

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 20-0247.01 Nicole Myers x4326

HOUSE BILL 20-1223

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A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE RURAL ARTS GRANT PROGRAM,**
102 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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 creates the rural arts grant program (grant program) in the creative industries division (division) in the office of economic development, to provide grants to artists to enhance rural prosperity through the arts and creative sector. To be eligible to receive a grant through the grant program, the artist or artists must live and work outside of the scientific and cultural facilities district and work with a qualified

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.

HOUSE
3rd Reading Unamended
March 9, 2020

HOUSE
Amended 2nd Reading
March 6, 2020

governmental or nonprofit organization (qualified organization) that will serve as the artist's sponsor in submitting a grant application.

The division is required to implement and administer the grant program and award grants from the money annually appropriated by the general assembly for the grant program. The division is also required to promulgate rules for the implementation and administration of the grant program.

The bill specifies the information that must be included in a grant application. The council on creative industries is required to review the applications and award grants based on specified criteria. Grant recipients may use the money received through the grant program for projects that advance the artistic and cultural goals of rural communities and their economies, projects that will enhance their community's culture, or projects that provide incentive for cross-community collaborations and that have the potential to contribute to the acceptance and consideration of differing perspectives.

The division is required to disburse awarded grants to the qualified organization, which shall ensure that the grant money is available to the artist or artists for the purposes specified in the grant application. The qualified organization may use up to 5% of the total amount of grant money awarded for administrative costs associated with the grant.

Each qualified organization that receives a grant shall, in partnership with the artist or artists who worked on the project, submit a report regarding the use of the grant money to the division after the completion of the project for which the grant money was used. The division is required to submit an annual summarized report to the general assembly regarding the grant program.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-316 as
3 follows:

4 **24-48.5-316. Rural arts grant program - cash fund -**
5 **definitions. (1) Definitions.** AS USED IN THIS SECTION, UNLESS THE
6 CONTEXT OTHERWISE REQUIRES:

7 (a) "GRANT PROGRAM" MEANS THE RURAL ARTS GRANT PROGRAM
8 CREATED IN THIS SECTION.

9 (b) "QUALIFIED ORGANIZATION" MEANS A COMMUNITY
10 ORGANIZATION THAT IS LOCATED OUTSIDE OF THE SCIENTIFIC AND

1 CULTURAL FACILITIES DISTRICT CREATED IN ARTICLE 13 OF TITLE 32 THAT
2 IS EITHER A GOVERNMENTAL ORGANIZATION OR A REGISTERED NONPROFIT
3 ORGANIZATION UNDER SECTION 501(c)(3) OF THE FEDERAL "INTERNAL
4 REVENUE CODE OF 1986", AS AMENDED, AND THAT IS PARTNERING WITH
5 ONE OR MORE ARTISTS, AS THEIR SPONSOR, TO APPLY FOR A GRANT
6 PURSUANT TO THIS SECTION.

7 (2) **Creation of grant program.** (a) THERE IS HEREBY CREATED
8 IN THE DIVISION THE RURAL ARTS GRANT PROGRAM TO PROVIDE GRANTS
9 TO ARTISTS WHO SATISFY THE CRITERIA IN SUBSECTION (2)(b) OF THIS
10 SECTION TO ENHANCE RURAL PROSPERITY THROUGH THE ARTS AND
11 CREATIVE SECTOR BY:

12 (I) PROVIDING LEADERSHIP FOR THE STATE'S CREATIVE SECTOR TO
13 BENEFIT RURAL COMMUNITIES;

14 (II) CAPITALIZING ON EXISTING REGIONAL CULTURAL ASSETS;

15 (III) BUILDING THE STATE'S CULTURAL AND CREATIVE
16 PARTNERSHIP INFRASTRUCTURE;

17 (IV) DEVELOPING LOCAL TALENT AND HUMAN CAPITAL WITH
18 CREATIVE SKILLS; AND

19 (V) CREATING AN ENVIRONMENT THAT IS FRIENDLY TO
20 INVESTMENT AND INNOVATION.

21 (b) TO BE ELIGIBLE TO RECEIVE A GRANT THROUGH THE GRANT
22 PROGRAM, THE ARTIST OR ARTISTS MUST:

23 (I) LIVE AND WORK OUTSIDE OF THE SCIENTIFIC AND CULTURAL
24 FACILITIES DISTRICT CREATED IN ARTICLE 13 OF TITLE 32;

25 (II) WORK WITH A QUALIFIED ORGANIZATION THAT WILL SERVE AS
26 THE ARTIST'S SPONSOR IN SUBMITTING A GRANT APPLICATION; AND

27 (III) WORK WITH THE QUALIFIED ORGANIZATION TO COMPLETE A

1 GRANT APPLICATION WITHOUT ANY ASSISTANCE FROM HIRED GRANT
2 WRITERS FROM AN OUTSIDE AGENCY.

3 (c) THE DIVISION SHALL IMPLEMENT AND ADMINISTER THE GRANT
4 PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD
5 GRANTS AS PROVIDED IN THIS SECTION. GRANTS SHALL BE PAID OUT OF
6 MONEY ANNUALLY APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE
7 GRANT PROGRAM AS PROVIDED IN SUBSECTION (5) OF THIS SECTION.

8 (d) THE DIVISION SHALL CREATE POLICIES AND PROCEDURES
9 REQUIRED FOR THE IMPLEMENTATION AND ADMINISTRATION OF THE
10 GRANT PROGRAM AND SHALL PUBLISH THE POLICIES AND PROCEDURES ON
11 ITS WEBSITE. AT A MINIMUM, THE POLICIES AND PROCEDURES MUST
12 SPECIFY THE TIME FRAMES FOR APPLYING FOR GRANTS, THE FORM OF THE
13 GRANT PROGRAM APPLICATION, THE TIME FRAMES FOR DISTRIBUTING
14 GRANT MONEY, AND THE REPORTING REQUIREMENTS FOR GRANT
15 RECIPIENTS.

16 (3) **Application criteria and awards.** (a) TO RECEIVE A GRANT,
17 ONE OR MORE ARTISTS MUST SUBMIT AN APPLICATION TO THE COUNCIL IN
18 ACCORDANCE WITH RULES PROMULGATED BY THE DIVISION. AT A
19 MINIMUM, THE APPLICATION MUST INCLUDE THE FOLLOWING
20 INFORMATION:

21 (I) THE PURPOSE FOR WHICH GRANT MONEY WOULD BE USED AND
22 HOW IT WILL ENHANCE RURAL PROSPERITY THROUGH THE ARTS AND
23 CREATIVE SECTOR;

24 (II) THE IMPACT THAT THE PROJECT FOR WHICH GRANT MONEY
25 WOULD BE USED WILL HAVE ON THE REGION;

26 (III) WHETHER THE PROJECT FOR WHICH THE GRANT WILL BE USED
27 IS A COLLABORATIVE PROJECT BETWEEN THE ARTIST OR ARTISTS AND THE

1 QUALIFIED ORGANIZATION, AND, IF SO, THE PERCENTAGE OF AWARDED
2 GRANT MONEY THAT IS PROPOSED TO BE USED BY THE ARTIST OR ARTISTS
3 AND THE PERCENTAGE PROPOSED TO BE USED BY THE QUALIFIED
4 ORGANIZATION; EXCEPT THAT THE QUALIFIED ORGANIZATION SHALL NOT
5 USE MORE THAN TEN PERCENT, AFTER ANY AMOUNT HAS BEEN
6 SUBTRACTED FOR ADMINISTRATIVE COSTS PURSUANT TO SUBSECTION
7 (3)(d)(II) OF THIS SECTION;

8 (IV) THE GENERAL COLLABORATIVE NATURE OF THE QUALIFIED
9 ORGANIZATION WITH ARTISTS IN THEIR RURAL COMMUNITY; AND

10 (V) THE ANTICIPATED ADMINISTRATIVE COSTS THAT WILL BE
11 INCURRED BY THE QUALIFIED ORGANIZATION IN SERVING AS THE SPONSOR
12 FOR AN ARTIST OR ARTISTS FOR THE GRANT PROGRAM.

13 (b) THE COUNCIL SHALL REVIEW THE APPLICATIONS RECEIVED
14 PURSUANT TO THIS SECTION. IN AWARDING GRANTS, THE COUNCIL SHALL
15 CONSIDER THE FOLLOWING:

16 (I) THE NATURE OF THE PROJECT FOR WHICH THE GRANT MONEY
17 WILL BE USED;

18 (II) THE EXTENT TO WHICH THE PROJECT WILL SUPPORT THE
19 STATE'S RURAL CREATIVE SECTOR AND BENEFIT THE RURAL COMMUNITY
20 IN WHICH THE ARTIST LIVES OR IN WHICH THE PROJECT OCCURS;

21 (III) THE EXTENT TO WHICH THE PROJECT WILL CAPITALIZE ON
22 EXISTING REGIONAL CULTURAL ASSETS;

23 (IV) THE EXTENT TO WHICH THE PROJECT WILL BUILD THE STATE'S
24 CULTURAL AND CREATIVE PARTNERSHIP INFRASTRUCTURE;

25 (V) THE EXTENT TO WHICH THE PROJECT WILL DEVELOP LOCAL
26 TALENT AND HUMAN CAPITAL WITH CREATIVE SKILLS;

27 (VI) THE EXTENT TO WHICH THE PROJECT WILL CREATE AN

1 ENVIRONMENT THAT IS FRIENDLY TO INVESTMENT AND INNOVATION;

2 (VII) THE EXTENT TO WHICH THE GRANT MONEY WILL BE USED TO
3 FOSTER POSITIVE CHANGE IN THE COMMUNITY IN WHICH THE ARTIST LIVES
4 OR IN WHICH THE PROJECT OCCURS; AND

5 (VIII) ANY OTHER CRITERIA DEEMED APPROPRIATE BY THE
6 COUNCIL.

7 (c) GRANT RECIPIENTS MAY USE THE MONEY RECEIVED THROUGH
8 THE GRANT PROGRAM FOR THE FOLLOWING PURPOSES:

9 (I) FOR PROJECTS THAT ADVANCE THE ARTISTIC AND CULTURAL
10 GOALS OF RURAL COMMUNITIES AND THEIR ECONOMIES, INCLUDING BUT
11 NOT LIMITED TO ART INSTALLATIONS, EXHIBITS, AND NEW WORKS OF ART;

12 (II) FOR PROJECTS THAT ENHANCE THEIR COMMUNITY'S CULTURE;
13 OR

14 (III) FOR PROJECTS THAT PROVIDE INCENTIVE FOR
15 CROSS-COMMUNITY COLLABORATIONS AND THAT HAVE THE POTENTIAL TO
16 CONTRIBUTE TO THE ACCEPTANCE AND CONSIDERATION OF DIFFERING
17 PERSPECTIVES.

18 (d) (I) SUBJECT TO AVAILABLE APPROPRIATIONS, THE DIVISION
19 SHALL AWARD GRANTS AS PROVIDED IN THIS SECTION. THE DIVISION
20 SHALL DISTRIBUTE THE GRANT MONEY WITHIN THIRTY DAYS AFTER THE
21 COUNCIL AWARDS THE GRANTS. GRANTS SHALL BE DISBURSED TO THE
22 QUALIFIED ORGANIZATION, WHICH SHALL ENSURE THAT THE GRANT
23 MONEY IS AVAILABLE TO THE ARTIST OR ARTISTS FOR THE PURPOSES
24 SPECIFIED IN THE GRANT APPLICATION.

25 (II) THE QUALIFIED ORGANIZATION MAY USE UP TO FIVE PERCENT
26 OF THE TOTAL AMOUNT OF GRANT MONEY AWARDED PURSUANT TO THIS
27 SECTION FOR ADMINISTRATIVE EXPENSES ASSOCIATED WITH THE GRANT.

1 THE QUALIFIED ORGANIZATION SHALL REFLECT SUCH ADMINISTRATIVE
2 COSTS IN ITS BUDGET.

3 (III) WITHIN THIRTY DAYS OF THE COMPLETION OF A PROJECT FOR
4 WHICH A GRANT WAS AWARDED, THE QUALIFIED ORGANIZATION SHALL
5 RETURN TO THE DIVISION ANY GRANT MONEY THAT WAS NOT USED FOR
6 THE PROJECT OR FOR ADMINISTRATIVE EXPENSES ASSOCIATED WITH THE
7 PROJECT. THE DIVISION MAY USE ANY MONEY RETURNED PURSUANT TO
8 THIS SUBSECTION (3)(d)(III) FOR PURPOSES OF THE GRANT PROGRAM.

9 (e) THE COUNCIL SHALL ENSURE THAT GRANTS ARE AWARDED TO
10 A DIVERSE GROUP OF ARTISTS AND QUALIFIED ORGANIZATIONS. ANY
11 ARTIST AND THE QUALIFIED ORGANIZATION WITH WHICH THE ARTIST
12 SUBMITS THE GRANT APPLICATION SHALL BE INCLUSIVE AND, IN ANY
13 PROGRAM OR PROJECT CONDUCTED BY THE GRANT RECIPIENT, SHALL NOT
14 DISCRIMINATE BASED ON RACE, COLOR, NATIONAL ORIGIN, RELIGION, SEX,
15 MARITAL STATUS, FAMILY OR PARENTAL STATUS, MILITARY OR VETERAN
16 STATUS, PHYSICAL OR MENTAL DISABILITY, INCOME DERIVED FROM A
17 PUBLIC ASSISTANCE PROGRAM, OR POLITICAL BELIEFS.

18 (4) **Reporting requirements.** (a) WITHIN ONE YEAR OF
19 RECEIVING GRANT MONEY PURSUANT TO THIS SECTION OR WITHIN NINETY
20 DAYS AFTER THE COMPLETION OF THE PROJECT FOR WHICH THE GRANT
21 MONEY WAS AWARDED, WHICHEVER IS EARLIER, EACH QUALIFIED
22 ORGANIZATION THAT RECEIVES A GRANT SHALL, IN PARTNERSHIP WITH THE
23 ARTIST OR ARTISTS WHO WORKED ON THE PROJECT, SUBMIT A REPORT
24 REGARDING THE USE OF THE GRANT MONEY TO THE DIVISION. THE REPORT
25 SHALL INCLUDE THE INFORMATION SPECIFIED BY THE POLICIES AND
26 PROCEDURES CREATED BY THE DIVISION, IN ACCORDANCE WITH
27 SUBSECTION (2)(d) OF THIS SECTION, AND AT A MINIMUM SHALL INCLUDE:

1 (I) AN ELECTRONIC PORTFOLIO OF THE WORK THAT WAS
2 ACCOMPLISHED USING THE GRANT MONEY AWARDED PURSUANT TO THE
3 GRANT PROGRAM; AND

4 (II) A COMPLETE ACCOUNTING OF HOW THE GRANT MONEY WAS
5 USED BY THE QUALIFIED ORGANIZATION AND THE ARTIST OR ARTISTS THAT
6 WERE AWARDED THE GRANT.

7 (b) THE COUNCIL SHALL NOT AWARD A GRANT TO A QUALIFIED
8 ORGANIZATION OR ARTIST THAT PREVIOUSLY RECEIVED A GRANT BUT DID
9 NOT SUBMIT A REPORT AS REQUIRED BY SUBSECTION (4)(a) OF THIS
10 SECTION.

11 (c) ON OR BEFORE JANUARY 1, 2022, AND ON OR BEFORE JANUARY
12 1 EACH YEAR THEREAFTER FOR THE DURATION OF THE GRANT PROGRAM,
13 THE DIVISION SHALL SUBMIT A SUMMARIZED REPORT TO THE LOCAL
14 GOVERNMENT COMMITTEES OF THE SENATE AND THE HOUSE OF
15 REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, ON THE GRANT
16 PROGRAM. AT A MINIMUM, THE REPORT MUST INCLUDE:

17 (I) THE AMOUNT OF GRANT MONEY AWARDED PURSUANT TO THE
18 GRANT PROGRAM IN THE PAST FISCAL YEAR;

19 (II) A LIST OF QUALIFIED ORGANIZATIONS THAT RECEIVED GRANTS
20 PURSUANT TO THE GRANT PROGRAM IN THE LAST FISCAL YEAR;

21 (III) A SUMMARY OF THE PURPOSES FOR WHICH THE GRANT MONEY
22 WAS USED BY QUALIFIED ORGANIZATIONS AND ARTISTS IN THE LAST FISCAL
23 YEAR; AND

24 (IV) A SUMMARY OF THE GOALS ACCOMPLISHED AND ACHIEVED
25 THROUGH THE GRANT PROGRAM IN THE LAST FISCAL YEAR.

26 (d) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
27 REPORTING REQUIREMENTS SET FORTH IN THIS SECTION CONTINUE FOR

1 EACH YEAR OF THE GRANT PROGRAM.

2 (5) **Funding for grant program.** ON AUGUST 15, 2020, AND ON
3 JULY 1 EACH YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER
4 FIFTY THOUSAND DOLLARS FROM THE GENERAL FUND TO THE CREATIVE
5 INDUSTRIES CASH FUND, CREATED IN SECTION 24-48.5-301 (2), TO BE USED
6 BY THE DIVISION FOR THE PURPOSES OF THE GRANT PROGRAM.

7 **SECTION 2.** In Colorado Revised Statutes, 24-48.5-301, **amend**
8 (2)(a)(IV), (2)(a)(V), (2)(b) introductory portion, (2)(b)(III), and
9 (2)(b)(IV); and **add** (2)(a)(VI) and (2)(b)(V) as follows:

10 **24-48.5-301. Creative industries division - creative industries**
11 **cash fund - creation - definition.** (2) (a) There is hereby created in the
12 state treasury the creative industries cash fund, referred to in this section
13 as the "fund". The fund consists of:

14 (IV) ~~Moneys~~ MONEY appropriated to the fund by the general
15 assembly, including, but not limited to, ~~moneys~~ MONEY appropriated for
16 the purpose of providing need-based funding for infrastructure
17 development within creative districts as authorized by section
18 24-48.5-314 (5)(b); and

19 (V) Any gifts, grants, or donations from private or public sources
20 that the division is hereby authorized to seek and accept; AND

21 (VI) MONEY CREDITED TO THE FUND BY THE STATE TREASURER
22 FOR THE PURPOSES OF THE RURAL ARTS GRANT PROGRAM PURSUANT TO
23 SECTION 24-48.5-316.

24 (b) The ~~moneys~~ MONEY in the fund shall be annually appropriated
25 to the division for the operation of the division, and for the following:

26 (III) For the purchase of works of art pursuant to the art in public
27 places program, taking into consideration the artist's preliminary site visit,

1 the design fee, the total costs of construction and installation of the work
2 of art, jury expenses, and program administration in compliance with the
3 provisions of section 24-48.5-312 (6); and

4 (IV) For need-based funding for infrastructure development in
5 creative districts as authorized by section 24-48.5-314 (5)(b), to the extent
6 that the general assembly appropriates ~~moneys~~ MONEY to the fund for that
7 purpose; AND

8 (V) TO PROVIDE GRANTS TO ARTISTS AS SPECIFIED IN THE RURAL
9 ARTS GRANT PROGRAM CREATED IN SECTION 24-48.5-316.

10 **SECTION 3. Appropriation.** For the 2020-21 state fiscal year,
11 \$50,000 is appropriated to the office of the governor - lieutenant governor
12 - state planning and budgeting for use by the office of economic
13 development and international trade. This appropriation is from the
14 creative industries cash fund created in section 24-48.5-301 (2)(a),
15 C.R.S., and is based on an assumption that the office will require an
16 additional 0.2 FTE. To implement this act, the office may use this
17 appropriation for the council on creative industries.

18 **SECTION 4. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly (August
21 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
22 referendum petition is filed pursuant to section 1 (3) of article V of the
23 state constitution against this act or an item, section, or part of this act
24 within such period, then the act, item, section, or part will not take effect
25 unless approved by the people at the general election to be held in
26 November 2020 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.