

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0565.01 Jennifer Berman x3286

SENATE BILL 18-005

SENATE SPONSORSHIP

Donovan, Aguilar, Fenberg, Kefalas, Kerr, Moreno, Court, Guzman, Kagan, Merrifield,
Todd, Williams A., Zenzinger

HOUSE SPONSORSHIP

Roberts,

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 **CONCERNING ECONOMIC ASSISTANCE FOR RURAL COMMUNITIES**
102 **EXPERIENCING CERTAIN SIGNIFICANT ECONOMIC EVENTS THAT**
103 **LEAD TO SUBSTANTIAL JOB LOSS IN THOSE COMMUNITIES, AND,**
104 **IN CONNECTION THEREWITH, AUTHORIZING THE DEPARTMENT**
105 **OF LOCAL AFFAIRS TO COORDINATE NONMONETARY ASSISTANCE**
106 **AND AWARD GRANT MONEY TO ASSIST RURAL COMMUNITIES**
107 **WITH JOB CREATION OR RETENTION.**

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>.)

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.

The bill authorizes the executive director of the department of local affairs (executive director) or the executive director's designee to coordinate the provision of nonmonetary resources to assist with job retention or creation in a rural community experiencing a significant economic event, such as a plant closure or layoffs, including industry-wide layoffs, that has a significant, quantifiable impact on jobs within that community.

The bill also authorizes the executive director or the executive director's designee to award money to qualifying rural communities experiencing a significant economic event and creates the rural economic advancement of Colorado towns fund (fund), to be administered by the executive director for grant-making purposes over the next 3 years. For the 2018-19, 2019-20, and 2020-21 state fiscal years, \$500,000 is transferred each year from the general fund to the fund and the money in the fund is continuously appropriated to the department of local affairs.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 36 to article
3 32 of title 24 as follows:

4 PART 36

5 RURAL ECONOMIC ADVANCEMENT
6 OF COLORADO TOWNS

7 **24-32-3601. Short title.** THE SHORT TITLE OF THIS PART 36 IS THE
8 "RURAL ECONOMIC ADVANCEMENT OF COLORADO TOWNS (REACT)
9 ACT".

10 **24-32-3602. Legislative declaration.** (1) THE GENERAL
11 ASSEMBLY HEREBY FINDS AND DETERMINES THAT:

12 (a) CERTAIN SIGNIFICANT ECONOMIC EVENTS, SUCH AS PLANT
13 CLOSURES AND LAYOFFS, INCLUDING INDUSTRY-WIDE LAYOFFS, CAUSE
14 SUBSTANTIAL JOB LOSSES, WHICH CAN HAVE AN ESPECIALLY DETRIMENTAL
15 IMPACT WHEN SUCH JOB LOSSES OCCUR IN RURAL COMMUNITIES;

16 (b) THESE EVENTS MAY CREATE A SUDDEN NEED FOR INCREASED

1 CAPACITY FOR WORKFORCE, COMMUNITY, OR ECONOMIC DEVELOPMENT
2 THAT CANNOT REASONABLY BE ACCOMMODATED THROUGH A RURAL
3 COMMUNITY'S ONGOING OPERATIONS AND BUDGET; AND

4 (c) A RURAL COMMUNITY EXPERIENCING A SIGNIFICANT ECONOMIC
5 EVENT MIGHT NOT HAVE THE STAFFING CAPACITY AND ABILITY TO FIND
6 AND COORDINATE ALL OF THE RESOURCES AVAILABLE FROM VARIOUS
7 STATE AGENCIES TO ASSIST THE COMMUNITY WITH ECONOMIC
8 DEVELOPMENT AND REVITALIZATION.

9 (2) THEREFORE, THE GENERAL ASSEMBLY DETERMINES AND
10 DECLARES THAT:

11 (a) A SINGLE STATE DEPARTMENT SHOULD COORDINATE ECONOMIC
12 ASSISTANCE FOR RURAL COMMUNITIES THAT HAVE EXPERIENCED
13 SIGNIFICANT ECONOMIC EVENTS THAT HAVE LED TO SUBSTANTIAL JOB
14 LOSSES BY COORDINATING NONMONETARY RESOURCES AND SERVICES
15 OFFERED BY VARIOUS STATE AGENCIES TO HELP RURAL COMMUNITIES
16 WITH ECONOMIC DEVELOPMENT AND REVITALIZATION; AND

17 (b) THE DEPARTMENT SHOULD AWARD GRANTS TO RURAL
18 COMMUNITIES THAT HAVE EXPERIENCED SIGNIFICANT ECONOMIC EVENTS
19 TO ASSIST THE COMMUNITIES WITH DIVERSIFYING THEIR ECONOMIES,
20 CREATING JOBS, AND EXPANDING THEIR LOCAL BUSINESSES.

21 **24-32-3603. Definitions - rules.** AS USED IN THIS PART 36, UNLESS
22 THE CONTEXT OTHERWISE REQUIRES:

23 (1) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

24 (2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
25 THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

26 (3) (a) "RURAL" MEANS:

27 (I) A COUNTY WITH A POPULATION OF FEWER THAN FIFTY

1 THOUSAND; OR

2 (II) A MUNICIPALITY WITH A POPULATION OF FEWER THAN TWENTY
3 THOUSAND IF THE MUNICIPALITY IS NOT CONTIGUOUS TO A MUNICIPALITY
4 WITH A POPULATION OF TWENTY THOUSAND OR MORE.

5 (b) THE EXECUTIVE DIRECTOR MAY MODIFY, BY RULE, THE
6 DEFINITION OF "RURAL" AS NECESSARY TO IMPLEMENT THIS PART 36.

7 (4) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" MEANS AN
8 ECONOMIC EVENT OCCURRING WITHIN A RURAL COMMUNITY OR REGION,
9 SUCH AS A PLANT CLOSURE OR LAYOFFS, INCLUDING INDUSTRY-WIDE
10 LAYOFFS, THAT MAY HAVE A SIGNIFICANT, QUANTIFIABLE IMPACT ON THE
11 TOTAL NUMBER OF JOBS WITHIN THE RURAL COMMUNITY, AS DETERMINED
12 BY THE EXECUTIVE DIRECTOR WHEN CONSIDERING APPLICATIONS FOR
13 NONMONETARY ASSISTANCE PURSUANT TO SECTION 24-32-3604 OR GRANT
14 MONEY PURSUANT TO SECTION 24-32-3605.

15 **24-32-3604. Rural economic advancement of Colorado towns**
16 **- coordination of nonmonetary assistance - application - rules.**

17 (1) FOR THE PURPOSE OF ASSISTING RURAL COMMUNITIES WITH JOB
18 RETENTION AND CREATION, THE EXECUTIVE DIRECTOR SHALL COORDINATE
19 THE PROVISION OF AVAILABLE STATE NONMONETARY RESOURCES AND
20 ASSISTANCE TO RURAL COMMUNITIES IMPACTED BY A SIGNIFICANT
21 ECONOMIC EVENT OR AN ANTICIPATED EVENT THAT HAS BEEN
22 ANNOUNCED. ANY STAFF SUPPORT NEEDED FOR THE COORDINATION OF
23 NONMONETARY RESOURCES AND ASSISTANCE MUST BE PROVIDED WITHIN
24 THE DEPARTMENT'S STAFFING STRUCTURE AS IT EXISTED ON THE
25 EFFECTIVE DATE OF THIS SECTION, WITHOUT ADDITIONAL FULL-TIME
26 EQUIVALENT EMPLOYEES (FTE).

27 (2) (a) IF A RURAL COMMUNITY HAS EXPERIENCED A SIGNIFICANT

1 ECONOMIC EVENT OR ANTICIPATES AN EVENT THAT HAS BEEN
2 ANNOUNCED, A PERSON MAY APPLY TO THE EXECUTIVE DIRECTOR ON
3 BEHALF OF THE RURAL COMMUNITY FOR THE PROVISION AND
4 COORDINATION OF AVAILABLE STATE NONMONETARY RESOURCES AND
5 OTHER NONMONETARY ASSISTANCE. A PERSON MAY APPLY
6 SIMULTANEOUSLY FOR BOTH ASSISTANCE UNDER THIS SECTION AND A
7 GRANT AWARD UNDER SECTION 24-32-3605. THE EXECUTIVE DIRECTOR
8 SHALL DETERMINE THE FORM AND MANNER OF APPLICATION FOR
9 NONMONETARY RESOURCES AND ASSISTANCE AND SHALL PUBLISH
10 APPLICATION INSTRUCTIONS AND ANY NECESSARY FORMS ON THE
11 DEPARTMENT'S WEBSITE.

12 (b) IF A PERSON APPLYING ON BEHALF OF A RURAL COMMUNITY
13 HAS SUFFICIENTLY DEMONSTRATED TO THE EXECUTIVE DIRECTOR'S
14 SATISFACTION THAT THE RURAL COMMUNITY QUALIFIES FOR ASSISTANCE
15 UNDER THIS SECTION, THE EXECUTIVE DIRECTOR SHALL COORDINATE THE
16 RESOURCES AND ASSISTANCE WITH THE DEPARTMENT OF LABOR AND
17 EMPLOYMENT CREATED IN SECTION 24-1-121, THE COLORADO OFFICE OF
18 ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101, AND THE
19 REGIONAL MANAGER OF THE REGION COVERING THE RURAL COMMUNITY
20 FOR THE DEPARTMENT OF LOCAL AFFAIRS CREATED IN SECTION 24-1-125.
21 IF PRACTICABLE WITHIN THE AGENCIES' EXISTING RESOURCES, THE
22 EXECUTIVE DIRECTOR MAY COORDINATE NONMONETARY RESOURCES AND
23 ASSISTANCE FROM ALL RELEVANT STATE AGENCIES TO THE RURAL
24 COMMUNITY, INCLUDING THE FOLLOWING TYPES OF ASSISTANCE:

25 (I) CAPACITY-BUILDING RESOURCES AND SERVICES SUCH AS JOB
26 TRAINING AND OTHER WORKFORCE DEVELOPMENT;

27 (II) TECHNICAL ASSISTANCE; AND

1 (III) OTHER NONMONETARY RESOURCES.

2 (3) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES AS
3 NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

4 **24-32-3605. Rural economic advancement of Colorado towns**
5 **- grant-making - application - rules.** (1) (a) FOR THE 2018-19, 2019-20,
6 AND 2020-21 STATE FISCAL YEARS, THE EXECUTIVE DIRECTOR SHALL
7 AWARD UP TO FIVE HUNDRED THOUSAND DOLLARS IN GRANT MONEY TO
8 RURAL COMMUNITIES EXPERIENCING A SIGNIFICANT ECONOMIC EVENT TO
9 ASSIST THOSE COMMUNITIES WITH ECONOMIC DEVELOPMENT AND
10 REVITALIZATION. THE EXECUTIVE DIRECTOR SHALL ESTABLISH GRANT
11 AWARD ELIGIBILITY STANDARDS FOR THE AWARD OF MONEY TO RURAL
12 COMMUNITIES EXPERIENCING A SIGNIFICANT ECONOMIC EVENT OR AN
13 ANTICIPATED EVENT THAT HAS BEEN ANNOUNCED. THE EXECUTIVE
14 DIRECTOR SHALL POST THE GRANT AWARD ELIGIBILITY CRITERIA AND ANY
15 GRANT APPLICATION FORMS DEVELOPED PURSUANT TO THIS SECTION ON
16 THE DEPARTMENT'S WEBSITE. ANY STAFF SUPPORT NEEDED FOR THE
17 IMPLEMENTATION OF THE GRANT PROGRAM MUST BE PROVIDED WITHIN
18 THE DEPARTMENT'S STAFFING STRUCTURE AS IT EXISTED ON THE
19 EFFECTIVE DATE OF THIS SECTION, WITHOUT ADDITIONAL FULL-TIME
20 EQUIVALENT EMPLOYEES (FTE).

21 (b) THE EXECUTIVE DIRECTOR MAY AWARD GRANT MONEY TO A
22 RURAL COMMUNITY IF A PERSON APPLIES ON BEHALF OF THE RURAL
23 COMMUNITY IN A FORM AND MANNER DETERMINED BY THE EXECUTIVE
24 DIRECTOR AND SUFFICIENTLY DEMONSTRATES TO THE EXECUTIVE
25 DIRECTOR'S SATISFACTION THAT THE RURAL COMMUNITY HAS:

26 (I) EXPERIENCED A SIGNIFICANT ECONOMIC EVENT OR AN
27 ANTICIPATED EVENT THAT HAS BEEN ANNOUNCED THAT MEETS THE GRANT

1 AWARD ELIGIBILITY STANDARDS ESTABLISHED BY THE EXECUTIVE
2 DIRECTOR PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION; AND

3 (II) PROPOSED A PROJECT TO WHICH THE GRANT MONEY WOULD BE
4 APPLIED AND THAT IS DESIGNED TO:

5 (A) STRENGTHEN THE RURAL COMMUNITY THROUGH INVESTMENT
6 IN THE RURAL COMMUNITY'S ECONOMY;

7 (B) DIVERSIFY THE RURAL COMMUNITY'S LOCAL INDUSTRIES; OR

8 (C) FACILITATE JOB RETENTION OR CREATION IN THE RURAL
9 COMMUNITY.

10 (2) A PERSON APPLYING FOR GRANT MONEY ON BEHALF OF A
11 RURAL COMMUNITY SHALL INCLUDE A PLAN FOR USE OF THE MONEY,
12 WHICH PLAN MUST BE SUBMITTED WITH THE APPLICATION IN A FORM AND
13 MANNER DETERMINED BY THE EXECUTIVE DIRECTOR. A PERSON MAY
14 APPLY SIMULTANEOUSLY FOR BOTH A GRANT AWARD UNDER THIS SECTION
15 AND NONMONETARY RESOURCES AND ASSISTANCE UNDER SECTION
16 24-32-3604.

17 (3) A JOINT GRANT APPLICATION MAY BE SUBMITTED ON BEHALF
18 OF TWO OR MORE RURAL COMMUNITIES AFFECTED BY THE SAME EVENT. IN
19 ADDITION TO THE APPLICATION REQUIREMENTS SPECIFIED IN THIS SECTION
20 AND ANY RULES ADOPTED UNDER THIS SECTION, A JOINT GRANT
21 APPLICATION MUST INCLUDE A DESCRIPTION OF:

22 (a) HOW THE EXECUTIVE DIRECTOR SHOULD ALLOCATE THE GRANT
23 MONEY BETWEEN THE RURAL COMMUNITIES; AND

24 (b) ANY COORDINATION OF SERVICES THAT THE RURAL
25 COMMUNITIES PLAN TO PROVIDE.

26 (4) WITHIN SIXTY DAYS AFTER RECEIPT OF A COMPLETE GRANT
27 APPLICATION, THE EXECUTIVE DIRECTOR SHALL NOTIFY THE GRANT

1 APPLICANT IN WRITING WHETHER THE APPLICATION IS APPROVED OR
2 DENIED.

3 (5) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES AS
4 NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

5 **24-32-3606. Rural economic advancement of Colorado towns**
6 **fund - creation - gifts, grants, and donations.** (1) THERE IS HEREBY
7 CREATED IN THE STATE TREASURY THE RURAL ECONOMIC ADVANCEMENT
8 OF COLORADO TOWNS FUND, REFERRED TO IN THIS SECTION AS THE
9 "FUND". THE EXECUTIVE DIRECTOR SHALL ADMINISTER THE FUND FOR
10 IMPLEMENTATION OF THE EXECUTIVE DIRECTOR'S GRANT-MAKING
11 AUTHORITY SET FORTH IN SECTION 24-32-3605.

12 (2) (a) FOR IMPLEMENTATION OF SECTION 24-32-3605, THE STATE
13 TREASURER SHALL TRANSFER FIVE HUNDRED THOUSAND DOLLARS FROM
14 THE GENERAL FUND TO THE FUND ON THE FOLLOWING DATES:

15 (I) SEPTEMBER 1, 2018;

16 (II) JULY 1, 2019; AND

17 (III) JULY 1, 2020.

18 (b) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
19 THE DEPARTMENT FOR IMPLEMENTATION OF THE GRANT-MAKING
20 AUTHORITY SET FORTH IN SECTION 24-32-3605.

21 (3) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
22 ADDITIONAL MONEY TO THE FUND. ANY MONEY IN THE FUND AT THE END
23 OF EACH FISCAL YEAR REMAINS IN THE FUND. ANY INTEREST EARNED ON
24 THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND REMAINS IN THE
25 FUND AND SHALL NOT BE CREDITED TO THE GENERAL FUND.

26 (4) THE EXECUTIVE DIRECTOR MAY ACCEPT AND EXPEND GIFTS,
27 GRANTS, AND DONATIONS FOR THE PURPOSES OF THIS SECTION, BUT THE

1 IMPLEMENTATION OF THIS SECTION IS NOT DEPENDENT ON THE RECEIPT OF
2 GIFTS, GRANTS, AND DONATIONS. THE EXECUTIVE DIRECTOR SHALL
3 TRANSMIT ALL MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS
4 TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE FUND.

5 (5) ON JUNE 30, 2021, THE STATE TREASURER SHALL TRANSFER
6 ANY MONEY REMAINING IN THE FUND TO THE GENERAL FUND.

7 **24-32-3607. Repeal of part.** THIS PART 36 IS REPEALED,
8 EFFECTIVE SEPTEMBER 1, 2021.

9 **SECTION 2. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly (August
12 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
13 referendum petition is filed pursuant to section 1 (3) of article V of the
14 state constitution against this act or an item, section, or part of this act
15 within such period, then the act, item, section, or part will not take effect
16 unless approved by the people at the general election to be held in
17 November 2018 and, in such case, will take effect on the date of the
18 official declaration of the vote thereon by the governor.