

Department of State Cash Fund

Background

- The Department of State Cash Fund provides over 98.0 percent of the Department's funding. It is comprised of business entity filings, charitable solicitation filings, campaign finance filings, and bingo/raffle fees and fines.
- The Department processes over 1,300 web-based transactions daily and over 90.0 percent of the business entity and lobbyist filings are completed online. The Department estimates that it processed over 575,000 business filings, 101,000 Uniform Commercial Code, and 41,000 election and political filings during FY 2007-08.

Fees

- The Secretary is required to charge fees for business filings [see Section 24-1-204 (1) (a), C.R.S.].
- The Department has focused on expanding and promoting its online services. It is more efficient to process electronic filings and payments than to process paper copies. **The Department has been able to lower the filing fees so that they are some of the least expensive in the country.**

Revenue

- The Department adjusts its fees so that they generate revenue which approximates its direct and indirect costs [see Section 24-21-104 (3) (b), C.R.S.].
- Such fees are to remain in effect for the fiscal year following the adjustment.

Cash Fund Transfers

- The General Assembly may enact legislation that directs the Treasurer to deduct unappropriated funds from the Department of State Cash Fund and to credit such funds to the General Fund [see Section 24-21-104 (3) (d) (I), C.R.S.].
- During the last downturn, the General Assembly enacted legislation to transfer cash funds to the General Fund. In March, 2002, the Treasurer transferred \$1.2 million from the Department's cash fund to the General Fund. [see Section 24-21-104 (3) (d) (X), C.R.S.]
- In 2003, the General Assembly passed legislation that transferred \$2.7 million from the Department of State Cash Fund to the General Fund [see Section 24-21-104 (3) (d) (XI) to (XII), C.R.S.].