

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0639.02 Kate Meyer x4348

SENATE BILL 12-144

SENATE SPONSORSHIP

Heath and Scheffel,

HOUSE SPONSORSHIP

Summers and Ryden, Kerr A.

Senate Committees

Business, Labor and Technology

House Committees

A BILL FOR AN ACT

101 CONCERNING EFFORTS BY THE COLORADO OFFICE OF ECONOMIC
102 DEVELOPMENT TO GROW THE STATE'S KEY INDUSTRIES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill directs the Colorado office of economic development (office) to develop a strategy to grow key industries located in the state. In creating the strategy, the office will facilitate the creation of, and collaborate with, a key industry network working group (working group), comprised of various stakeholders, for each of Colorado's key industries.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

A working group is tasked with developing and implementing a 3-year business plan to grow its key industry, which business plan will be incorporated into the office's key industries strategy. The office must annually report its progress to the general assembly.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds, determines, and declares that:

4 (a) A clear economic strategy is paramount to enhancing
5 Colorado's competitiveness as measured by increased productivity and
6 more effective utilization of talent, capital, and natural resources;

7 (b) Colorado's key industries, which provide jobs for local
8 residents and support the tax bases of the state and local governments, are
9 critical to building a stable and competitive state economy;

10 (c) An effective economic strategy must include a proactive and
11 opportunity-based approach to grow Colorado's key industries;

12 (d) Aligning public and private resources in a way that helps to
13 grow Colorado's key industries will also enhance and create job
14 opportunities in Colorado; and

15 (e) Developing a key industry strategy and public-private
16 partnerships across the state will therefore ultimately contribute to an
17 environment that produces sustainable economic growth and job creation.

18 (2) The general assembly further finds and declares that a key
19 industry strategy will:

20 (a) Provide an opportunity to align and engage partners and
21 businesses within each key industry across the state in a consistent
22 manner and thus develop a collaborative approach to growing each key
23 industry;

1 (b) Build upon "Colorado Blueprint: A bottom-up approach to
2 economic development", the state's document outlining a series of key
3 tactical steps designed to foster a more competitive Colorado, as it relates
4 to each key industry, by helping the state achieve the following six core
5 objectives:

- 6 (I) Build a business-friendly environment;
- 7 (II) Retain, grow, and recruit companies;
- 8 (III) Increase access to capital;
- 9 (IV) Create and market a stronger Colorado brand;
- 10 (V) Educate and train the workforce of the future; and
- 11 (VI) Cultivate innovation and technology; and

12 (c) Translate directly into tangible benefits for businesses,
13 citizens, and educational institutions by encouraging collaboration
14 between businesses and their partners within each key industry network
15 to work together to reduce barriers, increase competitiveness, and
16 expedite job growth.

17 (3) It is therefore the intent of the general assembly to instruct and
18 empower the Colorado office of economic development, as a key
19 component of the state economic development plan and pursuant to the
20 tactics set forth in "Colorado Blueprint: A bottom-up approach to
21 economic development", to collaborate with key industry networks,
22 comprised of the interrelated businesses, institutions, suppliers,
23 distributors, and talent that support a distinct and sustainable competitive
24 advantage for Colorado in a specific key industry, in order to increase the
25 stability and competitiveness of key industries in the state by taking
26 actions to:

- 27 (a) Assist in the creation of jobs;

- 1 (b) Reduce barriers to business;
- 2 (c) Cultivate economic development;
- 3 (d) Expand and retain existing businesses and attract new
- 4 businesses;
- 5 (e) Align with workforce and education; and
- 6 (f) Spur innovation.

7 **SECTION 2.** In Colorado Revised Statutes, **add** 24-48.5-114 as
8 follows:

9 **24-48.5-114. Key industries strategy - duties of the Colorado**
10 **office of economic development - key industry network working**
11 **groups - members - report - definitions.** (1) AS USED IN THIS SECTION,
12 UNLESS THE CONTEXT OTHERWISE REQUIRES:

13 (a) "BLUEPRINT" MEANS THE "COLORADO BLUEPRINT: A
14 BOTTOM-UP APPROACH TO ECONOMIC DEVELOPMENT", CREATED BY THE
15 OFFICE, PURSUANT TO EXECUTIVE ORDER D 2011-003, VERSION 1.0 OF
16 WHICH WAS ISSUED ON OCTOBER 18, 2011. THE TERM INCLUDES
17 SUBSEQUENT VERSIONS.

18 (b) "KEY INDUSTRIES STRATEGY" MEANS THE STRATEGY
19 DEVELOPED BY THE OFFICE PURSUANT TO SUBSECTION (2) OF THIS
20 SECTION.

21 (c) "KEY INDUSTRY" MEANS AN INDUSTRY CRITICAL TO THE
22 COLORADO ECONOMY, AS IDENTIFIED INITIALLY THROUGH THE OUTREACH
23 CONDUCTED BY THE OFFICE IN CREATING THE BLUEPRINT AND INCLUDING
24 AN INDUSTRY IDENTIFIED BY THE OFFICE'S ONGOING INVENTORY OF
25 EXISTING PROGRAMS AND INITIATIVES AND OBJECTIVE ANALYSES OF STATE
26 ECONOMIC DATA INCLUDING WAGES, GROSS DOMESTIC PRODUCT, AND
27 EMPLOYMENT FIGURES.

1 (d) "KEY INDUSTRY BUSINESS PLAN" MEANS THE THREE-YEAR
2 GROWTH PLAN FOR A KEY INDUSTRY, INCLUSIVE OF ANY EXISTING PLANS
3 FOR THE KEY INDUSTRY AND THE BLUEPRINT, DEVELOPED BY ITS KEY
4 INDUSTRY NETWORK WORKING GROUP PURSUANT TO SUBSECTION (4) OF
5 THIS SECTION.

6 (e) "KEY INDUSTRY NETWORK" MEANS A CONCENTRATION OF
7 INTERRELATED BUSINESSES, INSTITUTIONS, SUPPLIERS, DISTRIBUTORS, AND
8 TALENT THAT CONTRIBUTES TO A DISTINCT AND SUSTAINABLE
9 COMPETITIVE ADVANTAGE FOR COLORADO IN A KEY INDUSTRY.

10 (f) "KEY INDUSTRY NETWORK WORKING GROUP" MEANS THE KEY
11 INDUSTRY NETWORK STAKEHOLDERS IDENTIFIED PURSUANT TO
12 PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION, WHICH WORKING
13 GROUP WILL CREATE AND IMPLEMENT THE INDUSTRY'S KEY INDUSTRY
14 BUSINESS PLAN.

15 (g) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC
16 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

17 (h) "STATE ECONOMIC DEVELOPMENT PLAN" MEANS THE PLAN
18 DEVELOPED BY THE OFFICE PURSUANT TO, AND BASED ON THE
19 FRAMEWORK OUTLINED IN, THE BLUEPRINT.

20 (2) (a) AS PART OF THE STATE ECONOMIC DEVELOPMENT PLAN,
21 THE OFFICE, IN COLLABORATION WITH KEY INDUSTRY NETWORK WORKING
22 GROUPS, SHALL DEVELOP A KEY INDUSTRIES STRATEGY TO ASSIST IN THE
23 FOSTERING OF JOB CREATION IN AND TO INCREASE THE STABILITY, DEPTH,
24 AND GLOBAL COMPETITIVENESS OF KEY INDUSTRIES IN COLORADO.

25 (b) THE OFFICE SHALL ALIGN THE KEY INDUSTRIES STRATEGY WITH
26 THE BLUEPRINT AND WITH STATE, REGIONAL, AND LOCAL ECONOMIC
27 DEVELOPMENT PROGRAMS IN A MANNER THAT ENSURES THAT AVAILABLE

1 RESOURCES ARE UTILIZED IN AN EFFICIENT AND EFFECTIVE MANNER TO
2 SUPPORT COLORADO'S KEY INDUSTRIES AND TO PROVIDE A STRONG BASE
3 FROM WHICH TO INCREASE THE STABILITY AND COMPETITIVENESS OF THE
4 COLORADO ECONOMY.

5 (3) IN ORDER TO DEVELOP AND IMPLEMENT THE KEY INDUSTRIES
6 STRATEGY, THE OFFICE SHALL:

7 (a) PARTNER WITH INDUSTRY AND OTHER ECONOMIC
8 DEVELOPMENT PARTNERS TO IDENTIFY THE MEMBERS OF AND CONVENE A
9 KEY INDUSTRY NETWORK WORKING GROUP FOR EACH KEY INDUSTRY,
10 WHICH WORKING GROUPS SHALL EACH CONSIST OF STAKEHOLDERS
11 REPRESENTING:

12 (I) THE DIVERSE BUSINESSES OF EVERY SIZE INVOLVED WITH THE
13 KEY INDUSTRY;

14 (II) INDUSTRY ASSOCIATIONS AND TRADE GROUPS RELEVANT TO
15 THE KEY INDUSTRY;

16 (III) UNIVERSITIES, COMMUNITY COLLEGES, TRADE SCHOOLS, OR
17 RESEARCH INSTITUTIONS RELEVANT TO THE KEY INDUSTRY; AND

18 (IV) OTHER RELEVANT ENTITIES INTERESTED IN OR HAVING
19 KNOWLEDGE OF ECONOMIC DEVELOPMENT, THE WORKFORCE, AND
20 RELATED POLICIES OR PROGRAMS AFFECTING THE KEY INDUSTRY;

21 (b) FACILITATE AND PROVIDE ADMINISTRATIVE SUPPORT FOR THE
22 DEVELOPMENT AND IMPLEMENTATION OF THE KEY INDUSTRY BUSINESS
23 PLANS;

24 (c) REVIEW EACH KEY INDUSTRY BUSINESS PLAN, IN
25 COLLABORATION WITH THE KEY INDUSTRY NETWORK WORKING GROUP, TO
26 IDENTIFY POTENTIAL POLICY PROPOSALS THAT WOULD FOSTER ECONOMIC
27 GROWTH AND BUILD UPON THE STATE ECONOMIC DEVELOPMENT PLAN;

1 AND

2 (d) ASSIST AND MEET WITH THE KEY INDUSTRY NETWORK
3 WORKING GROUPS AS NECESSARY.

4 (4) (a) EACH KEY INDUSTRY NETWORK WORKING GROUP SHALL
5 DEVELOP AND IMPLEMENT A KEY INDUSTRY BUSINESS PLAN, USING THE
6 ASSISTANCE AND SUPPORT OF THE OFFICE AS NECESSARY.

7 (b) IN CREATING A KEY INDUSTRY BUSINESS PLAN, THE PRIORITY
8 OF EACH KEY INDUSTRY NETWORK WORKING GROUP WILL BE TO IDENTIFY
9 AND RESPOND TO:

10 (I) (A) THE FINANCIAL FACTORS THAT AFFECT OPERATIONS OF
11 BUSINESSES WITHIN THE KEY INDUSTRY, INCLUDING ANY CHALLENGES
12 WITH ACCESSING CAPITAL;

13 (B) THE LOCAL, STATE, AND FEDERAL GOVERNMENT REGULATIONS
14 FOR THE KEY INDUSTRY;

15 (C) THE TAX STRUCTURES RELEVANT TO THE KEY INDUSTRY; AND

16 (D) OTHER COSTS ASSOCIATED WITH DOING BUSINESS;

17 (II) THE ALLIANCES AND RESOURCES NEEDED TO:

18 (A) RETAIN AND EXPAND EXISTING BUSINESSES WITHIN THE KEY
19 INDUSTRY; AND

20 (B) RECRUIT AND ATTRACT BUSINESSES CRITICAL TO THE VALUE
21 CHAIN, SUPPLY CHAIN, AND DEPTH OF THE KEY INDUSTRY;

22 (III) THE MESSAGING NEEDED TO STRENGTHEN THE OVERALL
23 BRANDING OF THE STATE AND THE MARKETING OF THE PARTICULAR KEY
24 INDUSTRY TO CONSUMERS AND OTHER RELEVANT AUDIENCES;

25 (IV) THE WORKFORCE NEEDS OF THE KEY INDUSTRY AND THE
26 TRAINING AND EDUCATIONAL PROGRAMS AVAILABLE OR NEEDED TO
27 SUPPORT THOSE NEEDS; AND

1 (V) THE OPPORTUNITIES FOR INCREASING COMPETITIVENESS OF
2 THE KEY INDUSTRY THROUGH INNOVATION, RESEARCH AND
3 DEVELOPMENT, AND ASSOCIATED ENTREPRENEURIAL ACTIVITIES.

4 (5) EACH KEY INDUSTRY NETWORK WORKING GROUP SHALL BE LED
5 BY A COMMITTEE OF KNOWLEDGEABLE INDIVIDUALS REPRESENTING
6 BUSINESSES IN THE KEY INDUSTRY FROM ACROSS THE STATE.

7 (6) THE OFFICE SHALL INCLUDE A REPORT ON THE KEY INDUSTRIES
8 STRATEGY AND EACH KEY INDUSTRY BUSINESS PLAN IN THE OFFICE'S
9 ANNUAL REPORT TO THE GENERAL ASSEMBLY.

10 **SECTION 3. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.