

FINANCIAL EXPOSURE:

Rating the States on Economic Development Transparency

(read here: <https://goodjobsfirst.org/financialexposure>)

APPENDIX: Colorado

Transparency scores for major state programs

(* see next page for scoring details)

Program Description	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
Enterprise Zones - Designated areas in which companies may qualify for up to nine different tax credits and other abatements/exemptions.	<u>\$113 million (2020)</u>	<u>Source</u>	35/100
Film Incentive - Incentive program that offers a competitive performance- based tax rebate for up to 20% of qualified expenses.	<u>\$2.7 million (2021)</u>	none	0/100
Job Growth Incentive Tax Credit - Corporate income tax credits worth up to 50% of the employer's portion of federal payroll tax withholding for new jobs.	<u>\$35 million (2021)</u>	<u>Source</u>	35/100
Strategic Fund Incentive - A five-year cash incentive for businesses looking to expand or relocate to Colorado. Businesses can receive up to \$6,500 per net new job.	<u>\$2.9 million (2021)</u>	<u>Source</u>	36/100

Financial Exposure: Rating the States on Economic Development Transparency	Maximum possible score	Enterprise Zones	Film Incentive	Job Growth Incentive Tax Credit	Strategic Fund Incentive
Scoring Details for Colorado Programs					
<i>Score criteria (point values in parentheses)</i>					
PROJECT INFORMATION					
address/coordinates (8); zip code (5); city or county (3)	8	3	0	3	4
month + year of agreement/contract/project (1)	1	1	0	1	1
nature of project (1)	1	0	0	1	1
ADVANCE NOTICE AND PUBLIC PARTICIPATION					
full applications (5); applicant names + amounts (2); applicant names (1)	5	0	0	0	0
cost-benefit analysis at least 15 days in advance (3)	3	0	0	0	0
meeting: full proposal (4); program + applicant (3); agenda (2); dates (1)	4	2	0	2	2
full draft agreements ahead of approval (3); full agreements after (1)	3	0	0	0	0
RECIPIENT IDENTITY					
federal employer identification number (1)	1	0	0	0	0
industry classification NAICS code (1)	1	1	0	0	0
parent company for all awardees (3)	3	0	0	0	0
SUBSIDY INFORMATION					
approved/awarded subsidy value (4)	4	0	0	2	2
disbursed/claimed subsidy amount (6)	6	3	0	3	3
status + penalty actions (10); status only (5)	10	0	0	0	0
JOB CREATION REPORTING					
number of projected new/retained jobs/trainees (6)	6	0	0	3	3
number of actual new/retained jobs/trainees (14)	14	14	0	14	14
WAGES/PAYROLL REPORTING					
projected wage/payroll for new/retained jobs (5)	5	0	0	2	2
actual wage/payroll for new/retained jobs (10)	10	2	0	0	0
EXPENDITURE/INVESTMENT REPORTING					
projected capital investment/expenditure/cost (1)	1	0	0	0	0
actual capital investment/expenditure/cost (4)	4	2	0	0	0
DATA ACCESSIBILITY AND USABILITY					
two clicks from program page (3); - 1 for every additional click	3	1	0	1	1
unambiguous data and explanations (2)	2	1	0	1	1
five years of data placed together (2); on different pages (1)	2	2	0	1	1
downloadable to database applications (3); downloadable to PDF (1)	3	3	0	1	1
TOTAL PROGRAM SCORE	100	35	0	35	36

see next page for scoring notes

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Scoring Notes: Colorado

Colorado's main disclosure source is the reports [page](#) on the state Office of Economic Development & International Trade (OEDIT) website. The page offers annual OEDIT reports (which contain recipient data for the Job Growth Incentive Program, and the Strategic Incentive) and annual Enterprise Zone reports, among others. All reports can be downloaded in PDF format. OEDIT reports disclose some company names, project locations, subsidy packages, wages promised, and jobs both promised and projected.

Enterprise Zones

Disclosure link: <https://oedit.colorado.gov/about/oedit-reports>

Enterprise zones (EZ) have their own dedicated annual report, but the majority of recipient data we scored came from the excel spreadsheets labeled "Enterprise Zone Business Tax Credit Certification Disclosure." EZ annual reports only disclose wage data, and only top-level findings; thus we assigned partial points in the wage category. EZ Certification Disclosure spreadsheets include data for the company name, project location, approval date, NAICS code, capital investment outcomes, subsidy credits claimed, and job outcomes. We gave partial credit to subsidy credits claimed and investment outcomes because the presentation of the data was not well presented, which made it difficult to understand.

We deducted a point for data accessibility as the location of the reports is not intuitive and the recipient data is not always easy to understand.

Job Growth Incentive Tax Credit

Disclosure link: <https://oedit.colorado.gov/about/oedit-reports>

This program was only given half credit for subsidy info, projected jobs, and projected wages because OEDIT annual reports don't always disclose company names for incentives approved during fiscal year. These incentives are sometimes labeled as "Project X", rather than disclosing a company's actual name.

Points were deducted from the data accessibility category due to lack of company name disclosure and because the reports page is somewhat difficult to locate on the OEDIT website.

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Strategic Fund Incentive

Disclosure link: <https://oedit.colorado.gov/about/oedit-reports>

This program received an additional point in the project information category because some of the annual reports list the addresses of approved projects/incentives.

This program was only given half credit for subsidy info, projected jobs, and projected wages because OEDIT annual reports don't always disclose company names for incentives approved during fiscal year. These incentives are sometimes labeled as "Project X", rather than disclosing a company's actual name.

Points were deducted from the data accessibility category due to lack of company name disclosure and because the reports page is somewhat difficult to locate on the OEDIT website.

Film Incentive

There is no online recipient disclosure for this program.