



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 23-0812 Date: May 16, 2023
Prime Sponsors: Sen. Bridges, Kirkmeyer Bill Status: Signed into Law
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Bill Topic: TRANSFER TO COLORADO ECONOMIC DEVELOPMENT FUND

- Summary of Fiscal Impact:
State Revenue (unchecked)
State Expenditure (checked)
State Transfer (checked)
TABOR Refund (unchecked)
Local Government (unchecked)
Statutory Public Entity (unchecked)

The bill transfers from \$5.0 million from the General Fund to the Colorado Economic Development Fund in the current FY 2022-23. It also increases state expenditures beginning in FY 2022-23.

Appropriation Summary: No appropriation is required. The Colorado Economic Development Fund is continuously appropriated the Office of Economic Development and International Trade.

Fiscal Note Status: The fiscal note reflects the enacted bill, which was recommended by the Joint Budget Committee as part of the FY 2022-23 supplemental budget package.

Table 1
State Fiscal Impacts Under SB 23-137

Table with 5 columns: Category, Sub-category, Current Year FY 2022-23, Out Year FY 2024-25, Out Year FY 2024-25, Out Year FY 2025-26. Rows include Revenue, Expenditures (Cash Funds, Total Expenditures, Total FTE), Transfers (General Fund, Cash Funds, Net Transfer), and Other Budget Impacts.

1 The fund is continuously appropriated and the \$5.0 million transferred into the fund may be spent over multiple years. The fiscal note assumes funding will primarily be spent over three years through FY 2025-26.

## **Summary of Legislation**

The bill transfers \$5 million from the General Fund to the Colorado Economic Development Fund in FY 2022-23 to use in connection with the federal Creating Helpful Incentives to Produce Semiconductors and Science (CHIPS) Act of 2022. The bill requires that the Office of Economic Development and International Trade (OEDIT) to annually submit a report to the Joint Budget Committee detailing how the transferred money is spent, and all projects funded by the CHIPS Act.

## **State Transfers**

The bill transfers \$5.0 million from the General Fund to the Colorado Economic Development Fund on April 1, 2023.

## **State Expenditures**

The bill increases cash fund expenditures in OEDIT by \$5.0 million, beginning in FY 2022-23. The funds may be spent over multiple years; the fiscal note assumes the funds will be spent beginning in the FY 2022-23, with the majority of funding spent over the three subsequent fiscal years. The amount transferred is expected to be used as a state match for the federal funding through the CHIPS Act, and will cover the cost of 1.0 FTE to serve as an expert on the CHIPS Act, provide technical assistance to rural and underserved communities, and complete the required reporting. In FY 2022-23, the staff is prorated to 0.3 FTE.

## **Effective Date**

The bill was signed into law by the Governor and took effect on March 6, 2023.

## **State and Local Government Contacts**

Office of Economic Development and International Trade

Joint Budget Committee Staff