

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

SENATE BILL 20-002

BY SENATOR(S) Donovan and Coram, Bridges, Crowder, Danielson, Fenberg, Fields, Gonzales, Lee, Moreno, Rankin, Rodriguez, Sonnenberg, Story, Tate, Todd, Winter, Garcia;
also REPRESENTATIVE(S) McLachlan and Buentello, Arndt, Bird, Bockenfeld, Buckner, Catlin, Coleman, Cutter, Duran, Esgar, Exum, Gonzales-Gutierrez, Herod, Holtorf, Hooton, Jackson, Lontine, McCluskie, Michaelson Jenet, Mullica, Pelton, Roberts, Singer, Sirota, Snyder, Titone, Valdez A., Valdez D., Weissman, Will, Wilson, Young, Becker.

CONCERNING THE CREATION OF THE RURAL ECONOMIC DEVELOPMENT
INITIATIVE GRANT PROGRAM.

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

SECTION 1. In Colorado Revised Statutes, **add** 24-32-128 as follows:

24-32-128. Rural economic development initiative grant program - creation - report - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "BEGINNING FARMER" MEANS A FARMER, RANCHER, OR

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

OPERATOR OF NONINDUSTRIAL PRIVATE FORESTLAND WHO IS IN THE FIRST TEN YEARS OF OPERATION, OR A PERSON INTENDING OR ASPIRING TO BEGIN SUCH AN OPERATION.

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

(c) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

(d) "ELIGIBLE RECIPIENT" MEANS AN ENTITY THAT IS ELIGIBLE TO RECEIVE A GRANT THROUGH THE GRANT PROGRAM AND INCLUDES LOCAL GOVERNMENTS IN A RURAL COMMUNITY AND ORGANIZATIONS OR INDIVIDUALS WORKING IN PARTNERSHIP WITH A LOCAL GOVERNMENT IN A RURAL COMMUNITY, WHERE THE LOCAL GOVERNMENT SERVES AS THE GRANT ADMINISTRATOR, INCLUDING INTERGOVERNMENTAL AGENCIES, COUNCILS OF GOVERNMENT, HOUSING AUTHORITIES, BEGINNING FARMERS, THE SOUTHERN UTE INDIAN TRIBE, THE UTE MOUNTAIN UTE TRIBE, NONPROFIT ECONOMIC DEVELOPMENT ORGANIZATIONS, AND PRIVATE EMPLOYERS.

(e) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS.

(f) "REDI PROGRAM" MEANS THE RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANT PROGRAM CREATED IN THIS SECTION.

(g) "RURAL COMMUNITY" MEANS A COUNTY WITH A POPULATION OF FEWER THAN FIFTY THOUSAND RESIDENTS OR A MUNICIPALITY WITH A POPULATION OF FEWER THAN TWENTY-FIVE THOUSAND RESIDENTS IF THE MUNICIPALITY IS NOT CONTIGUOUS TO A MUNICIPALITY WITH A POPULATION OF TWENTY-FIVE THOUSAND OR MORE.

(2) THERE IS HEREBY CREATED IN THE DEPARTMENT THE RURAL ECONOMIC DEVELOPMENT INITIATIVE GRANT PROGRAM. THE DEPARTMENT SHALL ADMINISTER THE REDI PROGRAM IN CONSULTATION WITH THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT.

(3) (a) THE PURPOSE OF THE REDI PROGRAM IS TO PROVIDE GRANTS TO ELIGIBLE RECIPIENTS FOR PROJECTS THAT:

(I) CREATE NEW JOBS IN A RURAL COMMUNITY THROUGH A NEW EMPLOYER OR THE EXPANSION OF AN EXISTING EMPLOYER; OR

(II) CREATE DIVERSITY AND RESILIENCY IN A RURAL COMMUNITY'S LOCAL ECONOMY.

(b) (I) THE DEPARTMENT SHALL EVALUATE GRANT APPLICATIONS BASED ON WHETHER THE PROJECT IN THE RURAL COMMUNITY SATISFIES THE CRITERIA SPECIFIED IN SUBSECTION (3)(a) OF THIS SECTION, CAN PROCEED IN A TIMELY MANNER, AND DOES ONE OR MORE OF THE FOLLOWING:

(A) BENEFITS A KEY INDUSTRY IN THE REGION BY ENCOURAGING CAPITAL INVESTMENT;

(B) ENCOURAGES GROWTH THAT BENEFITS MORE THAN ONE RURAL COMMUNITY THROUGH COLLABORATION;

(C) SHOWS COMPATIBILITY WITH RELEVANT COMMUNITIES AND EXISTING ECONOMIC DEVELOPMENT PLANS;

(D) EVIDENCES STRONG SUPPORT FROM LOCAL GOVERNMENTS; OR

(E) EVIDENCES STRONG SUPPORT FROM LOCAL WORKFORCE AGENCIES OR LOCAL WORKFORCE BOARDS IF THE GRANT BEING SOUGHT IS FOR WORKFORCE DEVELOPMENT.

(II) IN EVALUATING APPLICATIONS FOR GRANTS, THE DEPARTMENT SHALL PRIORITIZE PROJECTS THAT WOULD CREATE NEW JOBS THROUGH A NEW EMPLOYER OR THE EXPANSION OF AN EXISTING EMPLOYER. IN ADDITION, THE DEPARTMENT SHALL CONSIDER WHETHER THE GRANT WOULD CREATE ISSUES OF UNFAIR COMPETITION AMONG OTHER EXISTING ESTABLISHMENTS IN THE RURAL COMMUNITY.

(c) THE DEPARTMENT MAY AWARD GRANTS MULTIPLE TIMES A YEAR IF DEEMED APPROPRIATE BY THE DEPARTMENT.

(d) GRANT RECIPIENTS SHALL PROVIDE A DOLLAR MATCH IN AN AMOUNT AS SPECIFIED IN THE POLICIES AND PROCEDURES ADOPTED PURSUANT TO SUBSECTION (5) OF THIS SECTION.

(4) NOTWITHSTANDING THE REQUIREMENTS OF SUBSECTION (3) OF THIS SECTION, IF THE DEPARTMENT DETERMINES THAT A RURAL COMMUNITY NEEDS RESOURCES OR ASSISTANCE BECAUSE IT HAS BEEN IMPACTED BY A SIGNIFICANT ECONOMIC EVENT OR AN ANTICIPATED EVENT THAT HAS BEEN ANNOUNCED, THE DEPARTMENT MAY USE ALL OR A PORTION OF THE MONEY APPROPRIATED FOR THE PURPOSES OF THIS SECTION IN ANY FISCAL YEAR FOR THE PURPOSES OF THE "RURAL ECONOMIC ADVANCEMENT OF COLORADO TOWNS (REACT) ACT", CREATED IN PART 36 OF THIS ARTICLE 32.

(5) (a) ON OR BEFORE SEPTEMBER 1, 2020, THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL ADOPT POLICIES AND PROCEDURES FOR THE REDI PROGRAM THAT INCLUDE, BUT ARE NOT LIMITED TO:

(I) PROCEDURES AND TIMELINES BY WHICH AN ELIGIBLE RECIPIENT MAY APPLY FOR A GRANT;

(II) CRITERIA FOR DETERMINING THE GRANT AMOUNTS;

(III) CRITERIA FOR MATCH REQUIREMENTS FOR GRANTS;

(IV) PERFORMANCE CRITERIA, SUCH AS JOB CREATION GOALS OR CONSTRUCTION COMPLETION MILESTONES, FOR GRANT RECIPIENTS' PROJECTS; AND

(V) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(b) ON OR BEFORE NOVEMBER 1 OF EACH YEAR, THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL PUBLISH A REPORT SUMMARIZING THE USE OF ALL MONEY THAT WAS AWARDED AS GRANTS FROM THE REDI PROGRAM OR USED FOR THE PURPOSES OF THE REACT PROGRAM IN ACCORDANCE WITH SUBSECTION (4) OF THIS SECTION IN THE PRECEDING FISCAL YEAR. AT A MINIMUM, THE REPORT SHALL SPECIFY THE AMOUNT OF GRANT MONEY DISTRIBUTED TO EACH GRANT RECIPIENT AND A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY. THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL ENSURE THAT THE REPORT IS POSTED ON THE DEPARTMENT'S WEBSITE.

(6)(a) ANY APPROPRIATION IN AN ANNUAL GENERAL APPROPRIATION ACT FOR REDI PROGRAM GRANTS MUST BE ADMINISTERED IN ACCORDANCE WITH THIS SECTION. EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS

SECTION, THE ENTIRE AMOUNT OF SUCH APPROPRIATION MUST BE USED FOR REDI PROGRAM GRANTS.

(b) ANY MONEY NOT EXPENDED OR ENCUMBERED FROM ANY APPROPRIATION AT THE END OF ANY FISCAL YEAR SHALL REMAIN AVAILABLE FOR EXPENDITURE BY THE DEPARTMENT FOR THE PURPOSES OF THIS SECTION IN THE NEXT FISCAL YEAR WITHOUT FURTHER APPROPRIATION.

SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless

approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Leroy M. Garcia
PRESIDENT OF
THE SENATE

KC Becker
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO