



Colorado Legislative Council Staff Fiscal Note
**STATE and LOCAL
 FISCAL IMPACT**

Drafting Number: LLS 10-0672 **Date:** February 23, 2010
Prime Sponsor(s): Rep. Vigil **Bill Status:** House Business Affairs and Labor
 Sen. Schwartz; Newell **Fiscal Analyst:** Jason Schrock (303-866-4720)

TITLE: CONCERNING THE CREATION OF THE GREEN JOBS COLORADO TRAINING PROGRAM IN THE OFFICE OF THE GOVERNOR, AND, IN CONNECTION THEREWITH, CREATING THE GREEN JOBS COLORADO ADVISORY COUNCIL AND THE GREEN JOBS COLORADO TRAINING FUND.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures Federal Funds	See State Expenditures Section	
FTE Position Change	1.5 FTE	1.5 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: See Local Government Impact section.		

Summary of Legislation

The bill creates the Green Jobs Colorado Training Program. The program is a 2-year pilot program that offers grants to entities to provide job training for the wind, solar, renewable energy, and energy efficiency industries. Various entities can apply for grants, such as workforce development organizations, employers, educational institutions, apprenticeship programs, and economic development organizations.

A 9-member Green Jobs Colorado Advisory Council will administer the program, review grant applications, award grants, and establish reporting requirements for grantees. In awarding grants, the council is required to give priority to programs that demonstrate a high likelihood of resulting in job offers for participating individuals and to those programs that target low-income individuals, entry-level or incumbent workers, and dislocated workers from industries in decline. Applicants must fund at least 20 percent of the costs of their training program.

The Colorado Department of Labor and Employment (CDLE) is required to evaluate the program and report its findings to the Governor and business affairs committees in both the House and Senate.

State Expenditures

Funding for program. The bill allows the Green Jobs Colorado Training Program to use existing federal money received by CDLE and the Governor's Energy Office (GEO). This fiscal note assumes that funding will be provided from existing federal Workforce Investment Act (WIA) funds received by CDLE that can be used for special labor market projects and the WIA funds available for the administration of workforce development programs. Use of the WIA funds for this bill will reduce the amount of money for other labor market programs. Further, its assumed the program will utilize federal American Recovery and Reinvestment Act (ARRA) funds received by GEO. The state has already received, or is anticipated to receive, both of these funding sources.

It is assumed that \$1.1 million of the WIA funds and \$200,000 of the federal ARRA funds will be available for the 2-year program, both for funding grants and to pay program administration costs. It is important to note, however, that the federal money available for the program may be more or less than expected depending on the amount of future WIA money allocated to Colorado.

Expenditures for the program will be \$728,890 and 1.5 FTE in FY 2010-11 and \$526,555 and 1.5 FTE in FY 2011-12 from federal funds. The fiscal note assumes that approximately \$1.1 million will be available for grants over the 2 year period after a portion of the funding is used for administrative costs. It is unknown how many applicants will be awarded grants for job training programs and what the average grant award will be. However, all of the money for grants is expected to be used each year. All program expenditures are summarized in Table 1.

Cost Components	FY 2010-11	FY 2011-12
Department of Labor and Employment		
Personal Services	\$89,465	\$89,465
<i>FTE</i>	1.5	1.5
Operating Expenses and Capital Outlay	8,430	1,425
Job Training Grants	630,995	435,665
TOTAL	\$728,890	\$526,555

Colorado Department of Labor and Employment. To implement the program CDLE staff will:

- work with the Green Jobs Colorado Advisory Council on evaluating applications and awarding grants;
- provide technical assistance to grantees;
- negotiate, draft, and execute contracts with job training providers;
- provide oversight of the program and the use of the grant money to ensure compliance with federal and state requirements; and
- prepare the report to the Governor and legislative committees on the pilot program.

The members of the Green Jobs Colorado Advisory Council are not compensated, but may be reimbursed for their expenses incurred in fulfilling their duties. The amount of these expenses is unknown at this time but will be funded with WIA funds.

Governor's Energy Office. It is assumed that GEO will allocate \$200,000 in federal ARRA money to the CDLE in one lump sum in FY 2010-11 to be used for job training grants. The program will be primarily implemented by CDLE, but the GEO will monitor and track the money it allocates. However, the GEO will not need any additional resources to implement the bill.

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 2.

Table 2. Expenditures Not Included Under HB 10-1333*		
Cost Components	FY 2010-11	FY 2011-12
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$10,650	\$10,650
Supplemental Employee Retirement Payments	3,327	4,048
TOTAL	\$13,977	\$14,698

**More information is available at: <http://www.colorado.gov/cs/Satellite/CGA-LegislativeCouncil/CLC/1200536133924>*

Local Government Impact

It is possible that some of the grants provided under the Green Jobs Colorado Training Program will go to workforce development organizations administered by local governments. To the extent that this occurs, local governments will receive additional funding for job training.

Departments Contacted

Governor's Office

Labor and Employment

Local Affairs