



**Colorado
Legislative
Council
Staff**

HB16-1288

**REVISED
FISCAL NOTE**

(replaces fiscal note dated March 11, 2016)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0850	Date: April 14, 2016
Prime Sponsor(s): Rep. Kraft-Tharp; Wist Sen. Tate; Merrifield	Bill Status: House Appropriations
	Fiscal Analyst: Louis Pino (303-866-3556)

BILL TOPIC: INDUSTRY INFRASTRUCTURE GRANT PROGRAM

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018	FY 2018-2019
State Revenue			
State Transfer	\$0	\$0	\$0
General Fund	(\$300,000)	(\$300,000)	(\$300,000)
Cash Fund	\$300,000	\$300,000	\$300,000
State Expenditures	\$300,000	\$300,000	\$300,000
Cash Fund	\$300,000	\$300,000	\$300,000
Appropriation Required: See State Appropriations Section.			
Future Year Impacts: None			

Summary of Legislation

This bill, *as amended by the House Finance Committee*, creates the Industry Infrastructure Grant Program within the Colorado Workforce Development Council (CWDC). The purpose of the program is for the CWDC to partner with eligible nonprofit entities to develop industry competency standards to support businesses in their implementation of work site training programs.

The bill also creates the Industry Infrastructure Fund to implement the program. The fund is allowed to receive gifts, grants, donations, and money from the General Fund. For FY 2016-17, FY 2017-18, and FY 2018-19, the bill requires a transfer of \$300,000 from the General Fund to the Industry Infrastructure Fund.

An eligible nonprofit is one that:

- collaborates with the CWDC to administer the Industry Infrastructure Grant Program;
- partners with business entities to ensure access to training opportunities for students up to age 24;
- provides support to industry associations and training partners;
- coordinates multi-industry lead competency identification to inform the development of workplace learning curriculum;
- serves as a translational medium between government, education, and businesses in order to create a common nomenclature; and

- provides documentation demonstrating a funding commitment of at least \$300,000 and a signed affidavit indicating that the funding commitment shall be used for the Industry Infrastructure Program.

An eligible nonprofit can not be a 501(c)(4) organization as described by the Federal tax code.

An eligible nonprofit entity may use money from the fund to:

- identify industry specific standards and assessments for accountability and implementation of competencies within workforce programs;
- implement industry defined competencies within workforce programs;
- assist businesses and industry associations with human resource training; and
- collaborate with entities to facilitate training and education between the classroom and businesses.

Finally, on or before January 1, 2017, and on or before January 1 of the next three years after, the CWDC shall prepare a report on program, which will include information on the eligible nonprofit entity (if any), the industry sectors along with a list of competencies for each of the these sectors, and any other measurable outcomes the council deems appropriate. The report will be included in the Colorado Talent Report prepared annually by the CWDC.

State Revenue

State transfers. In FY 2016-17 and the two subsequent fiscal years, the bill requires the State Treasurer to make a one-time transfer in each fiscal year of \$300,000 from the General Fund to the Industry Infrastructure Fund.

State Expenditures

The bill will increase state expenditures by \$300,000 in FY 2016-17, and by \$300,000 in the two following fiscal years. New expenditures are to provide awards to eligible nonprofit entities.

Colorado Department of Labor and Employment (CDLE). The fiscal note assumes the number of eligible nonprofit entities expected to partner with CWDC will be minimal. Workload for the department will increase but can be accomplished within existing appropriations. The bill may require additional resources if the number of eligible entities becomes significant. Any additional resources may be requested as part of the annual budget process.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State Appropriations

Monies in the Industry Infrastructure Fund are continuously appropriated to the CDLE.

State and Local Government Contacts

Economic Development Office

Governor's Office

Labor State