



# COLORADO

## Office of Economic Development & International Trade

### 2020 Legislative Agenda & FY21 Budget Requests

(as of) January 15, 2020

#### 2020 Legislative Agenda (in no particular order):

- 1. Extension of Rural Jump Start (HB20-1003):** The Rural Jump-Start Program (RJS) is an existing tax exemption program for businesses, and their employees, that locate in economically distressed rural counties in Colorado. In addition to extending RJS for five years, the legislation would make modifications to the program aimed at increasing eligibility and thus the benefits for rural communities, businesses, and their employees. Appropriation and associated decision item for \$80,983 annually (\$40,492 in FY21) for administration.
- 2. Extension of the Procurement Technical Assistance Center:** The proposed legislation would extend State financial support for the Colorado Procurement Technical Assistance Center (PTAC) for five years. PTAC helps eligible small businesses obtain and perform government contracts at federal, state, and local levels. Appropriation and associated decision item for \$220,000.
- 3. Extension of Transferable Tax Credits:** The proposed legislation would extend the Transferable Tax Credit (TTC) program for three years. TTC allows companies that make a capital investment in Colorado of at least \$100 million to transfer certain OEDIT tax credits that are earned in the course of making that investment. No appropriation.
- 4. Extension of the Refundability of the Enterprise Zone Investment Tax Credit for Investments in Renewable Energy:** The proposed legislation would extend a small and time-limited piece of the Enterprise Zone (EZ) Program for three years. One of the EZ credits, the EZ Investment Tax Credit, provides businesses with a 3% state income tax credit on investments in business personal property. Businesses investing in equipment that generates electricity from a renewable energy source have the option to convert the credit to a refund at 80% of the credit's value. In addition to extending this piece of EZ for three years, the proposed legislation would expand the definition of renewable energy to include storage. No appropriation.
- 5. Authorization of the Colorado Outdoor Recreation Industry Office:** The proposed legislation would make the Colorado Outdoor Recreation Industry Office (OREC)

permanent via statute. When OREC was established in 2015, it did not have accompanying legislation or an executive order. No appropriation.

- 6. Cannabis Participation in Enterprise Zones:** The proposed legislation would strike the current requirement in the Enterprise Zone statute that the business activity being incentivized be legal under federal law and thus open up participation to marijuana businesses. The legislation would preserve the requirement that the business activity be legal at the state level. No appropriation.

### **FY21 Budget Requests:**

- 1. Extend Procurement Technical Assistance Center:** OEDIT is requesting \$220,000 in ongoing funds for support for the Colorado Procurement Technical Assistance Center.
- 2. Increase for Rural Small Business Development Centers:** OEDIT is requesting \$140,000 in ongoing funds for the Small Business Development Centers to go specifically to our centers in rural Colorado.
- 3. Extend Rural Jump Start:** OEDIT is requesting \$80,983 (\$40,492 in FY21) in ongoing funds to support the Rural Jump-Start Program.
- 4. Line Item for the Colorado Outdoor Recreation Industry Office:** OEDIT is requesting a new line item (but no new funding) for the Outdoor Recreation Industry Office (OREC). Currently, OEDIT transfers money from other divisions (\$150,000 from Tourism, \$220,000 from Global Business Development) to support OREC with a total of \$370,000. This request would make those transfers permanent and transparent in the Long Bill.
- 5. PTAC Technical Adjustment:** OEDIT is requesting an ongoing reduction of \$220,000 in General Fund to correct a technical error (this is separate and in addition to the other PTAC request above).
- 6. Administrative Funds Technical Adjustment:** OEDIT is requesting an ongoing reduction of \$4,585 in funds from the Office's Administration line item to correct a technical error.
- 7. Spending Authority to Access Interest for Creative Districts:** OEDIT is requesting one-time spending authority to access the interest earnings on the Creative District Community Loan Fund to support the Colorado Certified Creative Districts program. The interest currently amounts to ~\$11,000.