

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 21-291

BY SENATOR(S) Fenberg and Holbert, Bridges, Buckner, Cooke, Danielson, Donovan, Ginal, Gonzales, Hansen, Jaquez Lewis, Kolker, Lee, Moreno, Pettersen, Priola, Rankin, Story, Winter, Zenzinger, Garcia; also REPRESENTATIVE(S) Roberts and Van Winkle, Bacon, Bernett, Bird, Boesenecker, Cutter, Duran, Esgar, Exum, Froelich, Gonzales-Gutierrez, Gray, Herod, Hooton, Jodeh, Kipp, Lontine, McCluskie, McLachlan, Michaelson Jenet, Ortiz, Ricks, Snyder, Sullivan, Valdez D., Young, Garnett.

CONCERNING THE TRANSFER OF FORTY MILLION DOLLARS TO THE COLORADO ECONOMIC DEVELOPMENT FUND FOR THE PURPOSE OF PROVIDING GRANTS TO BUSINESSES AND FOR INVESTING IN ECONOMIC DEVELOPMENT OPPORTUNITIES IN RESPONSE TO THE NEGATIVE ECONOMIC IMPACTS OF THE CORONAVIRUS PANDEMIC FROM THE NEWLY CREATED ECONOMIC RECOVERY AND RELIEF CASH FUND WHICH FUND CONSISTS OF CERTAIN MONEY THAT THE STATE RECEIVES FROM THE FEDERAL CORONAVIRUS STATE FISCAL RECOVERY FUND, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

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.

SECTION 1. In Colorado Revised Statutes, **add 24-75-228** as follows:

24-75-228. Economic recovery and relief cash fund - creation - allowable uses - interim task force - report - legislative declaration - definitions - repeal. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "AMERICAN RESCUE PLAN ACT OF 2021" MEANS THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AS THE ACT MAY BE SUBSEQUENTLY AMENDED.

(b) "DEPARTMENT" MEANS A PRINCIPAL DEPARTMENT IDENTIFIED IN SECTION 24-1-110 AND THE JUDICIAL DEPARTMENT. THE TERM ALSO INCLUDES THE OFFICE OF THE GOVERNOR, INCLUDING ANY OFFICES CREATED THEREIN.

(c) "FUND" MEANS THE ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SUBSECTION (2)(a) OF THIS SECTION OR AN IDENTICAL COMPANION FUND CREATED BY OPERATION OF SECTION 24-75-226 (4)(c).

(2)(a) THE ECONOMIC RECOVERY AND RELIEF CASH FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY CREDITED TO THE FUND IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. TO RESPOND TO THE PUBLIC HEALTH EMERGENCY WITH RESPECT TO COVID-19 OR ITS NEGATIVE ECONOMIC IMPACTS, THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER MONEY FROM THE FUND TO A DEPARTMENT FOR THE FOLLOWING USES:

(I) ASSISTANCE TO SMALL BUSINESSES;

(II) ASSISTANCE TO INDIVIDUALS AND HOUSEHOLDS;

(III) ASSISTANCE TO NONPROFIT ORGANIZATIONS;

(IV) PUBLIC HEALTH EXPENDITURES FOR COVID-19 PREVENTION AND RESPONSE, INCLUDING EXPENDITURES FOR PUBLIC HEALTH STAFF;

(V) ADMINISTRATIVE COSTS ASSOCIATED WITH COVID-19 PUBLIC

HEALTH EMERGENCY ASSISTANCE PROGRAMS;

(VI) AID TO IMPACTED INDUSTRIES;

(VII) ASSISTANCE TO UNEMPLOYED WORKERS;

(VIII) CONTRIBUTIONS TO THE UNEMPLOYMENT COMPENSATION FUND CREATED IN SECTION 8-77-101 (1); AND

(IX) RELIEF EFFORTS FOR UNMET NEEDS, ESPECIALLY FOR COMMUNITIES DISPROPORTIONATELY IMPACTED BY THE COVID-19 PANDEMIC.

(b) IN ADDITION TO THE USES SET FORTH IN SUBSECTION (2)(a) OF THIS SECTION:

(I) THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY TO A DEPARTMENT FROM THE FUND OR TRANSFER THE MONEY TO ANOTHER CASH FUND TO MAKE NECESSARY INVESTMENTS IN WATER, SEWER, OR BROADBAND INFRASTRUCTURE.

(II) (A) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT MANY BUSINESSES IN THE STATE, LARGE AND SMALL, AND ESPECIALLY BUSINESSES IN RURAL AREAS, SUSTAINED SIGNIFICANT NEGATIVE ECONOMIC IMPACTS AS A RESULT OF THE COVID-19 PANDEMIC AND IT IS THEREFORE IMPORTANT AND APPROPRIATE THAT ANY ECONOMIC DEVELOPMENT EFFORTS UNDERTAKEN WITH MONEY FROM THE FUND TO SUPPORT THE STATE'S BUSINESSES MEET THE PURPOSE OF RESPONDING TO THE COVID-19 PANDEMIC OR ITS NEGATIVE ECONOMIC CONSEQUENCES AS SPECIFIED UNDER THE "AMERICAN RESCUE PLAN ACT OF 2021".

(B) FIFTEEN DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (2)(b)(II), FORTY MILLION DOLLARS SHALL BE TRANSFERRED TO THE COLORADO ECONOMIC DEVELOPMENT FUND CREATED IN SECTION 24-46-105. SUBJECT TO THE REQUIREMENTS IN SUBSECTION (2)(a) OF THIS SECTION, THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT SHALL USE TEN MILLION DOLLARS TO INCENTIVIZE SMALL BUSINESSES TO LOCATE IN RURAL COLORADO AND FOR THE LOCATION NEUTRAL EMPLOYMENT INCENTIVE PROGRAM WHICH PROVIDES INCREMENTAL CASH INCENTIVES PER REMOTE EMPLOYEE PER YEAR FOR UP TO FIVE YEARS TO SMALL BUSINESSES THAT

HIRE NEW EMPLOYEES IN DESIGNATED RURAL AREAS OF THE STATE. THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT SHALL USE THE REMAINING MONEY, SUBJECT TO THE REQUIREMENTS IN SUBSECTION (4) OF THIS SECTION, TO PROVIDE GRANTS TO SMALL BUSINESSES OR TO UNDERTAKE ANY OTHER ECONOMIC DEVELOPMENT ACTIVITY PERMITTED IN SECTION 24-46-105 IN RESPONSE TO THE NEGATIVE ECONOMIC IMPACTS OF THE COVID-19 PANDEMIC.

(3)(a) THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (3)(a), THE STATE TREASURER SHALL TRANSFER EIGHT HUNDRED FORTY-EIGHT MILLION SEVEN HUNDRED SIXTY-ONE THOUSAND SEVEN HUNDRED NINETY DOLLARS FROM THE "AMERICAN RESCUE PLAN ACT OF 2021" CASH FUND CREATED IN SECTION 24-75-226 TO THE FUND.

(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(4) A DEPARTMENT MAY EXPEND MONEY APPROPRIATED OR TRANSFERRED FROM THE FUND FOR PURPOSES PERMITTED UNDER THE "AMERICAN RESCUE PLAN ACT OF 2021" AND SHALL NOT USE THE MONEY FOR ANY PURPOSE PROHIBITED BY THE ACT. A DEPARTMENT OR ANY PERSON WHO RECEIVES MONEY FROM THE FUND SHALL COMPLY WITH ANY REQUIREMENTS SET FORTH IN SECTION 24-75-226.

(5) (a) THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL SHALL, BY RESOLUTION, CREATE A TASK FORCE TO MEET DURING THE 2021 LEGISLATIVE INTERIM AND ISSUE A REPORT WITH RECOMMENDATIONS TO THE GENERAL ASSEMBLY AND THE GOVERNOR ON POLICIES THAT USE MONEY FROM THE FUND TO PROVIDE A STIMULATIVE EFFECT TO THE STATE'S ECONOMY, NECESSARY RELIEF FOR COLORADANS, OR THAT ADDRESS EMERGING ECONOMIC DISPARITIES RESULTING FROM THE PANDEMIC.

(b) THE STAFF OF THE JOINT BUDGET COMMITTEE SHALL REVIEW THE RECOMMENDATIONS MADE BY THE TASK FORCE TO ASCERTAIN WHETHER THE RECOMMENDATIONS WILL RESULT IN PROGRAMS REQUIRING ONGOING APPROPRIATIONS OF STATE MONEY AFTER THE FEDERAL MONEY HAS BEEN EXPENDED AND TO IDENTIFY WHETHER THE RECOMMENDATIONS ARE DUPLICATIVE OF ANY EXISTING STATE PROGRAMS OR APPROPRIATIONS, OR DUPLICATIVE OF ANY EXISTING FEDERALLY FUNDED STATE PROGRAM.

(c) THE GENERAL ASSEMBLY MAY APPROPRIATE GENERAL FUND MONEY FROM THE FUND FOR THE REASONABLE EXPENSES OF THE TASK FORCE.

(d) THE TASK FORCE MAY INCLUDE NONLEGISLATIVE MEMBERS AND CREATE WORKING GROUPS TO ASSIST THEM. THE EXECUTIVE COMMITTEE OF THE LEGISLATIVE COUNCIL SHALL SPECIFY REQUIREMENTS FOR MEMBERS' PARTICIPATION IN THE TASK FORCE. THE TASK FORCE SHALL NOT SUBMIT BILL DRAFTS AS PART OF THEIR RECOMMENDATIONS.

(6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

SECTION 2. Appropriation. For the 2021-22 state fiscal year, \$40,000,000 is appropriated to the office of the governor for use by economic development programs. This appropriation is from the Colorado economic development fund created in section 24-46-105, C.R.S., and of money the state received from the federal coronavirus state fiscal recovery fund. To implement this act, the office may use this appropriation for assistance to businesses affected by the COVID-19 pandemic or its negative economic impacts.

SECTION 3. Appropriation. (1) For the 2021-22 state fiscal year, \$13,488 is appropriated to the legislative department for use by the legislative council. This appropriation is from the economic recovery and relief cash fund created in section 24-75-228 (2)(a), C.R.S., originates from the general fund, and is based on an assumption that the legislative council will require an additional 0.2 FTE. To implement this act, the legislative council may use this appropriation to implement this act.

(2) For the 2021-22 state fiscal year, \$8,470 is appropriated to the legislative department for use by the general assembly. This appropriation is from the economic recovery and relief cash fund created in section 24-75-228 (2)(a), and originates from the general fund. To implement this act, the general assembly may use this appropriation for legislator reimbursement.

SECTION 4. Effective date. This act takes effect only if Senate Bill 21-288 becomes law, and, in which case, this act takes effect either upon the effective date of this act or one day after the passage of Senate Bill 21-288, whichever is later.

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

Leroy M. Garcia
PRESIDENT OF
THE SENATE

Alec Garnett
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