

FY 2026-27 Budget Briefing Summary

Department of Regulatory Agencies

The Department of Regulatory Agencies is responsible for consumer protection, which is carried out through regulatory programs that license, establish standards, approve rates, and investigate complaints. The Department enforces rules and regulations through boards, commissions, and advisory committees across a variety of professions, occupations, programs, and institutions.

Summary of Request

Department of Regulatory Agencies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 Long Bill	\$142,074,974	\$3,114,582	\$129,281,319	\$7,623,434	\$2,055,639	730.6
Other legislation	-3,429,668	0	-3,429,668	0	0	-2.0
Total	\$138,645,306	\$3,114,582	\$125,851,651	\$7,623,434	\$2,055,639	728.6
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$138,645,306	\$3,114,582	\$125,851,651	\$7,623,434	\$2,055,639	728.6
R1 Base reduction to Div. of Insurance and Civil Rights Div.	-401,502	-56,502	-345,000	0	0	0.0
Employee compensation common policies	5,795,462	213,948	5,375,384	273,784	-67,654	0.0
Operating common policies	-254,203	-1,628	-263,755	9,071	2,109	0.0
Impacts driven by other agencies	378,482	0	376,624	1,858	0	1.8
Prior year actions	549,151	0	549,151	0	0	-3.8
Total	\$144,712,696	\$3,270,400	\$131,544,055	\$7,908,147	\$1,990,094	726.6
Increase/-Decrease	\$6,067,390	\$155,818	\$5,692,404	\$284,713	-\$65,545	-2.0
Percentage Change	4.4%	5.0%	4.5%	3.7%	-3.2%	-0.3%

Changes are assumed to be ongoing unless otherwise noted.

R1 Base Reduction to Division of Insurance and the Civil Rights Division: The Department requests reductions in appropriations to the Colorado Civil Rights Division (CCRD) and the Division of Insurance (DOI).

Year 1: The total savings is \$401,502 General Fund.

The request includes a reduction of \$56,502 from the personal services line in the CCRD which is equal to 2.0 percent of the total General Fund appropriation to that division. The CCRD is the only division within DORA that receives a General Fund appropriation.

Additionally, the Department requests a reduction of \$345,000 in cash funds from the personal services line in the Division of Insurance (DOI), which is equal to 2.0 percent of the division's total appropriation. Reducing appropriations from the Division of Insurance cash fund results in more General Fund revenue. This is because revenue from insurance premium taxes reverts to the General Fund if not appropriated to the DOI.

The Department and OSPB state that these reductions will be absorbed through current retirement and vacancy savings and through management of contract expenses.

Employee compensation common policies: The request includes a net increase of \$5.8 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
Health, life, and dental	\$2,783,593	\$100,583	\$2,633,055	\$79,133	-\$29,178	0.0
Salary survey	2,141,789	58,788	1,899,042	159,299	24,660	0.0
Unfunded liability amortization payments	631,639	38,172	641,321	1,937	-49,791	0.0
Step plan	168,218	9,314	119,503	39,401	0	0.0
PERA direct distribution	37,378	5,106	49,115	-6,086	-10,757	0.0
Paid family and medical leave insurance	28,424	1,718	28,859	87	-2,240	0.0
Short-term disability	4,421	267	4,489	13	-348	0.0
Total	\$5,795,462	\$213,948	\$5,375,384	\$273,784	-\$67,654	0.0

Operating common policies: The request includes a net decrease of \$254,203 for operating common policies.

Operating common policies

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Legal services	\$248,067	\$2,172	\$242,840	\$1,748	\$1,307	0.0
State accounting system (CORE)	229,190	8,877	205,711	11,801	2,801	0.0
Workers' compensation	44,622	1,352	41,131	1,554	585	0.0
Administrative law judge services	-332,047	-8,223	-323,824	0	0	0.0
Vehicle lease payments	-262,554	0	-262,554	0	0	0.0
Risk management & property	-172,467	-5,806	-158,154	-5,923	-2,584	0.0
Office of Information Technology services	-9,014	0	-8,905	-109	0	0.0
Total	-\$254,203	-\$1,628	-\$263,755	\$9,071	\$2,109	0.0

Impacts driven by other agencies: The request includes a net increase of \$378,482 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	FTE
NP IT accessibility	\$170,762	\$0	\$170,762	\$0	0.9
NP SB24-205 AI compliance	133,760	0	132,144	1,616	0.9
Mortgage broker LAW request	28,653	0	28,653	0	0.0
Securities fraud LAW request	25,277	0	25,277	0	0.0
NP State accounting system (CORE) staff	20,030	0	19,788	242	0.0
Total	\$378,482	\$0	\$376,624	\$1,858	1.8

Prior year actions: The request includes a net increase of \$549,151 for the impact of prior year budget decisions and legislation.

Prior year actions

Item	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
SB 24-010 Dentist and dental hygienist compact	\$258,514	\$0	\$258,514	\$0	0.5
HB 23-1201 Pres. drug benefits contract terms	250,000	0	250,000	0	0.0
HB 24-1111 Cosmetology licensure compact	199,015	0	199,015	0	-0.2
SB 24-018 Physician assistant licensure compact	166,509	0	166,509	0	0.2
HB 25-1002 Social work license compact	68,014	0	68,014	0	-0.6
SB 24-207 Access to distributed generation	33,756	0	33,756	0	0.2
HB 25-1154 Comm. serv. for people w/ disabilities ent.	33,435	0	33,435	0	0.0
HB 25-1284 Regulating apprentices in licensed trades	30,000	0	30,000	0	0.0
SB 25-165 Licensure of electricians	27,544	0	27,544	0	0.4
HB 24-1030 Railroad safety requirements	12,687	0	12,687	0	0.0
HB 25-1094 Pharmacy benefit manager practices	7,554	0	7,554	0	0.1
HB 24-1153 Physician continuing education	5,502	0	5,502	0	0.1
SB 24-218 Modernize energy distribution systems	-387,150	0	-387,150	0	-3.5
SB 23-189 Inc. access to reproductive care	-50,000	0	-50,000	0	0.0
SB 24-073 Max employees for small employer	-44,395	0	-44,395	0	-0.4
SB 24-141 Out-of-state telehealth providers	-25,363	0	-25,363	0	-0.3
HB 24-1108 Ins. commissioner study ins. market	-19,909	0	-19,909	0	-0.2
HB 24-1315 Study on remediation of property damage	-9,954	0	-9,954	0	-0.1
SB 24-173 Regulate mortuary science occupations	-6,608	0	-6,608	0	0.0
Total	\$549,151	\$0	\$549,151	\$0	-3.8

Issues Presented

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

Budget Reduction Options: The Executive Budget Request includes reductions of \$56,502 General Fund for Colorado Civil Rights Division and of \$345,000 cash funds from the Division of Insurance Cash fund. Combined, these reductions total \$401,502 in General Fund relief, representing 1.8 percent of the current General Fund appropriations in this section of the budget.¹ This issue brief reviews these proposals and additional options identified by staff.

Health Insurance Affordability Enterprise After OBBBA and the 2025 Special Session: The Health Insurance Affordability Enterprise (HIAE) is charged with reducing the overall cost of health insurance for enrollees through investment of insurance premium taxes in three cost-saving programs. This issue brief provides a summary of the status of the HIAE after the passage of the federal One Big Beautiful Bill Act (OBBBA) and HB25B-1006 (Improve Affordability of Private Health Insurance) during special session.

Statewide R1: Pinnacol Conversion: The Executive Budget Request includes budget balancing General Fund revenue totaling \$400.0 million from the sale of the state’s share of Pinnacol Assurance, which is the leading

¹ Current FY 2025-26 appropriations do not include mid-year reductions in executive orders.

workers' compensation insurance provider in Colorado. This issue brief reviews the proposal alongside currently available data regarding the solvency and value of Pinnacle and statutory implications of a conversion.

For More Information

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To read the entire briefing: Go to <https://content.leg.colorado.gov/content/budget#budget-documents-section> 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.