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[Click here](#) to listen to Gov. Ritter's remarks at this morning's signing ceremony.

GOV. RITTER SIGNS MAJOR JOB-CREATION LEGISLATION

Gov. Bill Ritter today signed into law landmark legislation that will help companies create new jobs, allow Colorado to compete against other states for new businesses, and strengthen community college job-training programs to better meet the workforce needs of emerging industries of the future.

“The two bills I signed today mark a key step toward our long-term vision of creating a modern, knowledge-based economic ecosystem in Colorado,” Gov. Ritter said during an outdoor signing ceremony on the 16th Street Mall in downtown Denver. “This ecosystem depends on controlling healthcare costs, reforming education and building a 21st-century transportation system.

“Last year we made great headway on the strategy – cutting taxes for businesses, making historic investments in the bioscience industry and expanding our rural incentive program. People called it the most significant economic-development package in a decade.

“This year’s bipartisan bills are even better,” Gov. Ritter said. “They reflect the hard work that legislators, business leaders and economic-development groups statewide devoted to making job-creation, business-development and workforce training Job One during this legislative session.”

House Bill 1001, sponsored by Rep. Joe Rice and Sen. Rollie Heath, will allow companies to apply to the Colorado Economic Development Commission for a state income tax credit based on the payroll tax cost they incur from creating new jobs. To qualify for the credit, companies must create at least 20 new jobs in urban areas or five new jobs in rural areas, and pay wages above the local average.

“The ‘Tax Credit for Colorado Job Growth’ will get Colorado working again,” Rep. Rice said. “We can continue to put our economy back on track by providing incentives to new businesses to open their doors in Colorado.”

“Thanks to 1001 we will prove that Colorado is the place for business,” Sen. Heath said. “By bringing new companies to Colorado we can put people to work and ensure that the families of these hard-working Coloradans are supported.”

Senate Bill 171, sponsored by Sen. Gail Schwartz and Reps. Nancy Todd and Ed Vigil, will strengthen the existing Colorado First Program and the partnerships it

creates between businesses and community colleges to train [New Energy Economy](#) and other Industry of the Future workers.

Current training programs are restricted to employees who already have jobs and are obtaining new skills. SB 171 will allow community college and other training providers to partner with businesses to create industry cluster-based training programs that will be available to everyone.

“Colorado has been and will continue to be a leader in the New Energy Economy,” said Sen. Schwartz, who co-chaired the legislature’s Joint Select Committee on Job Creation and Economic Growth. “This bill will encourage the training of the next generation of new energy workers by encouraging community colleges to work directly with new energy companies to create customized job training programs. This saves our environment and, more importantly, develops reliable jobs for Colorado.”

“We can hit the road running today developing more new energy jobs,” Rep. Todd said. “A trained workforce will ensure that Colorado continues to attract new energy jobs to the state.”

Supporters of HB 1001 and SB 171

- Economic Development Council of Colorado
- Colorado Association of Commerce and Industry
- Colorado Competitive Council
- Colorado Concern
- Colorado Chapter of the National Federation of Independent Businesses
- Northern Colorado Economic Development Corporation
- South Metro Denver Chamber of Commerce
- Adams County Economic Development
- Colorado Springs Economic Development Council
- Jefferson County Economic Council
- Jefferson County Business Lobby

Gov. Ritter is scheduled to sign the third major element of the 2009 economic-development package – Senate Bill 67, which will give businesses direct access to credit and capital – at the Denver Metro Chamber of Commerce “State of the State” luncheon on Thursday.

Visit www.colorado.gov/governor or [click here](#) for a list of legislative action by Gov. Ritter so far this session.

FACT SHEETS

HB 1001 -- Colorado Job Growth Incentive Program

Tax incentives have become an integral part of the economic development process. These incentives are not only an important factor when it comes to choosing a location, they are the litmus test by which site selectors judge Colorado. As other states around the country continue to offer aggressive financial incentives, Colorado is quickly losing ground in our efforts to attract new jobs. This program will help state and local leaders an entirely new toolbox as they work to attract, expand and retain jobs in every area of the state.

A Balanced and Strategic Approach to Economic Development

This program is targeted towards both attraction and expansion of jobs throughout the state. In order to qualify for this program, a company must create at least 20 new jobs (5 new jobs in rural areas) and pay at least 110% of the county wage.

Unlike other tax incentives in Colorado, a company must provide documentation that, if not for this tax incentive, these jobs would not have been created in Colorado. No tax incentives will be provided up front – a company must create and maintain any new job for one full year before becoming eligible to receive this credit.

Statewide and Local Impact

This program will play a significant (and transformational) role in the state's overall job creation and retention strategy. By focusing this program on attraction and expansion, state and local economic development entities will be able to refocus current economic development funds and programs towards retention efforts for businesses all across Colorado.

Although this program is targeted to create new primary jobs at both large and mid-size companies, its impact will be community-wide. By adding new jobs to local communities, this program will help increase the economic activity for thousands of small businesses across the state.

The only time this credit will be given is AFTER a job has already been created and maintained for one full year. This program can only be used for jobs that would not otherwise come to Colorado.

The determination of which projects meet these criteria will be made by the 9-member Colorado Economic Development Commission (EDC), a board whose mission is to assist state, local, and private entities in developing incentive packages for existing business expansions and new company relocations in order to promote job creation and retention in all regions of the state.

This program will not simply provide another tool in the toolbox for Colorado – it will be a completely new toolbox altogether, allowing Colorado to finally compete in the national and international economic development picture.

Senate Bill 171- Cluster-Based Job Training Program

Why This Law is Needed

- Currently, the Colorado First and Existing Industry training grants are available only to companies that are relocating, expanding or implementing new technologies in Colorado. Companies may only apply for grants after they hire new employees.
- SB 171 will now allow companies to partner with a community college or other training provider to apply for a grant from this program in order to create a training program for an entire industry sector. Potential employees will be able to take part in these training programs before being hired by a company.

Funding for the Colorado First and Existing Industry Program

- The Colorado First and Existing Industry Program is a General Fund expenditure of \$2.7 million per year.
- This bill does not increase funding to this program. This legislation only creates a programmatic change.

Targeted Industry Clusters

- The bill is currently targeted towards (but not limited to) the New Energy Economy and other targeted industries as defined by the Office of Economic Development and International Trade. The Office has targeted the following industries: aerospace, tourism, new energy, bioscience and information technology.
- These sectors were chosen because of their statewide impact, but it is important to note that each region in the state has its own economic drivers. In order to reflect this diversity of industry, the Colorado First and Existing Industry Program is open to all businesses and industry sectors wishing to apply and this legislation will not limit this practice.

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