

**STATE
FISCAL IMPACT**

Drafting Number: LLS 12-0655
Prime Sponsor(s): Sen. Carroll
 Rep. Pabon

Date: February 13, 2012
Bill Status: Senate Business, Labor & Technology
Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING THE DEVELOPMENT OF A LOCAL BUSINESSES DATABASE BY THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue General Fund		\$70,000
State Expenditures General Fund		\$63,392
FTE Position Change		0.3 FTE
Effective Date: August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: See the State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill requires the Office of Economic Development and International Trade (OEDIT) to create and maintain an electronic on-line database of local businesses that must be operational by January 1, 2014. The purpose of the database is to assist consumers who wish to find and patronize local businesses; allow businesses to publicize their Colorado affiliations; and promote economic growth through the expansion of businesses in the state. The database would be searchable by the types of goods or services offered, the location of each business, and any other factor deemed appropriate by OEDIT. Businesses that wish to participate provide information for the database electronically and pay an annual filing fee. Access to the database to view the listings would be provided free of charge.

State Revenue

The bill authorizes OEDIT to assess a fee to businesses for the privilege of being listed in the database. The amount of the fee is not established in the bill but it is assumed that participating companies will pay an annual fee of \$10 per calendar year beginning in 2014. If 7,000 businesses participate, fee revenue could be as much as \$70,000 per year beginning in FY 2013-14. Although the bill authorizes OEDIT to accept and expend gifts, grants, and donations for information technology costs incurred in establishing and maintaining the database, no sources for contributions are identified.

State Expenditures

The OEDIT will require \$63,392 General Fund and 0.3 FTE in FY 2013-14 to create and maintain the electronic database of local businesses. Since on-line operation of the database is required by January 1, 2014, development of the database by the Office of Information Technology (OIT) will not be necessary until the beginning of FY 2013-14. A total of \$50,000 will be allocated to OIT for development of the software application and for costs related to software licensing and maintenance. OEDIT will require 0.3 FTE (exempt from the classified personnel system) and \$13,392 in FY 2013-14 to work with OIT in the database development, market the database to the business community, review database entries, and coordinate efforts on behalf of OEDIT to ensure a successful outcome to the project.

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 1.

Table 1. Expenditures Not Included Under SB12-143*		
Cost Components	FY 2012-13	FY 2013-14
Employee Insurance (Health, Life, Dental, and Short-term Disability)		\$1,836
Supplemental Employee Retirement Payments		822
TOTAL		\$2,658

**More information is available at: <http://colorado.gov/fiscalnotes>*

State Appropriations

No appropriation is required for FY 2012-13. The OEDIT will require a General Fund appropriation of \$63,392 and 0.3 FTE in FY 2013-14. Of this amount, \$50,000 will be reappropriated to OIT.

Departments Contacted

Governor's Office