

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0959 **Date:** March 17, 2015
Prime Sponsor(s): Rep. Garnett; Melton **Bill Status:** House Business, Affairs and Labor
 Sen. Kerr; Woods **Fiscal Analyst:** Josh Abram (303-866-3561)

BILL TOPIC: CREATION OF CAREER PATHWAYS FOR STUDENTS

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	\$771,500	\$735,217
General Fund	752,024	714,948
Centrally Appropriated Costs**	19,498	20,269
FTE Position Change	2.5 FTE	2.5 FTE
Appropriation Required: \$295,064 - Department of Labor and Employment (FY 2015-16) \$380,000 - Department of Higher Education (FY 2015-16) \$76,960 - Colorado Community College System (FY 2015-16)		

* This summary shows changes from current law under the bill for each fiscal year.
 ** These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

Summary of Legislation

House Bill 13-1165 required that the State Board for Community Colleges and Occupational Education (SBCCOE) collaborate with the Department of Higher Education (DHE), the Colorado Department of Education (CDE), and the Colorado Department of Labor and Employment (CDLE), to design a career pathway for students seeking employment in the manufacturing sector.

Senate Bill 14-205 required that the Colorado Workforce Development Council (CWDC) within the CDLE work with the DHE, the CDE, and the Office of Economic Development and International Trade (OEDIT) to create a talent pipeline infrastructure for use in creating career pathways for students. A career pathway is a series of connected education and training strategies and support services that enable students to secure industry-relevant skills and certification, where applicable, to obtain employment within an occupational area, and to advance to higher levels of future education and employment.

This bill requires that the CWDC, in collaboration and consultation with its partners, design integrated career pathways within identified growth industries having critical occupations, and where no clearly articulated career pathways are available. The SWDC must use the model for career pathways developed by the SBCCOE pursuant to HB 13-1165 and design at least one career pathway to be ready for implementation by or before the 2016-17 academic year, and design at least two additional career pathways ready for implementation at the beginning of each subsequent academic year. The January 2014 Talent Pipeline Report identifies construction and related skilled trades, information technology, and health care as the three growing industries for

which a career pathway will be designed. The pathways developed by CWDC must include apprenticeship and other work-based learning options; direct alignment with postsecondary workforce readiness and individual career and academic plans (ICAP) in high schools; and initiatives for adult and out-of-school youth to participate when appropriate.

The bill requires partnerships with industry and trade associations to review each career pathway annually to ensure the pathway remains relevant to the industry and to provide input for ongoing adjustments to the pathway to meet work force needs. Following design and implementation of new career pathway, the DHE and the CDLE must collaborate to make information concerning the program, and provide online student support services, via the state's college assistance website: *collegeincolorado.org*.

State Expenditures

For FY 2015-16, this bill increases state expenditures by \$694,540 and 1.5 FTE. For FY 2016-17, increased costs are \$658,257 and 1.5 FTE. Costs increase for the CDLE, the DHE, and the Colorado Community College System (CCCS) as displayed in Table 1 and described below. All expenditures are for one-time implementation and should be considered sufficient to complete three career pathways, one completed in FY 2015-16, and two additional pathways completed in FY 2016-17.

Table 1. Expenditures Under HB 15-1274		
Cost Components	FY 2015-16	FY 2016-17
Personal Services	\$162,659	\$162,659
FTE	2.5 FTE	2.5 FTE
Operating Expenses and Capital Outlay Costs	8,480	1,425
Business Partnership Summits	46,482	46,482
Career Pathway Program Design	69,500	69,500
Faculty, Partner, & Staff Development	74,882	74,882
College in Colorado online tool (DHE)	380,000	350,000
Community College Coordinator Travel	10,000	10,000
Centrally Appropriated Costs*	19,497	20,269
TOTAL	\$771,500	\$735,217

* Centrally appropriated costs are not included in the bill's appropriation.

Personal services — CDLE and CCCS. The CWDC requires increased staff to provide operational management for the program, coordinate partner efforts in industry and higher education, arrange consultant contracts, coordinate the development of faculty training and student support services, provide accounting and other administrative services, and provide staff support to all development and training meetings.

The CCCS will also temporarily increase staff in order to coordinate the participation of the system's 13 colleges in meetings, summits, training, etc. This position will also provide and coordinate college-based technical resources to meet the project needs identified by CWDC. The coordinator position will also have travel and other operational expenses annually.

Business partnership summits. The CWDC will convene multiple business and industry partnership summits with attendees acting as a steering committee to assist the council in identifying and defining key industry needs in the state, and to set priorities for aligning needs to current education and training capacity. The summits will include participants from industry, higher education, professional consultants familiar with creating career pathways, and other experts. Expenses include staff coordination, vendor contracts, travel, and facility rentals.

Career pathway program design. The CWDC will collaborate with educators from K-12 and institutions of higher education to design the industry career pathways, implementing recommendations obtained during the business partnership summits. Program design includes identifying multiple entry and exit points along the educational continuum, realigning current curriculum, creating new content as needed to fill gaps in industry need, and creating proper assessments to measure educational attainment. This phase includes travel and meeting expenses to convene education partners and a contract consultant to help align existing work-based learning models (pre-apprenticeship, internship and apprenticeship programs) with the developing pathway

Faculty, partner, and staff development. Faculty in K-12 schools and higher education will require training and staff development to implement the curriculum and assessments developed. A mix of onsite training and staff development forums will be conducted. This implementation phase will finalize the designated degree options and industry certificates for the pathways and develop online curriculum for the DHE portal. Staff development will include at least one in-person training per year held in multiple locations across the state and a step-by-step guide and electronic toolbox of resources posted on-line.

College in Colorado — DHE. The bill requires that the CWDC develop advising and recruiting material for the industry career pathway programs and make materials and student support services available on the DHE's *CollegeinColorado.org* website. College in Colorado (CiC) expenses increase to create microsite web pages allowing individual students to navigate personalized career pathways. The division contracts with an outside vendor to develop and maintain its main web site and all microsities. Microsites will be integrated with national data and existing CiC online resources to allow industry-specific modules that leverage other existing online tools.

Centrally appropriated costs. 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 estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB 15-1274*		
Cost Components	FY 2015-16	FY 2016-17
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$12,080	\$12,080
Supplemental Employee Retirement Payments	7,418	8,189
TOTAL.	\$19,498	\$20,269

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

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2015-16, the bill requires the following appropriations:

- \$295,064 General Fund and 1.5 FTE to the Colorado Department of Labor and Employment;
- \$380,000 General Fund to the Department of Higher Education; and
- \$76,960 General Fund to the Colorado Community College System.

State and Local Government Contacts

Education

Higher Education

Labor

Law