

MEMORANDUM



JOINT
BUDGET
COMMITTEE

TO Joint Budget Committee Members
FROM Kevin Neimond, JBC Staff (303-866-4958)
DATE March 17, 2017
SUBJECT Economic Development Figure Setting Recommendations

On Wednesday, February 8th, staff provided the Committee with figure setting recommendations for several divisions within the Office of the Governor, including the Office of Economic Development and International Trade. Discussion and action on the Office was tabled until a later date at that time. The material in this document represents the recommendations contained in the document provided on February 8th related to the Office of Economic Development and International Trade.

(4) ECONOMIC DEVELOPMENT PROGRAMS

The Office of Economic Development and International Trade (OEDIT) assists in strengthening Colorado's prospects for long-term economic growth by providing broad-based support to businesses. The Office's support services include business funding and incentives, promotion of creative industries, international trade assistance, tourism promotion, minority business assistance, key industry promotion (including advanced industries, aerospace, and health and wellness), and film, television, and media industry development.

ECONOMIC DEVELOPMENT PROGRAMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$58,959,770	\$25,563,807	\$30,827,950	\$85,291	\$2,482,722	60.3
S.B. 17-161 (supplemental bill)	724,150	(30,000)	754,150	0	0	0.0
TOTAL	\$59,683,920	\$25,533,807	\$31,582,100	\$85,291	\$2,482,722	60.3
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$59,683,920	\$25,533,807	\$31,582,100	\$85,291	\$2,482,722	60.3
R1 (OEDIT) EDC reauthorization	0	0	0	0	0	0.0
R2 (OEDIT) Outdoor Rec FTE	0	0	0	0	0	0.0
BA1 (OEDIT) CTO Agritourism spending authority adjustment	600,000	0	600,000	0	0	0.0
BA2 (OEDIT) Historic Preservation Tax Credit spending authority adjustment	261,850	(30,000)	291,850	0	0	0.0
Staff-initiated film incentives General Fund reduction	(3,000,000)	(3,000,000)	0	0	0	0.0
Staff-initiated Economic gardening pilot project repeal	(18,750)	0	(18,750)	0	0	0.0
Technical changes	1,500,000	0	1,500,000	0	0	0.0
Annualize prior year budget actions	(5,000,000)	(5,000,000)	0	0	0	(4.0)
Annualize prior year legislation	(3,073,630)	(3,073,630)	0	0	0	0.0
Annualize S.B. 17-161 (supplemental bill)	(724,150)	30,000	(754,150)	0	0	0.0
Centrally appropriated line items	(1,188)	(1,188)	0	0	0	0.0
TOTAL	\$50,228,052	\$14,458,989	\$33,201,050	\$85,291	\$2,482,722	56.3
INCREASE/(DECREASE)	(\$9,455,868)	(\$11,074,818)	\$1,618,950	\$0	\$0	(4.0)
Percentage Change	(15.8%)	(43.4%)	5.1%	0.0%	0.0%	(6.6%)
FY 2017-18 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$7,954,400	\$8,127,500	(\$173,100)	\$0	\$0	6.0

DECISION ITEMS – (4) ECONOMIC DEVELOPMENT PROGRAMS

→ R1 (OEDIT) EDC REAUTHORIZATION

REQUEST: The Office of Economic Development and International Trade seeks a 10 year extension of the July 1, 2017 repeal date for the statutory provisions that create, authorize, and delineate the responsibilities of the Colorado Economic Development Commission. Additionally, the Office asks for a continuation-level appropriation of \$5.0 million General Fund for FY 2017-18 and future years to fund the activities of the Commission.

RECOMMENDATION: The Joint Budget Committee has reviewed the Office's request and staff's recommendation to sponsor this legislation and has not taken a formal action, to date. The Committee indicated in January that this request may be more appropriately addressed by a committee of reference or other members of the General Assembly with an economic development policy interest. Assuming this desire remains accurate, staff recommends the following:

- Include appropriations in the FY 2017-18 Long Bill based on current law for the Office. This will result in a reduction in the Economic Development Commission – General Marketing Incentives line item by \$5.0 million General Fund and 4.0 FTE as compared to the FY 2016-17 appropriation due to the cessation of Economic Development Commission's statutory duties. Any subsequent legislation addressing future funding for the Office would include an appropriations clause providing funding for the Economic Development Commission – General Marketing Incentive line item for FY 2017-18.
- Placeholder \$5.0 million General Fund for FY 2017-18 to cover the costs of legislation that may be introduced to fund the Economic Development Commission. Note, staff's recommended General Fund placeholder amount for FY 2017-18 is equal to that requested by the Office. It is possible that the final General Fund amount included in any future legislation may be lower than what staff is recommending as a placeholder value. If this occurs, the excess General Fund in the placeholder would simply be available to the Committee and/or the General Assembly for other purposes.

ANALYSIS: The Colorado Economic Development Commission (EDC) was created in 1987. The Commission includes four members appointed by the governor (at least one person from west of the continental divide and one person from the eastern slope), two members appointed by the Speaker of the House of Representatives, and two members appointed by the President of the Senate. Additionally, after September 1, 2013, the commission now includes two additional members (one appointed by the Speaker of the House and one appointed by the President of the Senate) to represent advanced industries. The commission meets at least once each quarter, and members serve without compensation, but are entitled to reimbursement for actual and necessary expenses incurred in the performance of their duties.

Broadly, the EDC is tasked with encouraging, promoting, and stimulating economic development and employment in Colorado. It accomplishes its mission by developing incentive packages (in the form of financial assistance such as loans, grants, and local match requirements) and package operating guidelines to assist with existing business expansions and new company relocations. One of the EDC's primary programs is known as the Strategic Fund. The Strategic Fund is a cash

incentive program whereby businesses must create and maintain permanent net new jobs for one year before receiving an incentive. The incentive amount is based on a cost per job calculation that considers annual average wage rate (county level), as well as whether the business is located in an enterprise zone.

The legislature appropriates moneys each year to the EDC for the Strategic Fund program for job creation incentives and other projects aimed at marketing Colorado to attract new businesses to locate here. Beginning in FY 2013-14, the program has received an annual appropriation of \$5.0 million General Fund for these purposes. Prior to FY 2013-14, the program received annual appropriations between \$1.0 million and \$2.0 million General Fund. The Strategic Fund job creation incentives yield a return of roughly \$2,000 to \$2,500 per job.

The Strategic Fund, however, is not the only program for which the EDC is required to have a role. The programs authorized in current law for which the EDC is statutorily obligated to participate in are as follows:

OEDIT Programs Requiring EDC Involvement (not including the Strategic Fund)		
Program	Purpose	Statutory EDC Role
Job Growth Incentive Tax Credit	Tax credits for job creation and retention	Approve new awards
Regional Tourism Act	State sales tax increment financing to undertake increase regional tourism	Approve modifications of and oversee existing awards
Advanced Industry Accelerator Grants	Cash grants for advanced industries job creation and retention	Consult with OEDIT before awards are made
Film Tax Credit Program	Cash incentives for film industry job creation and retention	Approve new awards
Film Loan Guarantee Program	Cash loans for job creation and retention	Approve new awards
Rural Jump Start	Tax credits for rural job creation	Approve eligibility criteria and awards
Enterprise Zone Program	Tax credits for job creation and retention in economically distressed areas	Approve designation or termination of an enterprise zone
Colorado Credit Reserve Program	Pooled loan-loss reserve fund to increase access to capital for businesses	Contract with Colorado Housing and Finance Authority

The statutory provisions that create and delineate the roles of the EDC are slated to expire on July 1, 2017. As mentioned above, by statute the EDC is required to play an active role in approving awards, setting policies, and overseeing many programs administered by the Office. If the existence of the EDC repeals on July 1, 2017, the Office will not be able to offer a variety of its programs, as required by statute.

The Office requests that the Joint Budget Committee sponsor legislation during the 2017 session to extend the repeal date for the sections of statute that govern the EDC to at least July 1, 2027. This statutory provision is located in Section 24-46-106, C.R.S.

“This part 1 is repealed, effective July 1, ~~2017~~ 2027.”

The Joint Budget Committee has reviewed the Office’s request to sponsor this legislation and has not taken a formal action, to date. The Committee indicated in January that this request may be more appropriately addressed by a committee of reference or other members of the General Assembly with an economic development policy interest. Assuming this desire remains accurate, staff recommends the following:

- Include appropriations in the FY 2017-18 Long Bill based on current law for the Office. This will result in a reduction in the Economic Development Commission – General Marketing Incentives line item by \$5.0 million General Fund and 4.0 FTE as compared to the FY 2016-17 appropriation due to the cessation of Economic Development Commission’s statutory duties. Any subsequent legislation addressing future funding for the Office would include an appropriations clause providing funding for the Economic Development Commission – General Marketing Incentive line item for FY 2017-18.
- Placeholder \$5.0 million General Fund for FY 2017-18 to cover the costs of legislation that may be introduced to fund the Economic Development Commission. Note, staff’s recommended General Fund placeholder amount for FY 2017-18 is equal to that requested by the Office. It is possible that the final General Fund amount included in any future legislation may be lower than what staff is recommending as a placeholder value. If this occurs, the excess General Fund in the placeholder would simply be available to the Committee and/or the General Assembly for other purposes.

However, if the Committee changes course and considers sponsoring legislation, as requested by the Office, staff recommends the following:

- As requested, amend the repeal date to extend the EDC and its functions through July 1, 2027. The statutory provisions governing the operation of the Office of Economic Development and International Trade and its programs place the EDC at the epicenter of all activities. If the EDC was to sunset on July 1, 2017, the programs put in law by the General Assembly in prior years would no longer function as statutorily required.
- Amend statute to clarify that the Colorado Economic Development Fund may receive a transfer at the end of a fiscal year of unexpended General Fund money appropriated to the “Economic Development Commission – General Economic Incentives and Marketing” line item. This change is not requested by the Office, however, it is staff’s recommendation that the current statutory language is overly vague and could be clarified. Specifically, staff recommends that the following provision, Section 24-46-105 (1), C.R.S., be replaced:

“There is hereby created a fund to be known as the Colorado economic development fund...which shall be administered by the commission and which shall consist of all moneys that may be available to it.”

- Amend statute to clarify that money in the Colorado Economic Development Fund is subject to annual appropriation by the General Assembly and that any money remaining in the Fund at the end of any fiscal year may be expended in the following fiscal year if the General Assembly provides a further appropriation. In absence of a further appropriation, the money remains in the Fund earning interest. This change is not requested by the Office. Specifically, staff recommends amending Section 24-46-105 (2), C.R.S. in a manner such as:

“The moneys in the fund shall be subject to annual appropriation by the general assembly... Any moneys not expended or encumbered from any appropriation at the

end of any fiscal year shall remain available for expenditure in the next fiscal year ~~without~~ WITH further appropriation.”

If the Committee opts to amend statute to clarify that money in the Fund is subject to annual appropriation, as staff recommends, the Committee may wish to provide spending authority in the Long Bill on an annual basis to allow the EDC to spend money from the Fund to meet its incentive obligations. Note, an appropriation of cash funding spending authority may vary from year-to-year. It is common for the EDC to offer incentives in one fiscal year and pay the incentives out to companies in future fiscal years after companies have met the obligations. This causes yearly variations in expenditures from the Colorado Economic Development Fund, and thus would necessitate fluctuations in cash fund spending authority each year.

- As requested, consider the Office’s request for an appropriation of \$5.0 million General Fund for FY 2017-18 on its merits during the figure setting process.

→ R2 (OEDIT) OUTDOOR REC FTE

REQUEST: The request includes an increase of \$97,500 General Fund and 1.0 FTE for FY 2017-18 for the Office of Economic Development and International Trade to hire a Deputy Director for the Colorado Outdoor Recreation Industry Office (ORec Office).

RECOMMENDATION: Staff recommends rejecting the requested increase to create and fund a Deputy Director position for the ORec Office.

ANALYSIS: At the request of Governor Hickenlooper, the ORec Office was created in 2015 at the request of Governor John Hickenlooper and is housed in the Office of Economic Development and International Trade. The impetus for its creation is a renewed focus on leveraging the contributions of the state's outdoor recreation industry to the state's economic to generate additional economic development opportunities. The Office achieves this goal by providing a central point of contact, advocacy, and support at the state level for the constituents, businesses, communities, and groups that rely on the continued health of the outdoor recreation industry in Colorado for their economic well-being. Specifically, the activity focus is on four primary areas:

- Economic development;
- Conservation and stewardship;
- Education and workforce training; and
- Capturing industry innovation.

The ORec Office is currently staffed by one individual at the director level. The Office indicates that this staffing level is insufficient to adequately cover meetings and strategy sessions happening at the same time in different parts of the state. Additionally, the request indicates that the staffing level precludes the Office from engaging and interacting with the outdoor recreation community in a manner consistent with the demand for such services.

To remedy the stated staffing level issue, the ORec Office requests an increase of \$97,500 General Fund and 1.0 FTE for FY 2017-18 to hire a Deputy Director. This position would spend his/her time performing the following functions:

- 50 percent participating in and leading meetings across the state;
- 30 percent handling the day-to-day affairs of the ORec Office; and
- 20 percent planning the annual Colorado Outdoor Industry Leadership Summit.

With the Deputy Director in place and responsible for these tasks, the request indicates that the Director will be able to continue driving the four primary goals (economic development, conservation and stewardship, education and workforce training, and capturing industry innovation) by scheduling, attending, and participating in strategic meetings and building key relationships.

Staff recommends rejecting the requested increase to create and fund a Deputy Director position for the ORec Office. While the Office of Economic Development and International Trade has broad statutory authority to structure its operations in a manner that best suits its overall mission, the General Assembly should not be expected to provide additional funding to staff out newly created

functions within the Office for which it did not have a role in creating or defining. It is staff's opinion that existing staff should be restructured in instances where new functions are unilaterally created by the executive branch. This opinion is particularly applicable to the Office of Economic Development and International Trade, as its employees are not in the State's classified system, providing the agency with greater flexibility to restructure existing positions and skills to meet evolving needs. If hiring a Deputy Director for the ORec Office is a paramount need, the agency should use this flexibility to acquire the needed staffing resources and eliminate staffing resources deemed of lesser priority.

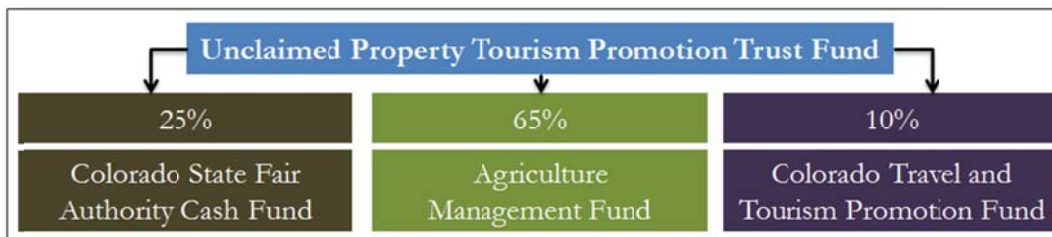
→ BA1 (OEDIT) CTO AGRITOURISM SPENDING AUTHORITY ADJUSTMENT

REQUEST: The request includes an increase of \$600,000 cash funds spending authority from the Colorado Travel and Tourism Promotion Fund for FY 2017-18 to promote activities, events, and services at farms, ranches, or other agricultural, horticultural, or agribusiness operation. The money originates as interest derived from the investment of money in the Unclaimed Property Tourism Promotion Trust Fund that is statutorily required to be transferred into the Colorado Travel and Tourism Promotion Fund for agritourism promotion. Note, the supplemental bill included an equal adjustment for FY 2016-17, as well.

RECOMMENDATION: Staff recommends an increase of \$600,000 cash funds spending authority from the Colorado Travel and Tourism Promotion Fund for FY 2017-18 to promote activities, events, and services at farms, ranches, or other agricultural, horticultural, or agribusiness operations. Note, the supplemental bill for the Office included an adjustment for FY 2016-17 for this purpose, as well.

ANALYSIS: The Unclaimed Property Act allows for abandoned securities listed on an established stock exchange to be sold at prices prevailing on the exchange at the time of sale and for other abandoned securities to be sold over-the-counter at prices prevailing at the time of sale (Section 38-13-115, C.R.S.). The proceeds of the sales of abandoned securities are deposited in the Unclaimed Property Tourism Promotion Trust Fund (Section 38-13-116.7 (1), C.R.S.).

The principal of the Unclaimed Property Tourism Promotion Trust Fund is only expended to pay claims (Section 38-13-116.7 (2), C.R.S.), however, the interest derived from the investment of money in the Unclaimed Property Tourism Promotion Trust Fund is credited to the following funds in the following percentages (Section 38-13-116.7 (3), C.R.S.):



For FY 2015-16, the total amount credited to the three funds was approximately \$4.6 million. The money credited to the three funds is subject to appropriation by the General Assembly. At the close of FY 2015-16, the Office of Economic Development and International Trade attempted to spend money credited to the Colorado Travel and Tourism Promotion Fund for the statutorily-authorized purposes of promoting activities, events, and services at farms, ranches, or other agricultural, horticultural, or agribusiness operation. The State Controller denied the Office from making these expenditures from the Colorado Travel and Tourism Promotion Fund because statutorily-required spending authority did not exist.

Previously, the State Controller allowed the Office to expend this money because it was credited from the Unclaimed Property Tourism Promotion Trust Fund to a continuously-appropriated fund called the Colorado Tourism Office Additional Source Fund rather than the Colorado Travel and Tourism Promotion Fund. Recently, however, the State Controller determined that this transfer did

not follow the provisions of statute that require money to be credited from the Unclaimed Property Tourism Promotion Trust Fund to the Colorado Travel and Tourism Promotion Fund. This error was corrected by the State Controller, but in the process of making the correction, the Office's ability to spend money for agritourism was eliminated without approval from the General Assembly.

As a result, the Joint Budget Committee included spending authority in the Office's FY 2016-17 supplemental bill in the amount of \$600,000 cash funds from the Colorado Travel and Tourism Promotion Fund to support the Colorado Heritage and Agritourism Program (CHAMP). CHAMP includes a peer-assistance and training program for farms and ranches, businesses, museums, attractions and organizations that want to improve or expand their own cultural, heritage tourism, or agritourism attractions. Staff recommends that this funding be continued for FY 2017-18 at the same level as was included in the supplemental bill (\$600,000 cash funds).

→ BA2 (OEDIT) HISTORIC PRESERVATION TAX CREDIT SPENDING AUTHORITY ADJUSTMENT

REQUEST: The Office of Economic Development and International Trade requests an increase of \$100,000 cash funds spending authority for FY 2017-18 to continue administering the Historic Preservation Tax Credit. The cash funds originate as fees paid by applicants for application processing and tax credit issuance.

RECOMMENDATION: Staff recommends an increase of \$261,850 total funds, including a decrease of \$30,000 General Fund, for FY 2017-18 to administer the Historic Preservation Tax Credit with cash funds originating as fees paid by applicants for application processing and tax credit issuance. A portion of this cash funds increase is transferred to the Department of Revenue and History Colorado to support the program. Note, the supplemental bill for the Office included an adjustment for FY 2016-17 for this purpose, as well.

ANALYSIS: House Bill 14-1311 (Job Creation & Main Street Revitalization Act) created an income tax credit for a property owner that completes a qualified rehabilitation project on a historical property. This tax incentive is commonly referred to as the Commercial Historic Preservation Tax Credit or “HPTC.” The credit is available for tax years 2016 through 2019. The purpose of the HPTC is to promote economic development and job creation through the revitalization of main streets.

The Office of Economic Development and International Trade is statutorily-authorized to charge a fee of up to \$500 for processing the applications for the HPTC and may also charge an issuance fee when the owner claims the income tax credit. The issuance fee is up to three percent of the amount of the tax credit issued. Pursuant to statute (Section 39-22-514.5 (6) (c), C.R.S.), the Office shares fees collected with History Colorado and the Department of Revenue on an equal basis. This money must be applied to the administration of the HPTC.

In response to the estimated fee revenue, the Joint Budget Committee included spending authority in the Office’s FY 2016-17 supplemental bill for \$154,150 cash funds to support the HPTC program. The supplemental bills for the Department of Revenue and History Colorado also included reappropriated funds transferred from the Office from these cash funds, per statute. Staff recommends that this funding be continued for FY 2017-18 at a level that mirrors fee revenue projections (\$291,850 cash funds). Of this amount, staff recommends that \$97,283 be retained by the Office, \$97,283 be transferred to the Department of Revenue, and \$97,283 be transferred to History Colorado. These amounts will appear in the FY 2017-18 as reappropriated funds for the Department of Revenue and History Colorado.

→ STAFF-INITIATED FILM INCENTIVES GENERAL FUND REDUCTION

REQUEST: The Office of Economic Development and International Trade did not request this staff-initiated decision item.

RECOMMENDATION: Staff recommends a decrease of \$3,000,000 General Fund for film incentives.

ANALYSIS: The Office of Film, Television, and Media is legislatively tasked with promoting Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects. The benefit of using Colorado as a location for such endeavors is cited by the Office to be job creation, increased tax revenue collection, and tourism promotion.

To accomplish its legislatively-mandated goal, the Office provides performance-based financial incentives to companies for a percentage of their local expenditures for approved productions if they meet the 50.0 percent local hire requirement. The unit also offers a gap loan program to provide up to 20 percent of a production's costs in the form of a low-interest bank loan that is guaranteed by the State.

Colorado-based production companies must have qualified local expenditures of at least \$100,000 to be eligible for incentives. An out-of-state production company must have at least \$1.0 million in qualified local expenditures to be eligible for incentives. Television commercials and video game productions are unique in that they must have qualified local expenditures of \$250,000 to be eligible for incentives.

Prior to FY 2012-13, the Office of Film, Television, and Media received funding for the incentive program from revenues generated through the taxation of limited gaming. This amount varied from \$100,000 to \$300,000 depending on the amount of limited gaming tax revenue collected by the State. Senate Bill 13-133 (Distribution Of State Share Of Ltd Gaming Revenues) modified the distribution of limited gaming tax revenue such that the Office of Film, Television, and Media now receives \$500,000 each fiscal year for the program.

Beginning with FY 2012-13, the General Assembly added General Fund as a fund source for the operation of the Office's programs. The table below summarizes General Fund appropriations for the Office from FY 2011-12 through FY 2017-18.

General Fund Appropriations for Film Incentives	
Fiscal Year	GENERAL FUND
FY 2011-12	\$0
FY 2012-13*	3,000,000
FY 2013-14	800,000
FY 2014-15	5,000,000
FY 2015-16	3,000,000
FY 2016-17	3,000,000
FY 2017-18**	3,000,000
Total	\$17,800,000

*Includes General Fund transferred to a cash fund, per H.B. 12-1286 (Film Production Activities In Colorado).

**Requested appropriation.

It is staff's opinion that the agency has been successful in using its increased appropriation to implement a program that provides financial incentives to companies for performing portions (or all) of production activities in Colorado. From FY 2012-13 through FY 2016-17 (as of November 2016), the Office paid out a total of \$10.9 million in incentives for 37 completed projects. These projects created 1,855 jobs resulting in a cost of \$5,893 per job. The projects also attracted total production company expenditures in Colorado of \$76.3 million. The Office estimates that State and local government taxes generated are equal to approximately 12 percent of the Colorado-based expenditures. Thus, for the 26 completed projects, it is estimated that \$9.2 million was collected in State and local government taxes. Note, see "Appendix A: Film Incentive Expenditures" in this document for a comprehensive list of film incentives provided to companies.

The Office's FY 2017-18 request seeks a continuation General Fund appropriation of \$3,000,000, in addition to the \$500,000 cash funds from limited gaming tax revenue. Using prior performance data, it is estimated that the requested \$3,000,000 General Fund would result in the creation of 509 jobs at a cost of \$5,893 per job, bring in \$20.9 million in Colorado-based expenditures, and yield \$2.5 million in State and local government tax revenues (none of the estimates include multiplier effects).

Staff recommends that the Committee eliminate General Fund appropriations for film incentives for FY 2017-18 because the economic benefits of these incentives do not outweigh the needs of other State government priorities in Colorado, and further, do not qualify as a function of State government, in general.

First, on the economic side of the analysis, at a cost of approximately \$5,893 per job, the economic benefit does not better that of other incentive programs offered by OEDIT, including the Job Growth Incentive Tax Credit program (FY 2015-16 cost of approximately \$3,089 per job) and investments in job creation from the Strategic Fund (FY 2015-16 cost of approximately \$2,882 per job). Additionally, the film incentive program does not include requirements related to wages offered or the length of time for which a job must be retained, as are key components of other OEDIT incentive programs.

Second, on the State government priority side of the analysis, incenting film companies to locate activities in Colorado comes at the expense of core State government functions and needs in education, public safety, and the care and protection of vulnerable citizens. It is staff's opinion that taxpayer funds should be expended to meet basic State government priorities prior to using the funds to invest in programs that are of debatable value to core functions. The following table provides examples of investments in core State government program areas that could be made in FY 2017-18 with \$3.0 million General Fund.

Alternative Investments for \$3.0 Million General Fund	
Decrease the K12 Negative Factor by \$3.0 million	1
Additional Need Based Aid Recipients (Based on average amount received per student in FY 2013-14)	2,266
New Teachers (Based on Average Starting Salary w/o benefits)	93
Additional DD Adult Comprehensive Services Waiting List Slots Eliminated (Based on Average General Fund)	81
New Child Welfare Case Workers (Based on Average Starting Salary / Benefits)	56
New NYC Correctional Youth Security Officers (Based on Average Starting Salary / Benefits)	53
New State Troopers (Based on Average Starting Salary / Benefits)	39
New DOC Mental Health Workers (Based on Average Starting Salary / Benefits)	37
Poor Bridges Replaced (Based on cost of completed projects around the state)	1

Thus, staff recommends that the Committee eliminate General Fund appropriations for FY 2017-18 for film incentives. This recommendation leaves the Office with an appropriation of \$500,000 from limited gaming tax revenue to administer the program. In future years, if core government functions are fully funded, the Joint Budget Committee should consider whether investing General Fund moneys in a film incentive program would provide economic benefit to citizens that would not otherwise occur in the state.

→ STAFF-INITIATED ECONOMIC GARDENING PILOT PROJECT REPEAL

REQUEST: The Office of Economic Development and International Trade did not request this staff-initiated decision item.

RECOMMENDATION: Staff recommends a decrease of \$18,750 cash funds for FY 2017-18 from the Economic Gardening Pilot Project Fund. This pilot project was statutorily terminated on June 30, 2016 (Section 24-48.5-102.7, (4) (d) (III), C.R.S.), thus an appropriation is no longer needed to administer the program.

LINE ITEM DETAIL – (4) ECONOMIC DEVELOPMENT PROGRAMS

ADMINISTRATION

This line item provides funding for the centralized administration of the Office of Economic Development and International Trade (OEDIT). The appropriation includes funds for the Director of OEDIT, accounting, budget, procurement, personnel, and other administrative functions.

STATUTORY AUTHORITY: Sections 24-48.5-101 and 24-50-101, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$650,140 total funds, including \$645,555 General Fund, and 6.0 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$650,140 total funds and 6.0 FTE for FY 2017-18.** The recommendation consists of \$645,555 General Fund, \$2,435 cash funds from various sources, and \$2,150 federal funds from various sources. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$650,140	\$645,555	\$2,435	\$0	\$2,150	6.0
TOTAL	\$650,140	\$645,555	\$2,435	\$0	\$2,150	6.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$650,140	\$645,555	\$2,435	\$0	\$2,150	6.0
TOTAL	\$650,140	\$645,555	\$2,435	\$0	\$2,150	6.0
Percentage Change	0.0%	0.0%	0.0%	n/a	0.0%	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$650,140	\$645,555	\$2,435	\$0	\$2,150	6.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

VEHICLE LEASE PAYMENTS

This line item provides funding for an annual payment to the Department of Personnel for the cost of administration, loan repayment, and lease-purchase payments for new and replacement motor vehicles.

STATUTORY AUTHORITY: Section 24-30-1104 (2), C.R.S.

REQUEST: The Office requests an appropriation of \$11,256 General Fund for FY 2017-18.

RECOMMENDATION: **Staff's recommendation is pending Committee action on statewide common policies for FY 2017-18.** The staff recommendation for this item will be presented to the Committee by Mr. Alfredo Kemm on Wednesday, February 22nd during figure setting for common policies administered by the Department of Personnel. Staff will incorporate the Committee's action into the Long Bill. The following table summarizes the calculations for the Office's request.

ECONOMIC DEVELOPMENT PROGRAMS, VEHICLE LEASE PAYMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$12,444	\$12,444	\$0	\$0	\$0	0.0
TOTAL	\$12,444	\$12,444	\$0	\$0	\$0	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$12,444	\$12,444	\$0	\$0	\$0	0.0
Centrally appropriated line items*	(1,188)	(1,188)	0	0	0	0.0
TOTAL	\$11,256	\$11,256	\$0	\$0	\$0	0.0
INCREASE/(DECREASE)	(\$1,188)	(\$1,188)	\$0	\$0	\$0	0.0
Percentage Change	(9.5%)	(9.5%)	n/a	n/a	n/a	n/a
FY 2017-18 EXECUTIVE REQUEST	\$11,256	\$11,256	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

*This recommendation is pending Committee action on statewide common policies for FY 2017-18. The staff recommendation for this item will be presented to the Committee by Mr. Alfredo Kemm on Wednesday, February 22nd during figure setting for common policies administered by the Department of Personnel.

LEASED SPACE

This line item provides funding for the Office’s leased space of 14,337 square feet in the World Trade Center at 1625 Broadway in Denver.

STATUTORY AUTHORITY: Section 24-30-1104 (2), C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$346,525 General Fund for FY 2017-18.

***RECOMMENDATION:* Staff recommends a continuation-level appropriation of \$346,525 General Fund for FY 2017-18.** The following table summarizes the calculations for staff’s recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, LEASED SPACE						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$346,525	\$346,525	\$0	\$0	\$0	0.0
TOTAL	\$346,525	\$346,525	\$0	\$0	\$0	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$346,525	\$346,525	\$0	\$0	\$0	0.0
TOTAL	\$346,525	\$346,525	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2017-18 EXECUTIVE REQUEST	\$346,525	\$346,525	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

GLOBAL BUSINESS DEVELOPMENT

This line item provides funding for the expenses of the former Business Development, Grand Junction Satellite Office, International Trade, and Minority Business Office line items.

STATUTORY AUTHORITY: Sections 24-48.5-101, 24-47-101, and 24-49.5-101, C.R.S.

REQUEST: The Office requests an appropriation of \$5,062,552 total funds, including \$4,139,448 General Fund, and 25.4 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$4,965,052 total funds and 24.4 FTE for FY 2017-18.** The recommendation consists of \$4,041,948 General Fund, \$548,626 cash funds from the Advanced Industries Export Acceleration Cash Fund and fees collected by participants in activities conducted by the Office and the Minority Business Fund, and \$374,478 from various federal funds. The recommendation does not include the requested increase of \$97,500 General Fund and 1.0 FTE to create and fund a Deputy Director position for the Office of Outdoor Recreation. See staff's write-up for the "R2 (OEDIT) Outdoor Rec FTE" decision item at the beginning of this budgetary division for more information.

The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, GLOBAL BUSINESS DEVELOPMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$4,965,052	\$4,041,948	\$548,626	\$0	\$374,478	24.4
TOTAL	\$4,965,052	\$4,041,948	\$548,626	\$0	\$374,478	24.4
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$4,965,052	\$4,041,948	\$548,626	\$0	\$374,478	24.4
R2 (OEDIT) Outdoor Rec FTE	0	0	0	0	0	0.0
TOTAL	\$4,965,052	\$4,041,948	\$548,626	\$0	\$374,478	24.4
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	0.0%	0.0%
FY 2017-18 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$97,500	\$97,500	\$0	\$0	\$0	1.0

LEADING EDGE PROGRAM GRANTS

This line item provides funding for the Leading Edge Program. The Program provides entrepreneurial training at Small Business Development Centers. Trainees receive 35-45 hours of business planning assistance for their planned, new, or existing businesses. All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed within the Small Business Development Centers appropriation.

STATUTORY AUTHORITY: Sections 24-48.5-101 and 24-48.5-102, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$151,407 total funds, including \$75,976 General Fund, for FY 2017-18.

RECOMMENDATION: Staff recommends a continuation-level appropriation of \$151,407 total funds for FY 2017-18. The recommendation consists of \$75,976 General Fund and \$75,431 cash funds from various fees collected from participants in activities conducted by the Office. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, LEADING EDGE PROGRAM GRANTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$151,407	\$75,976	\$75,431	\$0	\$0	0.0
TOTAL	\$151,407	\$75,976	\$75,431	\$0	\$0	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$151,407	\$75,976	\$75,431	\$0	\$0	0.0
TOTAL	\$151,407	\$75,976	\$75,431	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a
FY 2017-18 EXECUTIVE REQUEST	\$151,407	\$75,976	\$75,431	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

SMALL BUSINESS DEVELOPMENT CENTERS

This line item provides funding to oversee a network of ten college and university-based centers, five community-based centers, and three satellite offices that provide training and counseling to new business ventures in conjunction with the federal Small Business Administration.

STATUTORY AUTHORITY: Sections 24-48.5-101 and 24-48.5-102, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$1,391,870 total funds, including \$94,144 General Fund, and 4.0 FTE for FY 2017-18.

RECOMMENDATION: Staff recommends an appropriation of \$1,373,120 total funds and 4.0 FTE for FY 2017-18. The recommendation consists of \$94,144 General Fund and \$1,278,976 federal funds from the U.S. Small Business Administration. The recommendation includes a decrease of \$18,750 cash funds from the Economic Gardening Pilot Project Fund as a result of the program's statutory termination on June 30, 2016. See staff's write-up for the "Staff-initiated Economic gardening pilot project repeal" decision item at the beginning of this budgetary division for more information.

The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, SMALL BUSINESS DEVELOPMENT CENTERS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$1,391,870	\$94,144	\$18,750	\$0	\$1,278,976	4.0
TOTAL	\$1,391,870	\$94,144	\$18,750	\$0	\$1,278,976	4.0

ECONOMIC DEVELOPMENT PROGRAMS, SMALL BUSINESS DEVELOPMENT CENTERS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$1,391,870	\$94,144	\$18,750	\$0	\$1,278,976	4.0
Staff-initiated Economic gardening pilot project repeal	(18,750)	0	(18,750)	0	0	0.0
TOTAL	\$1,373,120	\$94,144	\$0	\$0	\$1,278,976	4.0
INCREASE/(DECREASE)						
	(\$18,750)	\$0	(\$18,750)	\$0	\$0	0.0
Percentage Change	(1.3%)	0.0%	(100.0%)	n/a	0.0%	0.0%
FY 2017-18 EXECUTIVE REQUEST						
Request Above/(Below) Recommendation	\$18,750	\$0	\$18,750	\$0	\$0	0.0

COLORADO OFFICE OF FILM, TELEVISION, AND MEDIA

This line item provides funds for the Colorado Office of Film, Television, and Media. The Office is legislatively tasked with promoting Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects and providing financial incentives to accomplish the promotion activities.

STATUTORY AUTHORITY: Sections 24-48.5-114, 24-48.5-115, and 24-48.5-116, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$3,500,000 total funds, including \$3,000,000 General Fund, for FY 2017-18.

RECOMMENDATION: **Staff recommends an appropriation of \$500,000 cash funds and 4.5 for FY 2017-18.** The recommendation consists of \$500,000 cash funds from the Colorado Office of Film, Television, and Media Operational Account Cash Fund (moneys are transferred to this fund from the State share of limited gaming tax revenue). The recommendation includes a decrease of \$3,000,000 General Fund for film incentives. See staff’s write-up for the “Staff-initiated film incentives General Fund reduction” decision item at the beginning of this budgetary division for more information.

The following table summarizes the calculations for staff’s recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO OFFICE OF FILM, TELEVISION, AND MEDIA						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$3,500,000	\$3,000,000	\$500,000	\$0	\$0	4.5
TOTAL	\$3,500,000	\$3,000,000	\$500,000	0	0	4.5
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$3,500,000	\$3,000,000	\$500,000	\$0	\$0	4.5
Staff-initiated film incentives General Fund reduction	(3,000,000)	(3,000,000)	0	0	0	0.0
TOTAL	\$500,000	\$0	\$500,000	\$0	\$0	4.5
INCREASE/(DECREASE)						
	(\$3,000,000)	(\$3,000,000)	\$0	\$0	\$0	0.0
Percentage Change	(85.7%)	(100.0%)	0.0%	n/a	n/a	0.0%

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO OFFICE OF FILM, TELEVISION, AND MEDIA						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2017-18 EXECUTIVE REQUEST	\$3,500,000	\$3,000,000	\$500,000	\$0	\$0	4.5
Request Above/(Below) Recommendation	\$3,000,000	\$3,000,000	\$0	\$0	\$0	0.0

COLORADO PROMOTION - COLORADO WELCOME CENTERS

This line item provides funding for the State-operated highway-based welcome centers, which have operated for more than two decades to promote tourism and provide vacation guides, maps and other basic guidance and limited services to road travelers. Eight centers are currently in operation at the major highway entrances to the state.

STATUTORY AUTHORITY: Section 24-49.7-101, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$500,000 cash funds and 3.3 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$500,000 cash funds and 3.3 FTE for FY 2017-18.** The recommendation consists of cash funds from the State share of limited gaming tax revenue deposited in the Colorado Travel and Tourism Promotion Fund. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO PROMOTION - COLORADO WELCOME CENTERS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$500,000	\$0	\$500,000	\$0	\$0	3.3
TOTAL	\$500,000	\$0	\$500,000	\$0	\$0	3.3
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$500,000	\$0	\$500,000	\$0	\$0	3.3
TOTAL	\$500,000	\$0	\$500,000	\$0	\$0	3.3
Percentage Change	0.0%	n/a	0.0%	n/a	n/a	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$500,000	\$0	\$500,000	\$0	\$0	3.3
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COLORADO PROMOTION - OTHER PROGRAM COSTS

This line item provides funding for the Colorado Tourism Office and staff support for its board. The Office promotes Colorado as a vacation destination by developing and implementing marketing and promotional strategies, materials and programs that, in concert with private sector promotional activities, portray a consistent, unified brand image of Colorado in the tourism marketplace. The major expenses are a contract with an ad agency to develop campaigns, and a fulfillment center to handle day-to-day inquiries, the 800-number, and vacation guide distribution.

STATUTORY AUTHORITY: Section 24-49.7-101, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$18,500,000 total funds, including \$4,000,000 General Fund, and 4.0 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$18,500,000 total funds and 4.0 FTE for FY 2017-18.** The recommendation consists of \$4,000,000 General Fund and \$14,500,000 cash funds from the State share of limited gaming tax revenue deposited in the Colorado Travel and Tourism Promotion Fund. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO PROMOTION - OTHER PROGRAM COSTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$18,500,000	\$4,000,000	\$14,500,000	\$0	\$0	4.0
TOTAL	\$18,500,000	\$4,000,000	\$14,500,000	\$0	\$0	4.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$18,500,000	\$4,000,000	\$14,500,000	\$0	\$0	4.0
TOTAL	\$18,500,000	\$4,000,000	\$14,500,000	\$0	\$0	4.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$18,500,000	\$4,000,000	\$14,500,000	\$0	\$0	4.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COLORADO PROMOTION - AGRITOURISM

This line item provides funding to promote activities, events, and services at farms, ranches, or other agricultural, horticultural, or agribusiness operations.

STATUTORY AUTHORITY: Section 38-13-116.7 (3), C.R.S.

REQUEST: The Office requests an appropriation of \$600,000 cash funds for FY 2017-18.

RECOMMENDATION: **Staff recommends an increase of \$600,000 cash funds from the Colorado Travel and Tourism Promotion Fund for FY 2017-18.** The recommended funding will be used for agritourism promotion. See staff's write-up for the "BA1 (OEDIT) CTO agritourism spending authority adjustment" decision item at the beginning of this budgetary division for more information.

The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO PROMOTION – AGRITOURISM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
S.B. 17-161 (supplemental bill)	\$600,000	\$0	\$600,000	\$0	\$0	0.0
TOTAL	\$600,000	\$0	\$600,000	\$0	\$0	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO PROMOTION – AGRITOURISM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 Appropriation	\$600,000	\$0	\$600,000	\$0	\$0	0.0
BA1 (OEDIT) CTO Agritourism spending authority adjustment	600,000	0	600,000	0	0	0.0
Annualize S.B. 17-161 (supplemental bill)	(600,000)	0	(600,000)	0	0	0.0
TOTAL	\$600,000	\$0	\$600,000	\$0	\$0	0.0
INCREASE/(DECREASE)	\$0	\$0	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	0.0%	n/a	n/a	n/a
FY 2017-18 EXECUTIVE REQUEST	\$600,000	\$0	\$600,000	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ECONOMIC DEVELOPMENT COMMISSION - GENERAL ECONOMIC INCENTIVES AND MARKETING

This line item funds a variety of activities undertaken by the Colorado Economic Development Commission (EDC). The legislature created the EDC to promote economic development in Colorado. The Governor, President of the Senate, and Speaker of the House appoint the members of the Commission. The EDC approves loans and grants from the Economic Development Fund to public and private entities in Colorado to help existing businesses expand and new companies locate to the state. It also supports marketing programs and special activities to promote Colorado nationally and internationally. The EDC shares responsibility for oversight of the state’s Enterprise Zone program. The nine Commission members make all policy and funding decisions.

STATUTORY AUTHORITY: Sections 24-46-101, 24-46-104, 39-22-531, 24-46-301, 24-46-105.7, 39-30-101, 42-1-225 and 39-26-113.5, and 24-48.5-112, C.R.S.

REQUEST: The Office requests an appropriation of \$5,934,544 total funds, including \$5,692,602 General Fund, and 6.5 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends an appropriation of \$1,096,394 total funds and 1.5 FTE for FY 2017-18.** The recommendation consists of \$662,602 General Fund and \$433,792 cash funds from fees paid by Historic Preservation Tax Credit applicants (\$291,850) and the Advanced Industry Investment Tax Credit Cash Fund (\$141,942). The recommendation includes an increase of \$291,850 cash funds and a decrease of \$30,000 General Fund to administer the Historic Preservation Tax Credit. See staff’s write-up for the “BA2 (OEDIT) Historic Preservation Tax Credit spending authority adjustment” decision item at the beginning of this budgetary division for more information.

Additionally, the recommendation does not include \$5,000,000 General Fund and 5.0 FTE requested by the Office for the reauthorization of the EDC. See staff’s write-up for the “R1 (OEDIT) EDC reauthorization” decision item at the beginning of this budgetary division for more information.

The following table summarizes the calculations for staff’s recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, ECONOMIC DEVELOPMENT COMMISSION - GENERAL ECONOMIC INCENTIVES AND MARKETING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$5,834,544	\$5,692,602	\$141,942	\$0	\$0	5.5
S.B. 17-161 (supplemental bill)	\$124,150	(\$30,000)	\$154,150	\$0	\$0	0.0
TOTAL	\$5,958,694	\$5,662,602	\$296,092	\$0	\$0	5.5
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$5,958,694	\$5,662,602	\$296,092	\$0	\$0	5.5
R1 (OEDIT) EDC reauthorization	0	0	0	0	0	0.0
BA2 (OEDIT) Historic Preservation Tax Credit spending authority adjustment	261,850	(30,000)	291,850	0	0	0.0
Annualize prior year budget actions	(5,000,000)	(5,000,000)	0	0	0	(4.0)
Annualize S.B. 17-161 (supplemental bill)	(124,150)	30,000	(154,150)	0	0	0.0
TOTAL	\$1,096,394	\$662,602	\$433,792	\$0	\$0	1.5
INCREASE/(DECREASE)	(\$4,862,300)	(\$5,000,000)	\$137,700	\$0	\$0	(4.0)
Percentage Change	(81.6%)	(88.3%)	46.5%	n/a	n/a	(72.7%)
FY 2017-18 EXECUTIVE REQUEST	\$5,934,544	\$5,692,602	\$241,942	\$0	\$0	6.5
Request Above/(Below) Recommendation	\$4,838,150	\$5,030,000	(\$191,850)	\$0	\$0	5.0

COLORADO FIRST CUSTOMIZED JOB TRAINING

The line item provides funding for grants to companies that are relocating to Colorado or existing companies that are undertaking a major expansion. The grants are used to provide job training assistance. Companies receiving assistance must provide a partial funding match. The Office determines which companies will receive this assistance and then transfers funding to the Community Colleges of Colorado to develop and provide the training programs. The grant may be used to provide:

- Instructor's wages;
- Curriculum development; and/or
- The purchase of consumable training supplies.

Grant applications must meet the following criteria:

- Maximum grant award of \$800 per employee;
- Training must be for permanent, full-time, non-seasonal, non-retail positions in the state of Colorado, which have significant career opportunities and require substantive instruction;
- Meet a sustainable wage threshold: in urban areas, employers must pay an average wage of at least \$10.46/hour; average wages in rural areas must be at least \$8.21/hour;
- Training must be customized to meet the company's specific needs;
- Applicant companies must pay for a minimum of 40 percent of the total training costs; and
- An on-site visit of the applicant company is required.

All of the funds in this appropriation support the direct cost of training. Administrative costs are absorbed by the Business Development appropriation within OEDIT. The funds appropriated to

this line item are transferred to the Division of Occupational Education in the Department of Higher Education where they appear as reappropriated funds.

STATUTORY AUTHORITY: Sections 24-48.5-101, 24-48.5-105(5) and 23-60-306, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$4,500,000 General Fund for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$4,500,000 General Fund for FY 2017-18.** The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COLORADO FIRST CUSTOMIZED JOB TRAINING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$4,500,000	\$4,500,000	\$0	\$0	\$0	0.0
TOTAL	\$4,500,000	\$4,500,000	\$0	\$0	\$0	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$4,500,000	\$4,500,000	\$0	\$0	\$0	0.0
TOTAL	\$4,500,000	\$4,500,000	\$0	\$0	\$0	0.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	n/a
FY 2017-18 EXECUTIVE REQUEST	\$4,500,000	\$4,500,000	\$0	\$0	\$0	0.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

CAPCO ADMINISTRATION

This line item provides funding for the Certified Capital Companies Program (CAPCO). The goal of the initiative is making venture capital funds available to new or expanding small businesses throughout Colorado. The State of Colorado provided \$100 million for this program in the form of premium tax credits. The \$100 million in premium tax credits were given to insurance companies in exchange for the insurance companies giving \$100 million in cash to the CAPCOs. The CAPCOs then use these funds to invest in qualifying Colorado businesses.

STATUTORY AUTHORITY: Sections 24-48.5-106 and 10-3.5-101, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$85,291 reappropriated funds and 2.0 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$85,291 reappropriated funds and 2.0 FTE for FY 2017-18.** The moneys originate in the Division of Insurance Cash Fund managed by the Department of Regulatory Agencies. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, CAPCO ADMINISTRATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$85,291	\$0	\$0	\$85,291	\$0	2.0
TOTAL	\$85,291	\$0	\$0	\$85,291	\$0	2.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$85,291	\$0	\$0	\$85,291	\$0	2.0
TOTAL	\$85,291	\$0	\$0	\$85,291	\$0	2.0
Percentage Change	0.0%	n/a	n/a	0.0%	n/a	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$85,291	\$0	\$0	\$85,291	\$0	2.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

COUNCIL ON CREATIVE INDUSTRIES

This line item provides funding for the Creative Industries Council. The Council promotes the cultural, educational, and economic growth of Colorado through development of its arts and cultural heritage. The Council administers grants and provides services that make the arts more accessible to all Colorado citizens, expand arts education opportunities for youth, support tourism and other economic development strategies, preserve and promote our cultural heritage, and stimulate and encourage the development of artists and arts organizations.

STATUTORY AUTHORITY: Section 24-48.5-301, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$2,765,734 total funds and 3.0 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$2,765,734 total funds and 3.0 FTE for FY 2017-18.** The recommendation consists of \$2,000,000 cash funds from the State share of limited gaming tax revenue deposited in the Creative Industries Cash Fund (limited gaming tax revenue) and \$765,734 federal funds from the National Endowment for the Arts. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, COUNCIL ON CREATIVE INDUSTRIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$2,765,734	\$0	\$2,000,000	\$0	\$765,734	3.0
TOTAL	\$2,765,734	\$0	\$2,000,000	\$0	\$765,734	3.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$2,765,734	\$0	\$2,000,000	\$0	\$765,734	3.0
TOTAL	\$2,765,734	\$0	\$2,000,000	\$0	\$765,734	3.0
Percentage Change	0.0%	n/a	0.0%	n/a	0.0%	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$2,765,734	\$0	\$2,000,000	\$0	\$765,734	3.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

ADVANCED INDUSTRIES

This line item provides funding for the Advanced Industries Acceleration (AIA) grant program. The program distributes grants to seven specified industries: advanced manufacturing, aerospace, bioscience, electronics, energy and natural resources, infrastructure engineering, and information technology. The line item receives from three primary sources:

- General Fund;
- Cash funds from limited gaming tax revenue (\$5.5 million); and
- Cash funds from income tax withholdings pursuant to S.B. 11-047 (Bioscience & Clean Tech Reinvestment).

STATUTORY AUTHORITY: Section 24-48.5-117, (7) (a) C.R.S.

REQUEST: The Office requests an appropriation of \$14,040,766 total funds and 2.6 FTE for FY 2017-18.

RECOMMENDATION: Staff recommends an appropriation of \$14,040,766 cash funds from the Advanced Industries Acceleration Cash Fund and 2.6 FTE for FY 2017-18. The recommendation includes the Advanced Industries Cash Fund receiving transfers of \$5,500,000 from the State share of limited gaming tax revenue and \$8,540,766 from income tax withholdings pursuant to S.B. 11-047. The recommendation includes an increase of \$1,500,000 cash funds to capture the revenue forecasted to be deposited into the Advanced Industries Acceleration Cash Fund as a result of S.B. 11-047. The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, ADVANCED INDUSTRIES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$15,614,396	\$3,073,630	\$12,540,766	\$0	\$0	2.6
TOTAL	\$15,614,396	\$3,073,630	\$12,540,766	\$0	\$0	2.6
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$15,614,396	\$3,073,630	\$12,540,766	\$0	\$0	2.6
Technical changes	1,500,000	0	1,500,000	0	0	0.0
Annualize prior year legislation	(3,073,630)	(3,073,630)	0	0	0	0.0
TOTAL	\$14,040,766	\$0	\$14,040,766	\$0	\$0	2.6
INCREASE/(DECREASE)	(\$1,573,630)	(\$3,073,630)	\$1,500,000	\$0	\$0	0.0
Percentage Change	(10.1%)	(100.0%)	12.0%	n/a	n/a	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$14,040,766	\$0	\$14,040,766	\$0	\$0	2.6
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

RURAL JUMP START

This line item, created via S.B. 15-282 (Jump-start Prog Econ Dev Distressed Counties), provides funding to administer the Rural Jump Start initiative that provides tax benefits to approved new businesses that locate inside a rural jump-start zone and establish a relationship with a state institution of higher education, junior college, or an area vocational school. A rural jump start zone

is an area within a distressed county. The Colorado Economic Development Commission is responsible for developing guidelines for the administration of the rural jump-start zone program and identifying eligible distressed countries.

STATUTORY AUTHORITY: Section 39-30.5-104, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$80,983 General Fund and 1.0 FTE for FY 2017-18.

RECOMMENDATION: **Staff recommends a continuation-level appropriation of \$80,983 General Fund and 1.0 FTE for FY 2017-18.** The following table summarizes the calculations for staff's recommendation.

ECONOMIC DEVELOPMENT PROGRAMS, RURAL JUMP START						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$80,983	\$80,983	\$0	\$0	\$0	1.0
TOTAL	\$80,983	\$80,983	\$0	\$0	\$0	1.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$80,983	\$80,983	\$0	\$0	\$0	1.0
TOTAL	\$80,983	\$80,983	\$0	\$0	\$0	1.0
Percentage Change	0.0%	0.0%	n/a	n/a	n/a	0.0%
FY 2017-18 EXECUTIVE REQUEST	\$80,983	\$80,983	\$0	\$0	\$0	1.0
Request Above/(Below) Recommendation	\$0	\$0	\$0	\$0	\$0	0.0

INDIRECT COST ASSESSMENT

This line item provides funding for the Office's share of assessed Statewide indirect cost recoveries.

STATUTORY AUTHORITY: Colorado Fiscal Rules #8-3 and Section 24-75-1401, C.R.S.

REQUEST: The Office requests a continuation-level appropriation of \$61,384 federal funds for FY 2017-18.

RECOMMENDATION: **Staff's recommendation is pending Committee action on statewide common policies for FY 2017-18.** The staff recommendation for this item will be presented to the Committee by Mr. Alfredo Kemm on Wednesday, February 22nd during figure setting for common policies administered by the Department of Personnel. Staff will incorporate the Committee's action into the Long Bill. The following table summarizes the calculations for the Office's request.

ECONOMIC DEVELOPMENT PROGRAMS, INDIRECT COST ASSESSMENT						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2016-17 APPROPRIATION						
HB 16-1405 (Long Bill)	\$61,384	\$0	\$0	\$0	\$61,384	0.0

ECONOMIC DEVELOPMENT PROGRAMS,
INDIRECT COST ASSESSMENT

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
TOTAL	\$61,384	\$0	\$0	\$0	\$61,384	0.0
FY 2017-18 RECOMMENDED APPROPRIATION						
FY 2016-17 Appropriation	\$61,384	\$0	\$0	\$0	\$61,384	0.0
TOTAL*	\$61,384				\$61,384	0.0
Percentage Change	0.0%	n/a	n/a	n/a	0.0%	n/a
FY 2017-18 EXECUTIVE REQUEST	\$61,384	\$0	\$0	\$0	\$61,384	0.0
Request Above/(Below) Recommendation	\$0	0	0	0	\$0	0.0

*This recommendation is pending Committee action on statewide common policies for FY 2017-18. The staff recommendation for this item will be presented to the Committee by Alfredo Kemm on Wednesday, February 22nd during figure setting for common policies administered by the Department of Personnel.

APPENDIX A: FILM INCENTIVE EXPENDITURES

The Office of Film, Television, and Media is legislatively tasked with promoting Colorado as a location for making feature films, television shows, television commercials, still photography, music videos, and emerging mass media projects. The benefit of using Colorado as a location for such endeavors is cited by the Office to be job creation, increased tax revenue collection, and tourism promotion.

To accomplish its legislatively-mandated goal, the Office provides performance-based financial incentives to companies for a percentage of their local expenditures for approved productions if they meet the 50.0 percent local hire requirement. The unit also offers a gap loan program to provide up to 20 percent of a production's costs in the form of a low-interest bank loan that is guaranteed by the State.

Colorado-based production companies must have qualified local expenditures of at least \$100,000 to be eligible for incentives. An out-of-state production company must have at least \$1.0 million in qualified local expenditures to be eligible for incentives. Television commercials and video game productions are unique in that they must have qualified local expenditures of \$250,000 to be eligible for incentives.

Film Incentives Balance Sheet FY 2012-13 through FY 2016-17

Spending Authority	\$16,304,171
Incentives Approved	(4,804,319)
Incentives Paid/Completed	(10,931,222)
Balance	\$568,630

Film Incentives Balance Sheet by Fiscal Year

Fiscal Year	Allocation/Balance	Incentives (Paid/Encumbered)	New Balance
FY 2012-13	\$4,614,060	(\$1,712,749)	\$2,901,311
FY 2013-14	800,000	(1,851,113)	1,850,198
FY 2014-15	4,890,111	(5,782,055)	958,254
FY 2015-16	3,000,000	(3,546,428)	411,826
FY 2016-17	3,000,000	(2,843,196)	568,630
Total	\$16,304,171	(\$15,735,541)	\$568,630

Film Incentives by Project

Project Title	Project Type	Project Status	Fiscal Year	Incentive Amount	Crew/Cast Hires	Colorado Spend
Idol Story 1 (working title)	Video Game	Pending	2017	\$250,000	53	\$3,572,000
Shooting in Vein	Feature Film	Pending	2017	34,076	35	170,381
Our Souls at Night	Feature Film	Pending	2017	1,500,000	116	17,630,000
The Lifted Life	Television	Pending	2017	46,540	19	232,700
Black Lung	Feature Film	Pending	2017	1,012,580	87	5,062,900
UC Health	Commercial	Pending	2016	53,632	39	268,164
Life Tectonic	Documentary	Pending	2016	154,122	12	770,610
Coors	Commercial	Pending	2016	100,418	49	502,093
Hoax	Feature Film	Pending	2016	160,000	45	800,000
Walden	Feature Film	Pending	2016	210,000	55	1,050,000
Amateur	Feature Film	Pending	2016	89,274	0	446,366
Kia	Commercial	Pending	2016	126,106	61	630,533
Xfinity Latino Entertainment	Television	Pending	2016	195,000	18	975,000

Film Incentives by Project						
Project Title	Project Type	Project Status	Fiscal Year	Incentive Amount	Crew/Cast Hires	Colorado Spend
Keep a Light in Your Window	Documentary	Pending	2016	22,332	12	111,663
Project Cheetah	Video Game	Pending	2016	199,500	9	997,500
Gnaw	Feature Film	Pending	2016	100,789	60	503,947
God With Us	Special Feature	Pending	2016	52,566	62	262,832
Ask a Ranger	Documentary	Pending	2016	46,000	11	230,000
Amateur	Feature Film	Pending	2016	260,726	81	1,303,634
Colorado Fuel & Iron	Documentary	Pending	2016	39,240	25	196,200
The Joey Canon Show	Television	Completed	2016	75,061	20	375,305
Toyotal Rav 4 "Spartan Race"	Commercial	Completed	2016	111,662	94	558,308
Casting JonBenet	Feature Film	Completed	2016	50,000	58	255,041
The Hateful Eight	n/a	Completed	2016	1,500,000	0	0
78/52	Documentary	Pending	2015	41,200	8	206,000
The Holly	Documentary	Pending	2015	110,218	10	551,092
Standing in the Gap	Television	Completed	2015	24,937	55	124,688
Max Lucado: Traveling Light	Television	Completed	2015	29,138	23	145,690
Star Raiders	Feature Film	Completed	2015	40,918	38	204,590
Heart of the World: Colorado's National Parks	Documentary	Completed	2015	75,383	5	376,917
Prospectors, Season 4	Television	Completed	2015	250,000	29	2,844,585
Star Citizen	Video Game	Completed	2015	763,953	32	3,849,170
Ultimate Sportsman's Lodge - Colorado	Television	Completed	2015	156,565	35	782,828
Coors	Commercial	Completed	2015	56,968	55	284,844
The Hateful Eight	Feature Film	Completed	2015	3,500,000	189	29,947,364
Play Along!	Educational Series	Completed	2015	148,000	114	750,134
2015 Alpine World Championships, Podium 360	Television	Completed	2015	27,238	17	136,188
Verizon/Samsung 1 Day	Commercial	Completed	2015	20,852	31	104,259
Moneygram	Commercial	Completed	2015	20,134	29	115,957
Christmastime/Heaven Sent	Feature Film	Completed	2015	516,551	78	2,582,755
The Great Divide	Documentary	Completed	2014	70,049	10	370,280
Cop Car	Feature Film	Completed	2014	82,000	34	455,276
Being Evel	Documentary	Completed	2014	94,270	23	471,350
Hondros	Documentary	Completed	2014	47,599	2	237,996
Colorado Inside Out	Web Series	Completed	2014	22,124	12	110,619
Prospectors, Season 3	Television	Completed	2014	546,587	53	2,970,000
Coors	Commercial	Completed	2014	66,893	52	334,465
Colorado Experience, Season 2	Television	Completed	2014	20,665	6	103,325
Hyundai Running Footage	Commercial	Completed	2014	101,197	65	505,983
Furious 7	Feature Film	Completed	2014	700,000	61	12,978,028
Countdown to Sochi, Podium 360, Rugby Rising	Television	Completed	2014	99,729	24	498,643
Pawn in the Game, Catch & Release	Television	Completed	2013	452,214	53	3,039,128
Dear Eleanor	Feature Film	Completed	2013	395,117	240	1,975,583
The Frame	Feature Film	Completed	2013	63,816	38	319,082
Relocation Agreement	Television	Completed	2013	307,241	42	5,965,000
Coors	Commercial	Completed	2013	67,501	95	374,223
Clean Guys of Comedy	Special Feature	Completed	2013	28,039	8	140,198
Prospectors, Season 1	Television	Completed	2013	345,119	63	1,725,597
Colorado Experience, Season 1	Television	Completed	2013	53,702	72	268,512
Total				\$15,735,541	2,722	112,755,526

JBC Staff Staff Figure Setting - FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	FY 2017-18 Recommendation
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(4) ECONOMIC DEVELOPMENT PROGRAMS

The Office of Economic Development and International Trade (OEDIT) assists in strengthening Colorado's prospects for long-term economic growth by providing broad-based support to businesses. The Office's support services include business funding and incentives, promotion of creative industries, international trade assistance, tourism promotion, minority business assistance, key industry promotion (including advanced industries, aerospace, and health and wellness), and film, television, and media industry development.

Administration	<u>527,099</u>	<u>659,478</u>	<u>650,140</u>	<u>650,140</u>	<u>650,140</u>
FTE	6.0	6.0	6.0	6.0	6.0
General Fund	527,099	657,043	645,555	645,555	645,555
Cash Funds	0	2,435	2,435	2,435	2,435
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	2,150	2,150	2,150
Vehicle Lease Payments	<u>9,515</u>	<u>12,340</u>	<u>12,444</u>	<u>11,256</u>	<u>11,256</u> *
General Fund	9,515	12,340	12,444	11,256	11,256
Leased Space	<u>304,395</u>	<u>316,883</u>	<u>346,525</u>	<u>346,525</u>	<u>346,525</u>
General Fund	304,395	316,883	346,525	346,525	346,525
Global Business Development	<u>2,186,738</u>	<u>3,825,802</u>	<u>4,965,052</u>	<u>5,062,552</u>	<u>4,965,052</u> *
FTE	21.2	23.4	24.4	25.4	24.4
General Fund	2,186,738	3,825,802	4,041,948	4,139,448	4,041,948
Cash Funds	0	0	548,626	548,626	548,626
Federal Funds	0	0	374,478	374,478	374,478
Leading Edge Program Grants	<u>50,976</u>	<u>75,976</u>	<u>151,407</u>	<u>151,407</u>	<u>151,407</u>
General Fund	50,976	75,976	75,976	75,976	75,976
Cash Funds	0	0	75,431	75,431	75,431

*Line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	FY 2017-18 Recommendation
Small Business Development Centers	<u>2,300,279</u>	<u>1,256,248</u>	<u>1,391,870</u>	<u>1,391,870</u>	<u>1,373,120</u>
FTE	4.0	4.0	4.0	4.0	4.0
General Fund	381,034	392,029	94,144	94,144	94,144
Cash Funds	0	0	18,750	18,750	0
Federal Funds	1,919,245	864,219	1,278,976	1,278,976	1,278,976
Colorado Office of Film, Television, and Media	<u>2,493,444</u>	<u>1,189,661</u>	<u>3,500,000</u>	<u>3,500,000</u>	<u>500,000</u>
FTE	4.5	4.5	4.5	4.5	4.5
General Fund	5,515,982	708,670	3,000,000	3,000,000	0
Cash Funds	3,977,462	480,991	500,000	500,000	500,000
Colorado Promotion - Colorado Welcome Centers	<u>500,000</u>	<u>499,999</u>	<u>500,000</u>	<u>500,000</u>	<u>500,000</u>
FTE	3.3	3.3	3.3	3.3	3.3
Cash Funds	500,000	499,999	500,000	500,000	500,000
Colorado Promotion - Other Program Costs	<u>16,433,498</u>	<u>17,682,778</u>	<u>18,500,000</u>	<u>18,500,000</u>	<u>18,500,000</u>
FTE	4.0	4.0	4.0	4.0	4.0
General Fund	1,999,950	4,000,000	4,000,000	4,000,000	4,000,000
Cash Funds	14,433,548	13,682,778	14,500,000	14,500,000	14,500,000
Colorado Promotion – Agritourism	<u>0</u>	<u>0</u>	<u>600,000</u>	<u>600,000</u>	<u>600,000</u> *
Cash Funds	0	0	600,000	600,000	600,000
Economic Development Commission - General					
Economic Incentives and Marketing	<u>750,669</u>	<u>964,217</u>	<u>5,958,694</u>	<u>5,934,544</u>	<u>1,096,394</u> *
FTE	5.0	6.5	5.5	6.5	1.5
General Fund	690,648	964,217	5,662,602	5,692,602	662,602
Cash Funds	60,021	0	296,092	241,942	433,792

*Line item contains a decision item.

JBC Staff Staff Figure Setting - FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	FY 2017-18 Recommendation
Colorado First Customized Job Training	<u>2,774,943</u>	<u>4,582,644</u>	<u>4,500,000</u>	<u>4,500,000</u>	<u>4,500,000</u>
General Fund	2,725,022	4,500,000	4,500,000	4,500,000	4,500,000
Cash Funds	49,921	82,644	0	0	0
CAPCO Administration	<u>114,665</u>	<u>87,797</u>	<u>85,291</u>	<u>85,291</u>	<u>85,291</u>
FTE	2.0	2.0	2.0	2.0	2.0
Cash Funds	36,037	3,761	0	0	0
Reappropriated Funds	78,628	84,036	85,291	85,291	85,291
Council on Creative Industries	<u>2,867,392</u>	<u>3,842,326</u>	<u>2,765,734</u>	<u>2,765,734</u>	<u>2,765,734</u>
FTE	3.0	3.0	3.0	3.0	3.0
General Fund	100,000	0	0	0	0
Cash Funds	2,078,251	3,148,626	2,000,000	2,000,000	2,000,000
Federal Funds	689,141	693,700	765,734	765,734	765,734
Advanced Industries	<u>6,248,178</u>	<u>10,666,030</u>	<u>15,614,396</u>	<u>14,040,766</u>	<u>14,040,766</u>
FTE	1.5	2.6	2.6	2.6	2.6
General Fund	5,000,000	5,000,000	3,073,630	0	0
Cash Funds	1,248,178	5,666,030	12,540,766	14,040,766	14,040,766
Rural Jump Start	<u>0</u>	<u>125,983</u>	<u>80,983</u>	<u>80,983</u>	<u>80,983</u>
FTE	0.0	1.0	1.0	1.0	1.0
General Fund	0	125,983	80,983	80,983	80,983
Indirect Cost Assessment	<u>0</u>	<u>0</u>	<u>61,384</u>	<u>61,384</u>	<u>61,384</u>
Federal Funds	0	0	61,384	61,384	61,384

JBC Staff Staff Figure Setting - FY 2017-18
Staff Working Document - Does Not Represent Committee Decision

	FY 2014-15 Actual	FY 2015-16 Actual	FY 2016-17 Appropriation	FY 2017-18 Request	FY 2017-18 Recommendation
Bioscience Discovery Evaluation	<u>10,206,867</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	1.1	0.0	0.0	0.0	0.0
Cash Funds	10,206,867	0	0	0	0
TOTAL - (4) Economic Development Programs	54,768,658	45,788,162	59,683,920	58,182,452	50,228,052
FTE	<u>55.6</u>	<u>60.3</u>	<u>60.3</u>	<u>62.3</u>	<u>56.3</u>
General Fund	19,491,359	20,578,943	25,533,807	22,586,489	14,458,989
Cash Funds	32,590,285	23,567,264	31,582,100	33,027,950	33,201,050
Reappropriated Funds	78,628	84,036	85,291	85,291	85,291
Federal Funds	2,608,386	1,557,919	2,482,722	2,482,722	2,482,722