

## CHAPTER 230

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**GOVERNMENT - STATE**

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**SENATE BILL 21-241**

BY SENATOR(S) Fields and Bridges, Buckner, Danielson, Donovan, Fenberg, Ginal, Hansen, Jaquez Lewis, Kolker, Moreno, Pettersen, Priola, Story, Zenzinger, Garcia;  
also REPRESENTATIVE(S) Ricks and Daugherty, Bacon, Bernett, Bird, Boesenecker, Caraveo, Cutter, Esgar, Exum, Herod, Hooton, Jackson, Jodeh, Kipp, Lontine, McCluskie, McCormick, Michaelson Jenet, Mullica, Roberts, Snyder, Titone, Valdez A..

**AN ACT**

**CONCERNING THE CREATION OF THE SMALL BUSINESS ACCELERATED GROWTH PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds and declares that:

(a) The COVID-19 pandemic has had devastating economic and health consequences across the state;

(b) Colorado businesses have been impacted heavily by the pandemic, many of them shutting their doors and thereby limiting their growth potential; and

(c) Developing and deploying tools and resources that foster the growth of existing companies that have moved from the start-up stage into the second-stage or are on the verge of rapid growth or profitability will ensure that these businesses, post-pandemic, will be able to build back stronger.

**SECTION 2.** In Colorado Revised Statutes, **add** 24-48.5-130 as follows:

**24-48.5-130. Small business accelerated growth program - creation - funding - reports - definitions - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "BUSINESS DEVELOPMENT SUPPORT" MEANS THE PERFORMANCE OF STRATEGIC SMALL BUSINESS HIGH-GROWTH PROGRAMS THAT ASSIST WITH MARKETING,

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*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.*

OPERATIONS AND FINANCE, ACCESS TO CAPITAL, EXPORTING, SEARCH ENGINE OPTIMIZATION, AND OTHER PROGRAMS TO BE IDENTIFIED BY THE OFFICE.

(b) "ELIGIBLE BUSINESS" MEANS A BUSINESS THAT:

(I) HAS BEEN DOING BUSINESS IN THE STATE FOR MORE THAN A YEAR; AND

(II) HAS NINETEEN OR FEWER EMPLOYEES, INCLUDING THE BUSINESS OWNER.

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

(d) "HISTORICALLY UNDERUTILIZED BUSINESS ZONE" MEANS AN AREA DESIGNATED BY THE UNITED STATES SMALL BUSINESS ADMINISTRATION AS A HISTORICALLY UNDERUTILIZED BUSINESS ZONE UNDER THE UNITED STATES SMALL BUSINESS ADMINISTRATION'S HUBZONE PROGRAM.

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

(f) "PROGRAM" MEANS THE SMALL BUSINESS ACCELERATED GROWTH PROGRAM CREATED IN SUBSECTION (2) OF THIS SECTION.

(g) "RURAL JUMP-START ZONE" MEANS AN AREA DESIGNATED AS A RURAL JUMP-START ZONE PURSUANT TO SECTION 39-30.5-104 (6).

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

(i) "TARGET AREA" INCLUDES A STATE OPPORTUNITY ZONE, AN ENTERPRISE ZONE, A HISTORICALLY UNDERUTILIZED BUSINESS ZONE, A RURAL JUMP-START ZONE, OR A TIER ONE TRANSITION COMMUNITY.

(j) "TIER ONE TRANSITION COMMUNITY" MEANS A COAL TRANSITION COMMUNITY THAT THE DIRECTOR OF THE OFFICE OF JUST TRANSITION, WITH THE CONCURRENCE OF THE EXECUTIVE DIRECTORS OF THE DEPARTMENT OF LABOR AND EMPLOYMENT AND THE DEPARTMENT OF LOCAL AFFAIRS, DETERMINES HAS ALREADY EXPERIENCED OR IS AT RISK OF EXPERIENCING SIGNIFICANT ECONOMIC DISRUPTION, THE PROXIMATE CAUSE OF WHICH IS EITHER THE CLOSURE OR CONVERSION OF A COAL-FUELED ELECTRICAL POWER GENERATING PLANT IN COLORADO OR IN A CONTIGUOUS STATE OR A SUSTAINED AND LIKELY PERMANENT DECLINE IN BROADER COAL MARKETS DUE TO SIMILAR CLOSURES OR CONVERSIONS NATIONALLY AND GLOBALLY.

(2) THERE IS CREATED WITHIN THE OFFICE THE SMALL BUSINESS ACCELERATED GROWTH PROGRAM. THE PURPOSE OF THE PROGRAM IS TO PROVIDE BUSINESS DEVELOPMENT SUPPORT THROUGH EXISTING INFRASTRUCTURE OR TRAINED AND CERTIFIED PRIVATE CONTRACTORS TO THE ELIGIBLE BUSINESSES SELECTED TO PARTICIPATE IN THE PROGRAM.

(3) ON OR BEFORE SEPTEMBER 1, 2021, THE OFFICE SHALL DEVELOP AND

ADMINISTER A MARKETING INITIATIVE FOR THE PROGRAM IN COORDINATION WITH THE MINORITY BUSINESS OFFICE CREATED IN SECTION 24-49.5-102, THE SMALL BUSINESS DEVELOPMENT CENTER CREATED IN SECTION 24-48.5-102, LOCAL CHAMBERS OF COMMERCE, AND OTHER LOCAL AND REGIONAL ECONOMIC DEVELOPMENT ENTITIES TO PROMOTE THE PROGRAM TO ELIGIBLE BUSINESSES IN TARGET AREAS.

(4) ON OR BEFORE OCTOBER 1, 2021, THE OFFICE SHALL PUBLISH, ON THE OFFICE'S WEBSITE, CRITERIA FOR AN ELIGIBLE BUSINESS TO PARTICIPATE IN THE PROGRAM AND A PROCESS FOR AN ELIGIBLE BUSINESS TO APPLY TO PARTICIPATE IN THE PROGRAM.

(5) ON OR BEFORE DECEMBER 31, 2022, THE OFFICE SHALL SELECT CERTAIN ELIGIBLE BUSINESSES TO PARTICIPATE IN THE PROGRAM. THE OFFICE SHALL GIVE PRIORITY FOR PARTICIPATION IN THE PROGRAM TO ELIGIBLE BUSINESSES THAT ARE LOCATED IN A TARGET AREA. A PARTICIPATING ELIGIBLE BUSINESS HAS ONE YEAR FROM THE DATE THE OFFICE SELECTS THE BUSINESS TO USE THE PROGRAM'S BUSINESS DEVELOPMENT SUPPORT. ON OR BEFORE DECEMBER 31, 2023, THE OFFICE SHALL GIVE A TOTAL OF ONE MILLION THREE HUNDRED FIFTY THOUSAND DOLLARS IN GRANTS FROM THE COLORADO STARTUP LOAN FUND CREATED IN SECTION 24-48.5-127 (9)(a) TO PARTICIPATING ELIGIBLE BUSINESSES DEMONSTRATING NEED AND SUCCESS UNDER THE PROGRAM. MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH SECTION 24-48.5-127 (9)(e) IS CONTINUOUSLY APPROPRIATED TO THE OFFICE UNTIL DECEMBER 31, 2023, FOR THE PURPOSE OF MAKING THE GRANTS.

(6) THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY FROM THE GENERAL FUND OR FROM ANY OTHER AVAILABLE SOURCE TO THE OFFICE FOR THE PURPOSES OF THIS SECTION AND FOR ADMINISTRATIVE COSTS ASSOCIATED WITH THE PROGRAM. ANY UNEXPENDED AND UNENCUMBERED MONEY FROM AN APPROPRIATION MADE FOR THE PURPOSES OF THIS SECTION FOR THE 2020-21 STATE FISCAL YEAR REMAINS AVAILABLE FOR EXPENDITURE BY THE OFFICE UNTIL DECEMBER 31, 2023 WITHOUT FURTHER APPROPRIATION. ON JANUARY 1, 2024, THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING FROM THE ORIGINAL APPROPRIATION TO THE GENERAL FUND. THE OFFICE MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THIS SECTION.

(7) BY JULY 1, 2022, AND BY JULY 1 EVERY YEAR UNTIL JULY 1, 2024, THE OFFICE SHALL SUBMIT A REPORT TO THE GOVERNOR, THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE OR ITS SUCCESSOR COMMITTEE, AND THE BUSINESS AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES OR ITS SUCCESSOR COMMITTEE DETAILING HOW THE OFFICE IS EXPENDING THE MONEY APPROPRIATED FOR PURPOSES OF THIS SECTION, PROVIDING INFORMATION ABOUT THE ELIGIBLE BUSINESSES THAT ARE SELECTED TO PARTICIPATE IN THE PROGRAM, AND THE OFFICE'S SUCCESS IN PROMOTING THE PROGRAM IN TARGET AREAS.

(8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

**SECTION 3. Appropriation.** (1) For the 2020-21 state fiscal year, \$1,650,000 is appropriated to the office of the governor for use by economic development programs. This appropriation is from the general fund. To implement this act, the

office may use this appropriation as follows:

(a) \$1,500,000 for the administration and implementation of the small business accelerated growth program created in section 24-48.5-130 (2), C.R.S.; and

(b) \$150,000 for the marketing initiative described in section 24-48.5-130 (3), C.R.S.

(2) In accordance with section 24-48.5-130 (6), C.R.S., any money appropriated in subsection (1) of this section not expended prior to July 1, 2021, remains available for expenditure by the office of the governor until December 31, 2023, without further appropriation.

**SECTION 4. 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.

Approved: June 14, 2021