


Colorado Legislative Council Staff Fiscal Note
FINAL
FISCAL NOTE

Drafting Number: LLS 12-0195
Prime Sponsor(s): Rep. Kagan
 Sen. Newell

Date: June 12, 2012
Bill Status: Signed into Law
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING REQUIRING A REPORT OF THE CORRELATION BETWEEN THE EDUCATIONAL CREDENTIALS ISSUED AND THE STATE'S WORKFORCE NEEDS.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures	\$10,000	
FTE Position Change		
Effective Date: The bill was signed into law by the Governor on April 2, 2012, and takes effect August 8, 2012, assuming no referendum petition is filed.		
Appropriation Summary for FY 2012-2013: None required. See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

This bill requires that the Department of Higher Education (DHE), in consultation with the Colorado Department of Labor and Employment (CDLE), the Department of Regulatory Agencies (DORA), and others, produce an annual report projecting state workforce needs and the number of degrees, certificates, and other post secondary credentials that institutions of higher education and other vocational education providers in the state expect to issue in the same period. The report must also identify any workforce needs that may not be met by existing education and training programs, and the institutions that may meet these needs by expanding existing programs or developing new ones. Institutions of higher education are encouraged to use job market information in the report when planning curricula. The annual report must be provided to specified committees of the General Assembly by January 15, 2013, and each January 15 for the following three years. The report must also be shared with each institution of higher education and the DHE must work with the Colorado Department of Education (CDE) to distribute the report to school districts. The bill is repealed, effective July 1, 2016.

State Expenditures

In FY 2012-13, this bill has new costs of \$10,000 in the DHE. The DHE will arrange data sharing agreements with state agencies, institutions of higher education, and career and vocational education providers, then analyze the findings and prepare the final report. There are no costs for other state agencies and the institutions of higher education to share information with the DHE.

The DHE's costs involve devoting staff resources to manage research, and production costs to prepare the report and present findings to the legislature and the institutions. In January 2012, the DHE issued a request for proposals to conduct a study of workforce needs and the relationship to degrees produced at institutions of higher education. The scope of work described in the RFP is largely in concert with the requirements of House Bill 12-1061, and the DHE is prepared to use a \$10,000 grant from the National Governor's Association to pay an outside vendor to conduct the necessary research.

State Appropriations

The DHE has the resources necessary to prepare the report within the department's existing appropriation and no additional appropriation is required.

The bill also requires that the DHE and the CDE collaborate to distribute the final report to K-12 schools and school districts. This requirement can be met at minimal cost by e-mailing a print document format (PDF) of the final report. The departments can meet this requirement within existing appropriations, and no additional appropriation is required.

Departments Contacted

Higher Education
Labor
Office of Economic Development and International Trade
Regulatory Agencies