



Colorado
Legislative
Council
Staff

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MEMORANDUM

January 29, 2008

TO: Rep. Jim Riesberg and Members of the House Finance Committee

FROM: Marc Carey, Senior Fiscal Analyst, (303-866-4102)

SUBJECT: Fiscal Assessment of Proposed Amendment **HB1001_L.003**.

This memorandum is an assessment of the fiscal impact of the attached proposed amendment to **HB08-1001**. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

This amendment modifies the funding source provided in the bill for the Bioscience Discover Evaluation Grant Program, and makes clarifications regarding eligibility of grant recipients. Specifically, the amendment:

- appropriates \$3.5 million in General Fund moneys to the Bioscience Discovery Evaluation Cash Fund in FY 2007-08 for implementation of the program, beginning in FY 2008-09;
- specifies that beginning in FY 2008-09, of moneys in the Limited Gaming Fund that would have been transferred to the General Fund, \$3.5 million will be transferred annually to the Bioscience Discovery Evaluation Cash Fund for the next 4 fiscal years through FY 2011-12; and
- specifies that, to be eligible for grant moneys, early-stage bioscience companies must have a licenced technology from a Colorado research institution of higher education.

Fiscal Impact of Amendment

In FY 2007-08, of moneys in the Limited Gaming Fund that would have been transferred to the General Fund, HB08-1001 as introduced transferred \$3.5 million to the Bioscience Discovery Evaluation Cash Fund. This amendment eliminates this transfer, and instead appropriates a like amount of General Fund to this fund. In addition, the

amendment specifies that \$3.5 million will be annually transferred from the General Fund portion of the Limited Gaming Fund to the Bioscience Discovery Evaluation Cash Fund from FY 2008-09 through FY 2011-12 for expenditure in the following fiscal year.

Bill's Revised Fiscal Impact with Amendment

Thus, if this amendment is adopted, the bill will be assessed as having a state fiscal impact with a General Fund appropriation of \$3.5 million in FY 2007-08, and the transfer of a like amount from the General Fund portion of the Limited Gaming Fund to the Bioscience Discovery Evaluation Cash Fund in each of the following 4 fiscal years.

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB08-1001 be amended as follows:

1 Amend printed bill, page 2, strike line 16 and substitute the following:

2 "Colorado; AND

3 (IV) THE STATE SHOULD DEDICATE RESOURCES TO SUPPORT
4 PARTNERSHIP EFFORTS BETWEEN THE BIOSCIENCE INDUSTRY AND
5 RESEARCH INSTITUTIONS TO BUILD INFRASTRUCTURE THAT SUPPORTS THE
6 COMMERCIALIZATION OF THERAPEUTIC AND DIAGNOSTIC PRODUCTS,
7 DEVICES, OR INSTRUMENTS TO IMPROVE HUMAN HEALTH; BIOSCIENCE
8 TECHNOLOGIES THAT IMPROVE AGRICULTURE; AND BIOFUELS."

9 Page 5, strike line 22 and substitute the following:

10 "DEVELOPMENT of new bioscience discoveries at research institutions";

11 line 23, strike "EARLY-STAGE BIOSCIENCE COMPANIES".

12 Page 6, strike line 4 and substitute the following:

13 "transfer, EARLY-STAGE BIOSCIENCE COMPANIES, AND OTHER ENTITIES,
14 PURSUANT TO PARAGRAPH (b.7) OF THIS SUBSECTION (3), on a statewide
15 basis."

16 Page 7, line 11, after "COMPANIES", insert "THAT HAVE LICENSED A
17 TECHNOLOGY FROM A RESEARCH INSTITUTION";

18 line 21, strike "DEVELOPMENT, SUBJECT TO THE RESTRICTIONS" and
19 substitute "DEVELOPMENT";



1 line 22, strike "DESCRIBED IN PARAGRAPHS (b) AND (b.5) OF THIS
2 SUBSECTION (3),".

3 Page 11, line 10, strike "the research scope of a bioscience" and substitute
4 "~~the research scope of a bioscience~~";

5 line 11, strike "research project," and substitute "research A project FOR
6 WHICH A GRANT RECIPIENT HAS RECEIVED A GRANT AWARDED UNDER THE
7 PROGRAM,";

8 line 25, after "PROGRAM", insert "OR ITS DESIGNEE".

9 Page 12, line 23, strike "and" and substitute "and";

10 line 25, strike "section." and substitute "section, AND ANY OTHER MONEYS
11 APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY.".

12 Page 14, line 23, strike "and" and substitute "and";

13 line 24, strike "2007-08" and substitute "2008-09".

14 Page 15, line 8, strike "2008-09 FISCAL YEAR; AND" and substitute
15 "2009-10 FISCAL YEAR,";

16 after line 8, insert the following:

17 "(D) FOR THE 2009-10 FISCAL YEAR, OF THE PORTION OF LIMITED
18 GAMING FUND MONEYS THAT WOULD OTHERWISE BE TRANSFERRED TO THE
19 GENERAL FUND PURSUANT TO SECTION 9 (5) (b) (II) OF ARTICLE XVIII OF
20 THE STATE CONSTITUTION, AFTER THE TRANSFER TO THE LOCAL
21 GOVERNMENT LIMITED GAMING IMPACT FUND REQUIRED BY SECTION
22 12-47.1-1601, AND AFTER ANY OTHER TRANSFER OR DISTRIBUTION OF THE
23 GENERAL FUND PORTION OF LIMITED GAMING FUND MONEYS REQUIRED BY
24 THIS PARAGRAPH (a), THREE MILLION FIVE HUNDRED THOUSAND DOLLARS
25 SHALL BE TRANSFERRED TO THE BIOSCIENCE DISCOVERY EVALUATION
26 CASH FUND FOR THE IMPLEMENTATION OF THE BIOSCIENCE DISCOVERY
27 EVALUATION GRANT PROGRAM, CREATED IN SECTION 24-48.5-108, C.R.S.,
28 BEGINNING IN THE 2010-11 FISCAL YEAR;

29 (E) FOR THE 2010-11 FISCAL YEAR, OF THE PORTION OF LIMITED



1 GAMING FUND MONEYS THAT WOULD OTHERWISE BE TRANSFERRED TO THE
2 GENERAL FUND PURSUANT TO SECTION 9 (5) (b) (II) OF ARTICLE XVIII OF
3 THE STATE CONSTITUTION, AFTER THE TRANSFER TO THE LOCAL
4 GOVERNMENT LIMITED GAMING IMPACT FUND REQUIRED BY SECTION
5 12-47.1-1601, AND AFTER ANY OTHER TRANSFER OR DISTRIBUTION OF THE
6 GENERAL FUND PORTION OF LIMITED GAMING FUND MONEYS REQUIRED BY
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8 SHALL BE TRANSFERRED TO THE BIOSCIENCE DISCOVERY EVALUATION
9 CASH FUND FOR THE IMPLEMENTATION OF THE BIOSCIENCE DISCOVERY
10 EVALUATION GRANT PROGRAM, CREATED IN SECTION 24-48.5-108, C.R.S.,
11 BEGINNING IN THE 2011-12 FISCAL YEAR; AND

12 (F) FOR THE 2011-12 FISCAL YEAR, OF THE PORTION OF LIMITED
13 GAMING FUND MONEYS THAT WOULD OTHERWISE BE TRANSFERRED TO THE
14 GENERAL FUND PURSUANT TO SECTION 9 (5) (b) (II) OF ARTICLE XVIII OF
15 THE STATE CONSTITUTION, AFTER THE TRANSFER TO THE LOCAL
16 GOVERNMENT LIMITED GAMING IMPACT FUND REQUIRED BY SECTION
17 12-47.1-1601, AND AFTER ANY OTHER TRANSFER OR DISTRIBUTION OF THE
18 GENERAL FUND PORTION OF LIMITED GAMING FUND MONEYS REQUIRED BY
19 THIS PARAGRAPH (a), THREE MILLION FIVE HUNDRED THOUSAND DOLLARS
20 SHALL BE TRANSFERRED TO THE BIOSCIENCE DISCOVERY EVALUATION
21 CASH FUND FOR THE IMPLEMENTATION OF THE BIOSCIENCE DISCOVERY
22 EVALUATION GRANT PROGRAM, CREATED IN SECTION 24-48.5-108, C.R.S.,
23 BEGINNING IN THE 2012-13 FISCAL YEAR.

24 **SECTION 3. Appropriation.** In addition to any other
25 appropriation, for the fiscal year beginning July 1, 2007, there is hereby
26 appropriated, out of any moneys in the general fund not otherwise
27 appropriated, to the bioscience discovery evaluation cash fund created in
28 section 24-48.5-108 (5), Colorado Revised Statutes, the sum of three
29 million five hundred thousand dollars (\$3,500,000), and such sum, or so
30 much thereof as may be necessary, is further appropriated to the Colorado
31 office of economic development, for the implementation of the bioscience
32 discovery evaluation grant program, created in section 24-48.5-108,
33 Colorado Revised Statutes, beginning in the 2008-09 fiscal year."

34 Renumber succeeding section accordingly.

35 Page 1, line 102, strike "COLORADO." and substitute "COLORADO, AND
36 MAKING AN APPROPRIATION THEREFOR."

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