prison per diem:** The request increases the per-diem rate for private prisons from \$66.52 to \$80.00.

Year 1: \$14.5 million General Fund.

**R2 Medical caseload:** The request addresses expected changes in the prison population and the per-offender-per-month (POPM) rate for external medical care.

Year 1: \$5.5 million General Fund. Includes \$5.0 million for external medical services and \$0.5 million for pharmaceuticals.

The Governor's request also includes a \$5.0 million General Fund placeholder for a related budget amendment that will be submitted in January. This is *in addition to* the \$5.5 million shown in the current request, which is based on information from June 2025. The placeholder likely accounts for increases in the POPM rate for external medical care, based on new data gathered through the first half of FY 2025-26.

**R3 Food service inflation:** The request addresses both food and equipment costs. The Department aims to use these funds to purchase needed food while also maintaining and replacing the equipment used to prepare meals.

Year 1: \$648,870 General Fund, which is a 2.9% increase.

**R4 Offender management system ongoing support (eOMIS):** The request seeks ongoing operating funds for the Electronic Offender Management Information System. This relates to a \$40.0 million capital project that began in 2015 and will be completed by June 2026.

Year 1: \$3.4 million General Fund.

Year 2: The request expects costs to increase by 3.0% annually, but states that these increases will be “submitted as needed through the normal budgetary request channels, and after corresponding OIT funding needs are assessed.”

EOMIS is the Department’s core offender management system. The requested money would sustain vendor maintenance and support after project completion. This includes “critical updates, security patches, bug fixes, technical support, as well as modest annual updates and changes to system programming...” The Department would contract with Marquis Software Development, the same vendor leading the current capital project.

**R5 Broadband [legislation]:** The request supports broadband installation at the Trinidad Correctional Facility and seeks JBC-sponsored legislation to transfer money to the Broadband Infrastructure Cash Fund.

Year 1: One-time transfer of \$684,297 General Fund and related cash fund spending authority.

**R6 Transfer drug and alcohol contract funding:** The request aims to support the Medication-Assisted Treatment (MAT) program. It does this by moving \$615,000 General Fund from the underused Drug and Alcohol (D&A) Treatment Contract Services line item to D&A Treatment Personal Services and medical operating expenses.

Year 1: \$0 and 3.7 FTE

Year 2: \$0 and 4.0 FTE

Per the request, the D&A Treatment Contract Services line item is used to contract with outside individuals and entities to provide facility-based treatment and counseling services to releasing inmates. The Department has used other grant funds in recent years to provide those services, leading to underspending of the line item. The Department expects these grants to continue.

The reallocated funds would support “1.0 FTE Mid-level Provider and 2.0 FTE Health Care Technician I to perform services required with the expanding MAT program.” Currently, “the DOC has only four MAT-specific providers managing approximately 26 to 38 patient encounters daily, but with approximately 4,341 (24.4%) of all DOC inmates diagnosed with Opioid Use Disorder, without additional providers, the Department has a long way to go to be able to meet its goal of ensuring that all diagnosed inmates receive treatment daily.”

The Department’s evidence designation for the MAT Program is “Proven.”

**R7 Laundry inflation:** The request addresses the impact of inflation and maintenance costs in the *Operating Expenses* line item in the Laundry Subprogram.

Year 1: \$74,235 General Fund

**R8 State fleet garage spending:** The one-time request aims to address an encumbrance issue that occurs in the state accounting system at the end/beginning of the fiscal year.

Year 1: One-time \$529,937 reappropriated funds and 1.9 FTE, with roll-forward authority through FY 2027-28

Per the request, “The Department’s current fiscal year-end close/open process involves shutting down all internal vehicle maintenance processes for 30-60 days until encumbrances are actualized in CORE (the financial system for the State). Due to these limitations, the Department is unable to efficiently satisfy current vehicle maintenance obligations.” The one-time request using Department of Personnel (DPA) fleet maintenance funding is a stop-gap until DPA coordinates state fleet funding mechanism across multiple agencies.

**R9 Inmate phone calls cost cap [legislation]:** The request caps the State’s share of inmate phone calls at 75% on an ongoing basis. Statute currently requires that the State cover 100% of the cost beginning on July 1, 2026.

Year 1: -\$2.3 million General Fund.

The current appropriation is \$2.9 million General Fund. That would increase to \$5.2 million in FY 2026-27 under the current statute. The State was originally slated to cover 100% of the cost of phone calls the current fiscal year, but the JBC sponsored S.B. 25-208 to do 75% in the current year and 100% in FY 2026-27.

The request notes that inmate phone costs are being considered by the Department as a potential marginal cost as part of the Prison Caseload adjustments moving forward. It stands to reason that as the prison population changes, the cost of inmate phone calls will also fluctuate. The Department is evaluating this possibility as part of the implementation of the Performance Audit.

The Department’s evidence designation this program is “Insufficient.”

**S3/R10 Offset - transgender healthcare:** The request aligns the current appropriation for transgender healthcare with recent and projected usage. This line item and amount was restricted by the Governor in EO D 2025 014 and will also be a supplemental request.

Year 1: -\$3.7 million General Fund.

The Department says that it is fulfilling its responsibilities as outlined in the consent decree for *Raven v. Polis*. Still, this line item has been underspent since it was established based on an initial estimate of the ongoing cost of this care.

The Department’s evidence designation for this program is “Evidence Informed.”

**R11 Offset - polygraph testing:** The request aligns funding with gradual changes to the Sex Offender Management Board’s post-conviction polygraph testing requirements.

Year 1: -\$113,180 General Fund.

Per the request, “As the amount of reverted funds in this line has been growing over the last several years due to changes in requirements for post-conviction polygraph testing, the Department anticipates no negative impact on the operations of the Sex Offender Treatment and Management Program as a result of this reduction.”

The Department’s evidence designation for this program is “Evidence Informed.”

**R12 Offset - volunteer program:** The request removes funding for a currently unfilled position in the Volunteer Subprogram.

Year 1: -\$77,880 General Fund and -1.0 FTE

Per the request, “The Faith and Citizens and Volunteer Services team at DOC Headquarters are responsible for program design, policy development, budgeting, training, audits and the coordination of the approximately 1,400 individuals who volunteer at correctional facilities (including private prisons).” There are a total of 8.0 FTE on the team. The other 7.0 FTE will handle the duties of the eliminated position.

The Department’s evidence designation for this program is “Promising.”

**R13 Offset - drug testing:** The request accounts for reduced drug testing in DOC prisons because randomized drug testing ended in 2022 and because some newer drugs are not detected by available testing methods.

Year 1: -\$118,124 General Fund.

Per the request, “testing is primarily driven by incident and takes place via mass urinalysis (UA) or reasonable suspicion-based collection. These tests allow the Department to enforce the relevant parts of the Code of Penal Discipline, provide information about substances being introduced, and may lead to the source of the introduction. Still, as the current drug testing capabilities have been unable to detect many of the newer drugs, it is unlikely that more frequent drug testing will lead to increased safety and successful deterrence.”

The Department is looking for other ways to prevent drug introductions into prisons. “The Department continues to explore options to prevent further introduction. Currently, DOC is considering offsite digital scanning, sourcing updated testing and detection equipment, and looking at practices in other agencies. As the Department is still exploring the legalities of mail scanning, there is currently no timeline or plan in place for implementation.”

The Department’s evidence designation this program is “Insufficient.”

**R14 Offset - recidivism program:** The request partially reduces funding for a three-year pilot program that will end in FY 2027-28.

Year 1: -\$403,250 General Fund.

Total program funding is currently around \$1.0 million General Fund. These funds currently support a program to implement in-demand job skills for inmates in correctional facilities. These include Life Skills Training, a Commercial Driver’s License-Apprenticeship (CDL) Program, and other job skills training. The Department originally requested one-time funding and the JBC approved three years of funding.

The Department noted several positive outcomes thus far, such as CDL participants continuing their apprenticeship after release. As of June 2025, 25 students completed classes. Demand for the program is very high. However, the Department says that, “The proposed reduction was carefully evaluated and will not impact programming.”

The Department’s evidence designation for this program is “Evidence Informed.”

**R15 Technical adjustments:** The request removes unused federal and reappropriated funds from the budget.

Year 1: -\$3.3 million, including \$3.0 million federal funds, and -2.0 FTE.

**Employee compensation common policies:** The request includes a net increase of \$28.5 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	Reapprop. Funds	Federal Funds	FTE
Salary survey	\$14,864,915	\$14,675,555	\$189,360	\$0	\$0	0.0
Health, life, and dental	7,884,906	7,774,978	109,928	0	0	0.0
Step plan	2,599,809	2,561,897	37,912	0	0	0.0
Shift differential	1,874,475	1,884,077	-9,602	0	0	0.0
Unfunded liability amortization payments	1,441,345	1,444,256	-2,911	0	0	0.0
Paid family and medical leave insurance	39,519	39,917	-398	0	0	0.0
Short-term disability	14,957	14,978	-21	0	0	0.0
PERA direct distribution	-219,485	-214,172	-5,313	0	0	0.0
<b>Total</b>	<b>\$28,500,441</b>	<b>\$28,181,486</b>	<b>\$318,955</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>

**Operating common policies:** The request includes a net increase of \$8.0 million for operating common policies.

**Operating common policies**

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Workers' compensation	\$3,157,721	\$3,088,567	\$69,154	\$0	\$0	0.0
Risk management & property	2,136,463	2,089,674	46,789	0	0	0.0
Office of Information Technology services	1,468,855	1,462,980	5,875	0	0	0.0
Vehicle lease payments	895,062	763,553	131,509	0	0	0.0
State accounting system (CORE)	285,495	264,083	11,420	9,992	0	0.0
Legal services	29,294	28,652	642	0	0	0.0
Departmental indirect cost adjustment	-173,940	192,625	26,405	-100,058	-292,912	0.0
Digital trunked radios	-20,803	-20,803	0	0	0	0.0
<b>Total</b>	<b>\$7,778,147</b>	<b>\$7,869,331</b>	<b>\$291,794</b>	<b>-\$90,066</b>	<b>-\$292,912</b>	<b>0.0</b>

**Impacts driven by other agencies:** The request includes a net decrease of \$0.8 million 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 State accounting system (CORE) staff	\$178,032	\$174,133	\$3,899	\$0	\$0	0.0
NP IT accessibility	110,043	110,043	\$0	\$0	\$0	0.0
NP SB24-205 AI compliance	63,298	62,155	1,143	\$0	\$0	0.1
NP Statewide enable AI	26,190	25,616	574	\$0	\$0	0.0
NP IT operating offset	-996,869	-975,038	-21,831	\$0	\$0	0.0
NP IT efficiencies	-223,353	-218,462	-4,891	\$0	\$0	0.0
<b>Total</b>	<b>-\$842,659</b>	<b>-\$821,553</b>	<b>-\$21,106</b>	<b>\$0</b>	<b>\$0</b>	<b>0.1</b>

**Technical adjustments:** The request includes an increase of \$264,868 General Fund for leased space.

**Prior year actions:** The request includes a net decrease of \$1.2 million for the impact of prior year budget decisions and legislation.

**Prior year actions**

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
SB 25-208 Inmate telephone calls	\$2,308,237	\$2,308,237	0	0	0	0.0
FY 25-26 Inmate pay	615,639	615,639	0	0	0	0.0
FY 25-26 Step Plan	0	0	\$0	\$0	\$0	0.0
SB 25-212 Temporary inmate transfer	-1,829,000	-1,829,000	0	0	0	0.0
SB 25-213 Broadband infrastructure	-842,346	0	-842,346	0	0	0.0
FY 25-26 Salary survey	-754,471	-754,503	32	0	0	0.0
SB 21-138 Traumatic brain injury	-327,620	-327,620	0	0	0	-1.0
FY 25-26 Inmate legal access	-219,323	-219,323	0	0	0	0.0
HB 24-1386 DOC broadband	-76,319	-76,319	0	0	0	-1.0
SB 25-308 Medicaid services	-62,440	0	0	-62,440	0	0.0
SB 21-064 Retaliation against elected official	-18,415	-18,415	0	0	0	0.0
SB 23-039 Reduce child and parent separation	-2,050	-2,050	0	0	0	0.0
<b>Total</b>	<b>-\$1,208,108</b>	<b>-\$303,354</b>	<b>-\$842,314</b>	<b>-\$62,440</b>	<b>\$0</b>	<b>-2.0</b>

# Issues Presented

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

**Big budget picture:** This issue brief provides a high-level summary of changes to the budget since FY 2018-19 and a brief outlook for compensation and medical costs.

**Male prison caseload and capacity limits:** This issue brief discusses the factors driving an increase in the male prison population, capacity limits, and complicating factors. An exceptionally large projected increase in the male prison population exceeds male prison capacity limits in FY 2026-27. This development coincides with aging infrastructure and related capital projects, aging inmates, rapidly increasing medical costs, and staffing challenges.

**Custody classifications and capital projects:** This issue brief discusses proposed capital projects at Delta, Rifle, and Colorado State Penitentiary (CSP). The first part discusses the relationship between the DOC's custody classification policy and the Delta and Rifle projects. Specifically, the policy limits the number of inmates assigned to minimum-security prisons like Delta and Rifle. It therefore increases the number of inmates assigned to medium or minimum-restricted prisons. It does this by requiring a custody classification override to a higher security level based on time to parole eligibility date, mandatory parole date, or sentence discharge. The second part discusses how the CSP project would require the use of Centennial South's C-Tower.

**Parole budget and policy issues:** This issue brief aims to help the JBC and General Assembly make informed decisions about a prison population projected to exceed capacity limits in FY 2026-27. It does that by describing the state of affairs in the Division of Adult Parole, including trends in the parole population, policies and practices, and budget.

**Private prison per-diem rate:** This issue brief provides information about the private prison per-diem rate and the number of beds that private prisons provide. The Department requests a per-diem rate increase of \$13.48 at a cost of \$14.5 million General Fund. This is the second time in 20 years that the Department has requested a target rate increase for private prisons. All other increases have been tied to the common policy, which has not kept pace with inflation.

## For More Information

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To read the entire briefing: Go to [leg.colorado.gov/content/budget/budget-documents](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 2025.