

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 21-0696.01 Christy Chase x2008

SENATE BILL 21-001

SENATE SPONSORSHIP

Winter and Priola,

HOUSE SPONSORSHIP

Herod and Sandridge,

Senate Committees

Finance

House Committees

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO PROGRAMS ENACTED TO PROVIDE**
102 **RELIEF TO CERTAIN BUSINESSES IMPACTED BY SEVERE CAPACITY**
103 **RESTRICTIONS DUE TO THE COVID-19 PANDEMIC.**

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://leg.colorado.gov>.)

The bill moves the COVID-19 relief program for minority-owned businesses from the minority business office to the Colorado office of economic development and expands the scope of the program to allow relief payments, grants, loans, and technical assistance and consulting support to small businesses disproportionately impacted by the

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

SENATE
Amended 2nd Reading
January 13, 2021

COVID-19 pandemic.

Additionally, the bill extends the deadlines for allocating and distributing relief payments under the small business relief program.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add with amended**
3 **and relocated provisions** 24-48.5-127 as follows:

4 **24-48.5-127. [Formerly 24-49.5-106] COVID-19 relief for**
5 **disproportionately impacted businesses - report - legislative**
6 **declaration - definitions - repeal. (1) Legislative declaration.** THE
7 GENERAL ASSEMBLY FINDS THAT:

8 (a) SMALL BUSINESSES ARE A VITAL COMPONENT OF THE STATE'S
9 AND THE NATION'S ECONOMY AND, AS DETAILED IN THE "*2020 SMALL*
10 *BUSINESSES OF COLOR RECOVERY GUIDE FOR CITY LEADERS AND*
11 *COMMUNITY GROUPS*", REFERRED TO IN THIS SECTION AS THE SBOC
12 RECOVERY GUIDE, PREPARED BY THE FEDERAL RESERVE BANKS OF
13 KANSAS CITY AND ATLANTA, SMALL BUSINESSES ACCOUNT FOR
14 FORTY-FOUR PERCENT OF THE COUNTRY'S ECONOMIC ACTIVITY, CREATE
15 TWO OF EVERY THREE NEW JOBS, AND EMPLOY NEARLY FIFTY PERCENT OF
16 PRIVATE SECTOR WORKERS;

17 (b) THE SBOC RECOVERY GUIDE ALSO NOTES THAT
18 MICROBUSINESSES, WHICH ARE BUSINESSES WITH FEWER THAN FIVE
19 EMPLOYEES, MAKE UP OVER NINETY PERCENT OF ALL SMALL BUSINESSES
20 IN THE COUNTRY AND MAKE UP THIRTY-ONE PERCENT OF ALL
21 PRIVATE-SECTOR EMPLOYMENT IN THE COUNTRY;

22 (c) ACCORDING TO THE SBOC RECOVERY GUIDE, SBOCS MAKE
23 UP AN INCREASING PROPORTION OF THE NATION'S ECONOMY, SHOWING AN
24 ELEVEN PERCENT GROWTH IN NUMBERS BETWEEN 2014 AND 2016, AS

1 COMPARED TO A ONE PERCENT GROWTH RATE DURING THAT PERIOD FOR
2 NON-SBOCs, AND ACCOUNTING FOR JUST UNDER TWENTY PERCENT OF ALL
3 SMALL BUSINESSES NATIONWIDE AND, BASED ON DATA FROM THE
4 COLORADO MINORITY BUSINESS OFFICE AND CENSUS ESTIMATES,
5 COMPRISE EIGHTEEN PERCENT OF SMALL BUSINESSES IN COLORADO;

6 (d) THE SBOC RECOVERY GUIDE FURTHER STATES THAT SBOCs
7 HAVE BEEN DEMONSTRATED TO REDUCE THE RACIAL WEALTH GAP AND
8 THE UNEMPLOYMENT RATE OF PEOPLE OF COLOR AND TEND TO HIRE FROM
9 THE COMMUNITY IN WHICH THEY ARE LOCATED;

10 (e) THE COVID-19 PANDEMIC HAS HAD A DEVASTATING IMPACT
11 ON SMALL BUSINESSES IN COLORADO AND THROUGHOUT THE COUNTRY,
12 RESULTING IN A TWENTY-TWO PERCENT DECLINE IN THE NUMBER OF
13 SMALL BUSINESSES OPERATING IN THE COUNTRY FROM FEBRUARY TO
14 APRIL 2020, ACCORDING TO A MAY 2020 WORKING PAPER BY ECONOMIST
15 AND PROFESSOR ROBERT FAIRLIE ENTITLED "*THE IMPACT OF COVID-19*
16 *ON SMALL BUSINESS OWNERS: EVIDENCE OF EARLY-STAGE LOSSES FROM THE*
17 *APRIL 2020 CURRENT POPULATION SURVEY*", PUBLISHED BY THE STANFORD
18 INSTITUTE FOR ECONOMIC POLICY RESEARCH;

19 (f) WHILE SMALL BUSINESSES HAVE BEEN DRAMATICALLY
20 AFFECTED BY THE COVID-19 PANDEMIC, PROFESSOR FAIRLIE NOTES IN HIS
21 WORKING PAPER THAT SBOCs HAVE SUFFERED AN UNPRECEDENTED AND
22 DISPROPORTIONATE DROP IN THE NUMBER OF ACTIVE BUSINESSES FROM
23 FEBRUARY TO APRIL 2020, WITH A FORTY-ONE PERCENT DECLINE IN
24 AFRICAN-AMERICAN-OWNED BUSINESSES, A THIRTY-TWO PERCENT
25 DECLINE IN HISPANIC-AMERICAN-OWNED BUSINESSES, AND A TWENTY-SIX
26 PERCENT DECLINE IN ASIAN-AMERICAN-OWNED BUSINESSES, AS
27 COMPARED TO A SEVENTEEN-PERCENT DECLINE FOR WHITE-OWNED

1 BUSINESSSES, AND WITH A TWENTY-FIVE PERCENT DECLINE IN
2 FEMALE-OWNED BUSINESSSES, AS COMPARED TO A TWENTY-PERCENT
3 DECLINE IN MALE-OWNED BUSINESSSES;

4 (g) PROFESSOR FAIRLIE'S SIMULATIONS INDICATE THAT INDUSTRY
5 COMPOSITIONS ARE PARTIALLY THE CAUSE FOR PLACING SBOCs AT
6 HIGHER RISK FOR LOSSES DURING THE COVID-19 PANDEMIC, GIVEN THAT
7 MANY INDUSTRIES THAT HAVE BEEN HARDEST HIT BY THE PANDEMIC, LIKE
8 RESTAURANTS, HOTELS, AND TRANSPORTATION, HAVE A HIGHER
9 CONCENTRATION OF AFRICAN-AMERICAN-, HISPANIC-AMERICAN-,
10 ASIAN-AMERICAN-, AND FEMALE-OWNED BUSINESSSES;

11 (h) THE FOLLOWING BROAD RANGE OF ENTITIES, INCLUDING
12 FEDERAL GOVERNMENT AGENCIES, RESEARCH UNIVERSITIES, AND POLICY
13 THINK TANKS, HAVE RELEASED EMPIRICAL RESEARCH CONCLUDING THAT
14 SMALL BUSINESSSES OWNED BY WOMEN AND CERTAIN RACIAL MINORITIES
15 HAVE SUFFERED DISPROPORTIONATELY FROM THE ECONOMIC HARM
16 CAUSED BY THE COVID-19 PANDEMIC AND HAVE HAD A HARDER TIME
17 ACCESSING CAPITAL TO HELP THEM RECOVER FROM THAT HARM, AS
18 COMPARED TO MALE-OWNED AND WHITE-OWNED BUSINESSSES:

19 (I) AN AUGUST 2020 STUDY BY THE FEDERAL RESERVE BANK OF
20 NEW YORK ENTITLED "*DOUBLE JEOPARDY: COVID-19'S CONCENTRATED*
21 *HEALTH AND WEALTH EFFECTS IN BLACK COMMUNITIES*" CONCLUDED THAT
22 MANY BLACK BUSINESS OWNERS HAVE WEAKER BANK RELATIONSHIPS,
23 MAKING IT HARDER TO GET LOANS AND MORE LIKELY THAT THEIR
24 BUSINESSSES ARE UNDERCAPITALIZED, AND COULD NOT GAIN ACCESS TO
25 THE FEDERAL GOVERNMENT'S MAJOR PANDEMIC RELIEF PROGRAM FOR
26 SMALL BUSINESSSES KNOWN AS THE "PAYCHECK PROTECTION PROGRAM";

27 (II) A SEPTEMBER 2020 ARTICLE ISSUED BY THE BROOKINGS

1 INSTITUTION'S METROPOLITAN POLICY PROGRAM ENTITLED "*NEW DATA*
2 *SHOWS SMALL BUSINESSES IN COMMUNITIES OF COLOR HAD UNEQUAL ACCESS*
3 *TO FEDERAL COVID-19 RELIEF*" CONCLUDED THAT THE PAYCHECK
4 PROTECTION PROGRAM INITIALLY RELIED ON TRADITIONAL BANKS TO
5 DELIVER LOANS, THUS FAVORING EXISTING CUSTOMERS AT LARGE BANKS
6 AND DISFAVORING BLACK- AND HISPANIC-AMERICAN-OWNED
7 BUSINESSES, WHICH TEND TO BE UNBANKED OR UNDERBANKED, AND THAT
8 A MATCHED-PAIR TEST CONDUCTED IN APRIL 2020 FOUND THAT BLACK
9 BUSINESS OWNERS WERE MORE LIKELY TO BE DENIED SUCH LOANS
10 COMPARED TO WHITE BUSINESS OWNERS WITH SIMILAR APPLICATION
11 PROFILES DUE TO OUTRIGHT LENDING DISCRIMINATION;

12 (III) THE "*ANNUAL REPORT FOR FISCAL YEAR 2020*" ISSUED BY THE
13 UNITED STATES SECURITIES AND EXCHANGE COMMISSION'S OFFICE OF THE
14 ADVOCATE FOR SMALL BUSINESS CAPITAL FORMATION CONCLUDED THAT
15 WOMEN-OWNED AND MINORITY-OWNED BUSINESS OWNERS AND THEIR
16 WORKFORCES ARE MORE LIKELY TO BE NEGATIVELY IMPACTED BY
17 COVID-19 BECAUSE OF THEIR INDUSTRY SECTOR, COMPANY RESOURCES,
18 AND SCALE OF BUSINESS, AS EVIDENCED BY THE FOLLOWING:

19 (A) FORTY PERCENT OF REVENUES FOR BLACK-OWNED BUSINESSES
20 ARE DERIVED FROM VULNERABLE SECTORS AS COMPARED TO TWENTY-FIVE
21 PERCENT FOR ALL BUSINESSES; AND

22 (B) ONLY TWENTY-EIGHT PERCENT OF SCALED
23 HISPANIC-AMERICAN-OWNED BUSINESSES HAVE A MAJORITY OF
24 EMPLOYEES THAT CAN WORK FROM HOME AS COMPARED TO FORTY-FOUR
25 PERCENT OF WHITE-OWNED BUSINESSES;

26 (IV) THE SEPTEMBER 2019 REPORT ISSUED BY JPMORGAN CHASE
27 & Co. INSTITUTE ENTITLED "*PLACE MATTERS: SMALL BUSINESS FINANCIAL*

1 *HEALTH IN URBAN COMMUNITIES*" FOUND THAT THE RACIAL COMPOSITION
2 OF URBAN COMMUNITIES, WHERE MOST SMALL BUSINESSES HAD FEWER
3 THAN FOURTEEN CASH BUFFER DAYS IN THE PERIOD BEFORE THE
4 COVID-19 PANDEMIC OCCURRED, WAS NINETY-FOUR PERCENT FOR
5 MAJORITY BLACK AND EIGHTY-NINE PERCENT FOR MAJORITY HISPANIC AS
6 COMPARED TO THIRTY-FIVE PERCENT FOR MAJORITY WHITE;

7 (V) THE JULY 2020 ARTICLE ISSUED BY THE CENTER FOR PUBLIC
8 INTEGRITY, ENTITLED "*CORONAVIRUS AND INEQUALITY*", REPORTED THAT
9 OF THE FOURTEEN PERCENT OF PAYCHECK PROTECTION PROGRAM LOANS
10 OVER ONE HUNDRED FIFTY THOUSAND FOR WHICH INFORMATION ABOUT
11 BUSINESS OWNERS' RACE AND ETHNICITY WAS REPORTED, MORE THAN
12 EIGHTY-THREE PERCENT WERE RECEIVED BY WHITE-OWNED BUSINESSES
13 AS COMPARED TO TWO PERCENT BY BLACK-OWNED BUSINESSES AND LESS
14 THAN SEVEN PERCENT BY HISPANIC-AMERICAN-OWNED BUSINESSES;

15 (VI) AN AUGUST 2020 ARTICLE ISSUED BY MCKINSEY &
16 COMPANY, ENTITLED "*COVID-19 AND ADVANCING ASIAN AMERICAN
17 RECOVERY*", FOUND THAT ASIAN-AMERICAN-OWNED BUSINESSES ARE
18 OVERREPRESENTED IN SOME OF THE INDUSTRY SECTORS HIT HARDEST BY
19 THE COVID-19 PANDEMIC, WITH SUCH BUSINESSES MAKING UP
20 TWENTY-SIX PERCENT OF ACCOMMODATIONS AND FOOD SERVICE,
21 SEVENTEEN PERCENT OF RETAIL TRADE, AND ELEVEN PERCENT OF
22 EDUCATION SERVICES, AND ASIAN-AMERICAN UNEMPLOYMENT RATES
23 INCREASED BY MORE THAN FOUR HUNDRED FIFTY PERCENT FROM
24 FEBRUARY TO JUNE 2020, REVEALING A GREATER RATE OF INCREASE THAN
25 THAT OF OTHER RACIAL GROUPS; AND

26 (VII) THE AUGUST 2020 RESEARCH BRIEF ISSUED BY THE
27 STANFORD GRADUATE SCHOOL OF BUSINESS, ENTITLED "*THE ONGOING*

1 *IMPACT OF COVID-19 ON LATINO-OWNED BUSINESSES"*, COMPARED THE
2 PERIOD OF MARCH 2020 TO JUNE 2020 AND FOUND THAT NEARLY TWICE
3 AS MANY LATINO-OWNED BUSINESSES REPORTED REVENUE DECLINE AND
4 THAT THE PROPORTION OF SUCH BUSINESSES EXPERIENCING PROJECT
5 DELAYS HAD TRIPLED;

6 (i) AS FURTHER NOTED IN THE SBOC RECOVERY GUIDE, PEOPLE
7 OF COLOR FACE PERSISTENT STRUCTURAL BARRIERS TO ACQUIRING
8 CAPITAL, KNOWLEDGE, AND MARKET ACCESS TO START AND GROW THEIR
9 BUSINESSES, AND SBOCs EXPERIENCE HIGHER LOAN DENIALS AND
10 INTEREST RATES AND LOWER PROFIT MARGINS THAN NON-SBOCs; HAVE
11 LIMITED OPPORTUNITIES TO DEVELOP AND GROW THRIVING BUSINESSES;
12 AND HAVE AN AVERAGE BUSINESS VALUE THAT IS ONLY ONE-THIRD THE
13 AVERAGE BUSINESS VALUE OF WHITE-OWNED BUSINESSES;

14 (j) ALL OF THESE FACTORS MAKE SBOCs LESS EQUIPPED TO
15 SURVIVE ECONOMIC DOWNTURNS, AND THE ECONOMIC CRISIS RESULTING
16 FROM THE COVID-19 PANDEMIC AND RESTRICTIONS ON BUSINESSES
17 IMPOSED TO HELP SUPPRESS THE SPREAD OF THE COVID-19 VIRUS HAVE
18 FURTHER THREATENED THE ABILITY OF SBOCs TO SURVIVE, CONTRIBUTE
19 TO THE ECONOMY, AND PROVIDE EMPLOYMENT OPPORTUNITIES; AND

20 (k) WHILE THE STATE IS PROVIDING SUPPORT TO SMALL
21 BUSINESSES THAT HAVE BEEN AFFECTED BY THE COVID-19 PANDEMIC BY
22 TARGETING THIRTY-SEVEN MILLION DOLLARS IN DIRECT RELIEF PAYMENTS
23 TO SMALL BUSINESSES, IT IS CRITICAL TO ALLOCATE AN ADDITIONAL FOUR
24 MILLION DOLLARS IN RELIEF PAYMENTS, LOANS, GRANTS, AND OTHER
25 TECHNICAL SUPPORT TO THOSE SMALL BUSINESSES IN COLORADO THAT
26 ARE SUFFERING DISPROPORTIONATE IMPACTS FROM THE COVID-19
27 PANDEMIC.

1 (+) (2) **Definitions.** As used in this section, unless the context
2 otherwise requires:

3 (a) "CARES Act" means the "Coronavirus Aid, Relief, and
4 Economic Security Act", Pub.L. 116-136, 134 Stat. 281 (2020), as
5 amended.

6 (b) "COVID-19" means the coronavirus disease caused by the
7 severe acute respiratory syndrome coronavirus 2, also known as
8 SARS-CoV-2.

9 (c) ~~"Minority-owned business" means a business that is at least
10 fifty-one percent owned, operated, and controlled by an individual who
11 is a member of a minority group, including an individual who is African
12 American, Asian-Indian, Asian-Pacific American, Hispanic American, or
13 Native American~~ "DISPROPORTIONATELY IMPACTED BUSINESS" MEANS A
14 BUSINESS THAT HAS BEEN DISPROPORTIONATELY IMPACTED BY THE
15 COVID-19 PANDEMIC AND THAT MEETS ANY OF THE FOLLOWING
16 CRITERIA:

17 (I) HAS FIVE OR FEWER EMPLOYEES, INCLUDING THE BUSINESS
18 OWNER;

19 (II) IS A MINORITY-OWNED BUSINESS;

20 (III) IS LOCATED IN AN ECONOMICALLY DISTRESSED AREA;

21 (IV) THE BUSINESS OWNER LIVES IN AN ECONOMICALLY
22 DISTRESSED AREA;

23 (V) THE BUSINESS OWNER HAS LOW OR MODERATE INCOME, AS
24 DETERMINED BY THE OFFICE BASED ON THE UNITED STATES DEPARTMENT
25 OF HOUSING AND URBAN DEVELOPMENT'S LOW- AND MODERATE-INCOME
26 DATA USED IN THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM;

27 (VI) THE BUSINESS OWNER HAS LOW OR MODERATE PERSONAL

1 WEALTH, BASED ON HOUSEHOLD NET WORTH AS DETERMINED BY THE
2 OFFICE, APPLYING RELEVANT FEDERAL OR STATE DATA; OR

3 (VII) THE BUSINESS OWNER HAS HAD DIMINISHED OPPORTUNITIES
4 TO ACCESS CAPITAL OR CREDIT.

5 (d) "ECONOMICALLY DISTRESSED AREA" INCLUDES A STATE
6 OPPORTUNITY ZONE, AN ENTERPRISE ZONE, OR AN HISTORICALLY
7 UNDERUTILIZED BUSINESS ZONE.

8 (e) "ENTERPRISE ZONE" MEANS AN AREA DESIGNATED AS AN
9 ENTERPRISE ZONE PURSUANT TO SECTION 39-30-103.

10 (f) "HISTORICALLY UNDERUTILIZED BUSINESS ZONE" MEANS AN
11 AREA DESIGNATED BY THE UNITED STATES SMALL BUSINESS
12 ADMINISTRATION AS AN HISTORICALLY UNDERUTILIZED BUSINESS ZONE
13 UNDER THE UNITED STATES SMALL BUSINESS ADMINISTRATION'S
14 HUBZONE PROGRAM.

15 (g) "MINORITY-OWNED BUSINESS" MEANS A BUSINESS THAT IS AT
16 LEAST FIFTY-ONE PERCENT OWNED, OPERATED, AND CONTROLLED BY AN
17 INDIVIDUAL WHO IS A MEMBER OF A MINORITY GROUP, INCLUDING AN
18 INDIVIDUAL WHO IS AFRICAN AMERICAN, HISPANIC AMERICAN, OR ASIAN
19 AMERICAN.

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

22 (i) "STATE OPPORTUNITY ZONE" MEANS A CENSUS TRACT
23 DESIGNATED BY THE OFFICE AS AN OPPORTUNITY ZONE.

24 ~~(2)~~ (3) **Relief payments, grants, and loans to**
25 **disproportionately impacted businesses.** (a) (I) The office shall use a
26 portion of the money appropriated pursuant to ~~subsection (4)~~ SUBSECTION
27 (5) of this section, including a portion annually for administrative costs,

1 to administer a program to provide:

2 (A) Relief payments to ~~minority-owned~~ DISPROPORTIONATELY
3 IMPACTED businesses that have been most impacted by COVID-19 and
4 have lacked meaningful access to federal loans and grants under the
5 CARES Act; and

6 (B) Grants and loans to ~~minority-owned~~ DISPROPORTIONATELY
7 IMPACTED businesses for start-up and growth capital.

8 (II) The director OF THE OFFICE shall establish a process for
9 ~~minority-owned~~ DISPROPORTIONATELY IMPACTED businesses to apply for
10 a relief payment, grant, or loan under the program, including the deadline
11 for applying, the information and documentation required to be submitted
12 to the office to demonstrate eligibility for a relief payment, grant, or loan,
13 and any other requirements specified by the director.

14 (b) The office shall establish policies setting forth the parameters
15 and eligibility for the program, including:

16 (I) The terms of and eligibility for a relief payment, grant, or loan,
17 WITH PREFERENCE GIVEN TO DISPROPORTIONATELY IMPACTED BUSINESSES
18 THAT MEET THE CRITERION LISTED IN SUBSECTION (2)(c)(II) OF THIS
19 SECTION AND AT LEAST ONE OTHER CRITERION LISTED IN SUBSECTION
20 (2)(c) OF THIS SECTION;

21 (II) Caps on the amount of a relief payment, grant, or loan;

22 (III) Deadlines for applying for a relief payment, grant, or loan;

23 (IV) Grant requirements and loan repayment terms; and

24 (V) Any other policies necessary to operate the program.

25 (c) The office shall collect sufficient information from
26 ~~minority-owned~~ DISPROPORTIONATELY IMPACTED businesses applying for
27 a relief payment or grant pursuant to this ~~subsection (2)~~ SUBSECTION (3)

1 to enable the ~~division~~ OFFICE to issue an internal revenue service form
2 1099 to a ~~minority-owned~~ DISPROPORTIONATELY IMPACTED business that
3 receives a relief payment or grant. When issuing a relief payment or grant
4 to a ~~minority-owned~~ DISPROPORTIONATELY IMPACTED business, the
5 ~~division~~ OFFICE shall provide the internal revenue service form 1099 to
6 the relief payment or grant recipient.

7 ~~(3)~~ (4) **Technical support.** The office shall use a portion of the
8 money appropriated pursuant to ~~subsection (4)~~ SUBSECTION (5) of this
9 section, including a portion annually for staff and administrative support,
10 to increase the office's ability to provide technical assistance and
11 consulting support to ~~minority-owned~~ DISPROPORTIONATELY IMPACTED
12 businesses across the state. The technical assistance and consulting
13 support may include:

14 (a) Providing ~~minority-owned~~ DISPROPORTIONATELY IMPACTED
15 business leaders with expanded professional development and networking
16 opportunities;

17 (b) Increasing the availability of the office's existing programming
18 and technical support, including through the small business development
19 center;

20 (c) Designing statewide certification opportunities; and

21 (d) Conducting statewide and local outreach campaigns to educate
22 business owners and entrepreneurs of programming and technical
23 support.

24 ~~(4)~~ (5) **Funding.** The general assembly shall appropriate four
25 million dollars from the general fund to the Colorado economic
26 development fund created in section 24-46-105 for use in accordance
27 with this section in the 2020-21 and 2021-22 state fiscal years.

1 ~~(5)~~ (6) **Report.** By November 1, 2021, and November 1, 2022, the
2 office shall submit a report to the governor, the business, labor, and
3 technology committee of the senate or its successor committee, and the
4 business affairs and labor committee of the house of representatives or its
5 successor committee, detailing how the office is expending the money
6 appropriated for the purposes of this section.

7 ~~(6)~~ (7) **Repeal.** This section is repealed, effective December 31,
8 2022.

9 **SECTION 2. Repeal of relocated provision in this act.** In
10 Colorado Revised Statutes, **repeal** 24-49.5-106.

11 **SECTION 3.** In Colorado Revised Statutes, 24-46-105, **amend**
12 (6)(a) as follows:

13 **24-46-105. Colorado economic development fund - creation -**
14 **repeal.** (6) (a) Notwithstanding any provision of this section to the
15 contrary, the commission shall allocate money appropriated to the fund
16 pursuant to ~~section 24-49.5-106 (4) to the minority business office created~~
17 ~~in section 24-49.5-102 for use in accordance with section 24-49.5-106~~
18 SECTION 24-48.5-127 (5) TO THE COLORADO OFFICE OF ECONOMIC
19 DEVELOPMENT CREATED IN SECTION 24-48.5-101 FOR USE IN ACCORDANCE
20 WITH SECTION 24-48.5-127.

21 **SECTION 4.** In Colorado Revised Statutes, 24-32-129, **amend**
22 (2)(a)(I)(B) and (2)(c)(IV) as follows:

23 **24-32-129. Small business relief program - address negative**
24 **effects of capacity limits due to COVID-19 pandemic - distribution**
25 **through local governments - definitions - report - repeal.** (2) **Small**
26 **business relief program.** (a) (I) (B) An eligible local government that
27 chooses to apply to participate in the relief program must submit an

1 application to the division by January 8, 2021, and by ~~January 15, 2021~~
2 JANUARY 22, 2021, the division shall allocate the money appropriated
3 pursuant to subsection (3) of this section to eligible local governments.
4 Except as provided in subsections (2)(a)(II) and (2)(a)(III) of this section,
5 the division shall allocate money to eligible local governments based on
6 the population of the eligible local governments, as determined pursuant
7 to the most recently published population estimates from the state
8 demographer appointed by the executive director of the department of
9 local affairs.

10 (c) (IV) Eligible local governments shall determine the relief
11 payment amount for each eligible small business within the geographical
12 boundaries of the eligible local government based on the payment
13 amounts specified in subsection (2)(b)(II) of this section, reduced as
14 necessary based on the total amount allocated to the eligible local
15 government pursuant to subsection (2)(a) of this section, and shall make
16 the distribution of relief payments as soon as practicable after receiving
17 the money from the division, but no later than ~~February 12, 2021~~
18 FEBRUARY 19, 2021; EXCEPT THAT, IF AN ELIGIBLE LOCAL GOVERNMENT
19 IS UNABLE TO DISTRIBUTE THE RELIEF PAYMENTS BY THAT DATE, THE
20 ELIGIBLE LOCAL GOVERNMENT SHALL SUBMIT TO THE DIVISION A WRITTEN,
21 PROPOSED ALTERNATIVE TIMELINE FOR DISTRIBUTING THE RELIEF
22 PAYMENTS AND SHALL SUBMIT AN UPDATED TIMELINE AS NECESSARY, BUT
23 IN NO EVENT MAY AN ELIGIBLE LOCAL GOVERNMENT DISTRIBUTE RELIEF
24 PAYMENTS LATER THAN APRIL 1, 2021. BY DECEMBER 31, 2021, an
25 eligible local government shall provide an internal revenue service form
26 1099 to each eligible small business to which it distributes a relief
27 payment pursuant to this section.

1 **SECTION 5. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety.