

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0673.01 Esther van Mourik x4215

SENATE BILL 16-032

SENATE SPONSORSHIP

Merrifield and Heath, Aguilar, Hodge, Todd

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF AN ECONOMIC DEVELOPMENT
102 WORKING GROUP FOR HIGHLY DISTRESSED URBAN REGIONS OF
103 THE STATE IN ORDER TO DEVELOP LEGISLATION TO IMPROVE
104 THE ECONOMIC VITALITY OF THOSE REGIONS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

The bill creates the economic development working group for highly distressed urban regions of the state (working group). The working group consists of:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- ! Four members of the general assembly appointed by leadership in each house in such a way to ensure that the 4 members represent urban regions of the state;
- ! The executive director of the Colorado office of economic development (office), or his or her designee; and
- ! Four other members appointed by the legislative members of the working group and the representative of the office with consideration for county issues, municipal issues, and issues related to economic development in urban areas.

The working group must select data that is appropriate, consistently available, timely, and reflective of current reality, which data will then be used to ascertain the highly distressed urban regions of the state.

The bill requires the working group to:

- ! Establish the regions and post their names and boundaries on the office's website;
- ! Discuss and evaluate other economic development efforts in the regions and their best practices;
- ! Discuss and evaluate the possibility of creating tax-free zones or other economic development tools for the regions; and
- ! Make detailed legislative recommendations to the general assembly in order to quickly improve the economic vitality of those regions.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-124 as
 3 follows:

4 **24-48.5-124. Economic development working group for highly**
 5 **distressed urban regions of the state - creation - legislative**
 6 **declaration - definitions - repeal.** (1) (a) THE GENERAL ASSEMBLY
 7 HEREBY FINDS, DETERMINES, AND DECLARES THAT:

8 (I) WHILE OVERALL THERE ARE IMPROVEMENTS TO THE COLORADO
 9 ECONOMY, THERE STILL EXISTS A SIGNIFICANT CONTRACTION OF LOCAL
 10 ECONOMIES IN CERTAIN AREAS OF THE STATE;

11 (II) IMPORTANTLY, THOSE AREAS ARE EXPERIENCING INCREASED

1 ECONOMIC DOWNTURN AS MEASURED BY CHANGES IN SUCH FACTORS AS
2 POPULATION, EMPLOYMENT, WEEKLY WAGE, ASSESSED VALUE OF ALL
3 PROPERTY, AND CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH;

4 (III) COLORADO'S MANY DIVERSE ASPECTS ARE WHAT MAKE IT
5 SUCH A UNIQUE AND WONDERFUL STATE, WITH VARYING ECONOMIC
6 SECTORS AND REGIONS MAKING ITS STRENGTH GREATER THAN THE SUM OF
7 ITS PARTS. IT IS IMPERATIVE THAT ALL SECTORS OF THE STATE BE KEPT
8 INDEPENDENTLY STRONG AND BE GIVEN THE CHANCE TO IMPROVE,
9 PROSPER, AND CONTRIBUTE TO THE WHOLE, FROM WHICH ALL BENEFIT.
10 THE GENERAL ASSEMBLY IS COMMITTED TO REACHING OUT TO ALL SUCH
11 AREAS TO ENSURE THIS GOAL IS MET.

12 (IV) IT IS IMPORTANT THAT SATISFACTORY TOOLS ARE DEVELOPED
13 TO HELP DIVERSIFY THOSE LOCAL ECONOMIES AND ATTRACT ECONOMIC
14 ACTIVITY IN THE AREAS OF THE STATE THAT MOST NEED IT; AND

15 (V) IT IS CRITICAL TO USE AN APPROACH THAT AVOIDS USING TOO
16 BROAD OF AN AREA AND AVOIDS USING METRICS OR DATA THAT ARE TOO
17 STALE AND UNREFLECTIVE OF THE ECONOMIC REALITY IN THE AREAS.

18 (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
19 THE CREATION OF AN ECONOMIC DEVELOPMENT WORKING GROUP FOCUSED
20 SOLELY ON HIGHLY DISTRESSED URBAN REGIONS OF THE STATE IS
21 NECESSARY SO THAT THE WORKING GROUP CAN USE THE MOST TIMELY
22 AND ACCURATE DATA POSSIBLE THAT REFLECTS CURRENT LOCAL
23 ECONOMIC DISTRESS TO DETERMINE THESE DISTRESSED AREAS. ONCE
24 DETERMINED, THE WORKING GROUP SHALL DISCUSS AND CRAFT SPECIFIC
25 LEGISLATION TO RECOMMEND TO THE GENERAL ASSEMBLY TO IMPLEMENT
26 THE ECONOMIC DEVELOPMENT TOOLS, INCLUDING THE POSSIBLE
27 ESTABLISHMENT OF TAX-FREE ZONES, THAT ARE BEST SUITED TO BRING

1 ABOUT THE ECONOMIC VITALITY SO CRITICALLY NEEDED IN THOSE
2 REGIONS.

3 (2) FOR PURPOSES OF THIS SECTION, UNLESS THE CONTEXT
4 OTHERWISE REQUIRES:

5 (a) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC
6 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

7 (b) "REGIONS" MEANS THE HIGHLY DISTRESSED URBAN REGIONS OF
8 THE STATE AS DETERMINED BY THE WORKING GROUP AS SPECIFIED IN
9 PARAGRAPH (a) OF SUBSECTION (6) OF THIS SECTION.

10 (c) "WORKING GROUP" MEANS THE ECONOMIC DEVELOPMENT
11 WORKING GROUP FOR HIGHLY DISTRESSED URBAN REGIONS OF THE STATE
12 CREATED IN THIS SECTION.

13 (3) THERE IS HEREBY CREATED THE ECONOMIC DEVELOPMENT
14 WORKING GROUP FOR HIGHLY DISTRESSED URBAN REGIONS OF THE STATE.
15 THE WORKING GROUP CONSISTS OF NINE MEMBERS AS FOLLOWS:

16 (a) FOUR MEMBERS OF THE GENERAL ASSEMBLY APPOINTED NO
17 LATER THAN JUNE 3, 2016. IN MAKING APPOINTMENTS TO THE WORKING
18 GROUP PURSUANT TO THIS PARAGRAPH (a), THE SPEAKER OF THE HOUSE OF
19 REPRESENTATIVES, PRESIDENT OF THE SENATE, AND MINORITY LEADERS
20 OF THE HOUSE OF REPRESENTATIVES AND THE SENATE SHALL
21 COLLABORATE TO ENSURE THAT THE FOUR MEMBERS APPOINTED
22 REPRESENT URBAN REGIONS OF THE STATE. THE FOUR MEMBERS ARE
23 APPOINTED AS FOLLOWS:

24 (I) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED
25 BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES;

26 (II) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED
27 BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES;

1 (III) ONE MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT
2 OF THE SENATE; AND

3 (IV) ONE MEMBER OF THE SENATE APPOINTED BY THE MINORITY
4 LEADER OF THE SENATE;

5 (b) THE EXECUTIVE DIRECTOR OF THE OFFICE, OR HIS OR HER
6 DESIGNEE; AND

7 (c) FOUR MEMBERS APPOINTED NO LATER THAN JUNE 17, 2016, BY
8 THE LEGISLATIVE MEMBERS OF THE WORKING GROUP AND THE
9 REPRESENTATIVE OF THE OFFICE. IN APPOINTING THE REMAINING
10 MEMBERS, THE LEGISLATIVE MEMBERS AND THE REPRESENTATIVE OF THE
11 OFFICE SHALL CONSIDER PERSONS WITH EXPERTISE IN COUNTY ISSUES,
12 MUNICIPAL ISSUES, AND ISSUES RELATED TO ECONOMIC DEVELOPMENT IN
13 URBAN AREAS.

14 (4) THE WORKING GROUP SHALL BE CO-CHAIRLED BY:

15 (a) ONE LEGISLATIVE MEMBER OF THE WORKING GROUP WHO
16 SHALL BE CHOSEN BY THE MEMBERS OF THE WORKING GROUP; AND

17 (b) THE REPRESENTATIVE OF THE OFFICE.

18 (5) THE WORKING GROUP SHALL MEET AS NECESSARY, AS
19 DETERMINED BY THE WORKING GROUP, AFTER THE SECOND REGULAR
20 SESSION OF THE SEVENTIETH GENERAL ASSEMBLY. THE WORKING GROUP
21 MAY INVITE REPRESENTATIVES FROM STATE AND LOCAL GOVERNMENTAL
22 ENTITIES, INCLUDING SPECIAL DISTRICTS, BUSINESSES OR ENTREPRENEURS,
23 CHAMBERS OF COMMERCE, K-12 EDUCATION, HIGHER EDUCATION, OR
24 OTHER PUBLIC OR PRIVATE ORGANIZATIONS TO PARTICIPATE IN THE
25 MEETINGS OF THE WORKING GROUP, AS DEEMED NECESSARY AND
26 APPROPRIATE BY THE MEMBERS OF THE WORKING GROUP.

27 (6) THE WORKING GROUP SHALL:

1 (a) SELECT DATA THAT IS APPROPRIATE, CONSISTENTLY
2 AVAILABLE, TIMELY, AND REFLECTIVE OF CURRENT REALITY TO
3 ASCERTAIN THE HIGHLY DISTRESSED URBAN REGIONS OF THE STATE. IN
4 SELECTING AND DISCUSSING THE DATA TO BE USED, THE WORKING GROUP
5 SHALL SEEK ASSISTANCE FROM THE ECONOMICS STAFF OF THE LEGISLATIVE
6 COUNCIL. ONCE THE WORKING GROUP SELECTS THE DATA THAT WILL
7 DETERMINE THE REGIONS, THE WORKING GROUP SHALL ESTABLISH THE
8 REGIONS, NO LATER THAN OCTOBER 5, 2016, AND POST THE REGION
9 NAMES AND BOUNDARIES ON THE OFFICE'S WEBSITE.

10 (b) DISCUSS AND EVALUATE OTHER ECONOMIC DEVELOPMENT
11 EFFORTS IN THE REGIONS AND THEIR BEST PRACTICES;

12 (c) DISCUSS AND EVALUATE THE POSSIBILITY OF CREATING
13 TAX-FREE ZONES OR OTHER ECONOMIC DEVELOPMENT TOOLS FOR THE
14 REGIONS; AND

15 (d) NO LATER THAN DECEMBER 14, 2016, MAKE DETAILED
16 LEGISLATIVE RECOMMENDATIONS CONCERNING THE HIGHLY DISTRESSED
17 URBAN REGIONS IDENTIFIED AND THE ECONOMIC DEVELOPMENT TOOLS
18 CHOSEN, INCLUDING A PROCESS BY WHICH SUCH REGIONS ARE REGULARLY
19 UPDATED, IN ORDER TO QUICKLY IMPROVE THE ECONOMIC VITALITY OF
20 THOSE REGIONS.

21 (7) THE OFFICE SHALL PROVIDE ALL STAFF NEEDED TO ASSIST THE
22 WORKING GROUP IN CONDUCTING ITS DUTIES.

23 (8) ALL NONLEGISLATIVE MEMBERS OF THE WORKING GROUP
24 SHALL SERVE WITHOUT COMPENSATION. THIS SECTION DOES NOT PREVENT
25 NONLEGISLATIVE MEMBERS OF THE WORKING GROUP FROM RECEIVING
26 THEIR REGULAR SALARY IF THEY PARTICIPATE IN WORKING GROUP
27 MEETINGS DURING THEIR REGULAR BUSINESS HOURS.

1 (9) THE LEGISLATIVE MEMBERS OF THE WORKING GROUP SHALL BE
2 COMPENSATED FOR ATTENDANCE AT MEETINGS OF THE WORKING GROUP
3 AND SHALL RECEIVE REIMBURSEMENT FOR ACTUAL AND NECESSARY
4 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES AS MEMBERS
5 OF THE WORKING GROUP, AS PROVIDED IN SECTION 2-2-307, C.R.S. THE
6 TOTAL AMOUNT AVAILABLE FOR REIMBURSEMENT AND COMPENSATION
7 PURSUANT TO THIS SUBSECTION (9) SHALL NOT EXCEED FIVE THOUSAND
8 DOLLARS.

9 (10) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2017.

10 **SECTION 2. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.