



STATE FISCAL IMPACT

Drafting Number: LLS 12-0639 **Date:** February 2, 2012
Prime Sponsor(s): Sen. Heath; Scheffell **Bill Status:** Senate Business, Labor & Technology
Rep. Summers; Ryden **Fiscal Analyst:** Harry Zeid (303-866-4753)

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

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures		
General Fund	\$83,333	\$83,333
FTE Position Change	0.9 FTE	0.9 FTE
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: See the State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

The bill instructs and empowers the Colorado Office of Economic Development and International Trade (OEDIT), as a key component of the state economic development plan, to develop a strategy to grow key industries located in the state.

Key responsibilities of OEDIT under the bill include:

- collaborate with key industry network working groups to develop a strategy to assist in the fostering of job creation and competitiveness of key industries;
- align the key industries strategy with the *Colorado Blueprint* and with state, regional, and local economic development programs;
- identify potential members for each key industry network working group;
- help develop and implement the key industry business plans;
- review each key industry business plan and identify potential policy proposals to foster economic growth; and
- assist and meet with the key industry network working groups.

The OEDIT will include a report on the key industries strategy and each key industry business plan in the office's annual report to the General Assembly.

Background

The Governor's executive order D 2011-003 outlines a series of steps designed to foster a more competitive Colorado by helping the state achieve six core objectives:

- build a business-friendly environment;
- retain, grow, and recruit companies;
- increase access to capital;
- create and market a stronger Colorado brand;
- educate and train the workforce of the future; and
- cultivate innovation and technology.

This bill builds upon the *Colorado Blueprint: A bottom-up approach to economic development*.

State Expenditures

The Global Business Development Division of OEDIT will be responsible for providing the staff and budgetary resources necessary to assist stakeholders in developing a strategy to grow the state's key industries.

The Governor's office has submitted a decision item to the Joint Budget Committee to fund economic development programs within the Global Business Development Division of OEDIT. For FY 2012-13, the request is for 2.8 FTE and \$250,000 General Fund. Approximately one-third of this amount, or 0.9 FTE and \$83,333 GF will be used to support development of a strategy to grow key industries, as envisioned by the bill. If the decision item is approved as part of the FY 2012-13 Long Bill, no further appropriation is necessary to pay for Senate Bill 12-144. Alternatively, an appropriation will be required in FY 2012-13 if the decision item is not fully funded through the Long Bill.

State Appropriations

If Decision Item Number 4 from the Office of the Governor is approved by the Joint Budget Committee and funded through the Long Bill, no further appropriation is necessary to implement the bill. If the decision item is not approved, a General Fund appropriation of \$83,333 and 0.9 FTE for FY 2012-13 will be necessary in the bill for the Office of the Governor.

Departments Contacted

Governor's Office

Office of Economic Development and International Trade