

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 21-0916.01 Megan Waples x4348

HOUSE BILL 21-1263

HOUSE SPONSORSHIP

Roberts and Soper, Rich

SENATE SPONSORSHIP

Rodriguez and Hisey,

House Committees

Business Affairs & Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE COLORADO MEETING AND EVENTS**
102 **INCENTIVE PROGRAM, AND, IN CONNECTION THEREWITH,**
103 **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 Colorado meeting and events incentive program (program) in the Colorado tourism office (office) to provide rebates and direct support to eligible events and eligible personal events in Colorado to assist in the state's recovery from the COVID-19 pandemic.

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.

An eligible personal event means a wedding, family reunion, or other personal event that:

- Takes place in Colorado between July 1, 2021, and December 31, 2021;
- Generates at least 25 paid overnight stays in a motel, hotel, vacation rental, or other lodging establishment;
- Can demonstrate a significant economic benefit for the host community as determined by the office; and
- Meets any additional criteria established by the office.

An eligible event means an event other than an eligible personal event, including a meeting, conference, or festival, that:

- Takes place in Colorado between July 1, 2021, and December 31, 2022;
- Generates at least 25 paid overnight stays in a motel, hotel, vacation rental, or other lodging establishment; and
- Meets any additional criteria established by the office.

The program may offer rebates of up to 10% of the hard costs of an eligible event or eligible personal event. A hard cost means an actual incurred cost associated with hosting the event, as determined by the office in consultation with industry stakeholders. The program may also offer rebates of up to 25% for COVID-19-related costs, which are hard costs that are directly related to complying with public health orders or other mandates issued in response to the COVID-19 pandemic, as determined by the office in consultation with industry stakeholders.

The program may provide direct support to attract eligible events that have the potential to generate significant economic impact and affect multiple counties. The costs of all such direct support cannot exceed 5% of the total appropriation for the program.

The office is required to create guidelines for the program. In doing so, the office must consider mechanisms to:

- Make rebates and direct support available equitably and proportionally across the state;
- Prioritize events with significant economic impacts; and
- Retain existing events with a demonstrated risk of cancellation, delay, or relocation in addition to attracting new events to the state.

The program is repealed, effective July 1, 2024.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add 24-49.7-109 as**
3 **follows:**

4 **24-49.7-109. Colorado meeting and events incentive program**

1 **- creation - policies - report - legislative declaration - definitions -**

2 **repeal.** (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

3 (a) THE COVID-19 PANDEMIC HAS HAD SEVERE IMPACTS ON
4 COLORADO RESIDENTS AND BUSINESSES, INCLUDING THOSE IN THE
5 TOURISM AND TRAVEL INDUSTRIES;

6 (b) THE COVID-19 PANDEMIC AND THE CAPACITY RESTRICTIONS,
7 SOCIAL DISTANCING, AND OTHER PUBLIC HEALTH MEASURES IMPLEMENTED
8 TO CONTAIN THE SPREAD OF THE COVID-19 PANDEMIC HAVE LED TO THE
9 CANCELLATION OR DELAY OF CONVENTIONS, MEETINGS, FESTIVALS, AND
10 OTHER EVENTS THAT GENERATE BUSINESS AND REVENUE FOR COLORADO
11 COMMUNITIES;

12 (c) OTHER EVENTS HAVE BEEN REDESIGNED TO ACCOMMODATE
13 PUBLIC HEALTH MEASURES, WHICH MAY INCREASE COSTS TO ORGANIZERS
14 AND PARTICIPATING BUSINESSES AND INDIVIDUALS;

15 (d) THE CANCELLATIONS, DELAYS, AND ADDITIONAL COSTS HAVE
16 FURTHERED THE ECONOMIC HARM OF THE COVID-19 PANDEMIC TO
17 COLORADO COMMUNITIES, BUSINESSES, AND RESIDENTS ACROSS THE
18 STATE BY ELIMINATING OR REDUCING A VALUABLE STREAM OF BUSINESS
19 EARNINGS AND TAX REVENUES;

20 (e) CREATING INCENTIVES TO BRING MEETINGS AND EVENTS BACK
21 TO COLORADO AND ENSURE THAT PLANNED EVENTS ARE NOT CANCELLED
22 OR DELAYED WILL HELP PROVIDE NEEDED GROWTH AND RECOVERY TO THE
23 TOURISM AND TRAVEL INDUSTRIES, WHICH PLAY AN ESSENTIAL ROLE IN
24 THE STATE'S ECONOMY;

25 (f) ESTABLISHING A MEETING AND EVENTS INCENTIVE PROGRAM
26 WILL ENCOURAGE MEETINGS AND EVENTS PLANNERS TO BOOK EVENTS IN
27 COLORADO, BOLSTER THE TOURISM AND TRAVEL ECONOMY WITH

1 PREDICTABLE AND SIGNIFICANT REVENUES FROM EVENTS, AND BUILD
2 COLORADO'S MARKET SHARE FOR MEETINGS AND EVENTS-BASED TOURISM;

3 (g) CREATING A MEETING AND EVENTS INCENTIVE PROGRAM
4 PROVIDES AN IMPORTANT MECHANISM TO ENSURE THE STATE'S ECONOMIC
5 RECOVERY FROM THE DEVASTATING IMPACTS OF THE COVID-19
6 PANDEMIC;

7 (h) THE STATE MONEY CONTRIBUTED TO A MEETING AND EVENTS
8 INCENTIVE PROGRAM THEREFORE SERVES AN IMPORTANT AND DISCRETE
9 PUBLIC PURPOSE IN SECURING THE STATE'S ECONOMIC AND OVERALL
10 RECOVERY FROM THE CRISIS CAUSED BY THE COVID-19 PANDEMIC; AND

11 (i) SUPPORTING THE STATE'S RECOVERY FROM THE CRISIS CAUSED
12 BY THE COVID-19 PANDEMIC IS THE PRIMARY PURPOSE OF THE MEETING
13 AND EVENTS INCENTIVE PROGRAM AND OUTWEIGHS ANY BENEFIT TO
14 PRIVATE INDIVIDUALS OR ENTITIES.

15 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
16 REQUIRES:

17 (a) "COVID-19-RELATED COSTS" MEANS HARD COSTS THAT ARE
18 DIRECTLY RELATED TO COMPLYING WITH PUBLIC HEALTH ORDERS OR
19 OTHER MANDATES ISSUED BY A COMPETENT GOVERNMENT AUTHORITY IN
20 RESPONSE TO THE COVID-19 PANDEMIC, AS DETERMINED BY THE OFFICE
21 IN THE GUIDELINES ESTABLISHED PURSUANT TO SUBSECTION (4) OF THIS
22 SECTION.

23 (b) "ELIGIBLE EVENT" MEANS A MEETING, CONFERENCE, FESTIVAL,
24 OR OTHER EVENT THAT:

25 (I) TAKES PLACE IN COLORADO BETWEEN JULY 1, 2021, AND
26 DECEMBER 31, 2022;

27 (II) GENERATES AT LEAST TWENTY-FIVE PAID OVERNIGHT STAYS

1 AT A LODGING ESTABLISHMENT AS DEFINED IN SECTION 6-25-201 (2), OR
2 A HOTEL, MOTEL, RESORT, VACATION RENTAL, OR OTHER PUBLIC
3 ESTABLISHMENT AS DEFINED IN SECTION 6-25-101 (3); [REDACTED]

4 (III) CAN DEMONSTRATE A SIGNIFICANT ECONOMIC BENEFIT FOR
5 A HOST COMMUNITY IN ACCORDANCE WITH GUIDELINES ESTABLISHED BY
6 THE OFFICE PURSUANT TO SUBSECTION (4) OF THIS SECTION; AND

7 (IV) MEETS ANY ADDITIONAL CRITERIA ESTABLISHED BY THE
8 OFFICE IN THE GUIDELINES ESTABLISHED PURSUANT TO SUBSECTION (4) OF
9 THIS SECTION.

10 [REDACTED]

11 (c) "FUND" MEANS THE COLORADO MEETING AND EVENTS
12 INCENTIVE PROGRAM FUND CREATED IN SUBSECTION (5) OF THIS SECTION.

13 (d) "HARD COSTS" MEANS ACTUAL INCURRED COSTS ASSOCIATED
14 WITH HOSTING AN [REDACTED] EVENT, INCLUDING COSTS FOR RENTAL SPACE, FOOD,
15 NONALCOHOLIC BEVERAGES, AUDIO-VISUAL EQUIPMENT AND OTHER
16 TECHNOLOGY, TRANSPORTATION, OR OTHER ACTUAL INCURRED COSTS AS
17 DETERMINED BY THE OFFICE IN THE GUIDELINES ESTABLISHED PURSUANT
18 TO SUBSECTION (4) OF THIS SECTION. "HARD COSTS" DOES NOT INCLUDE
19 THE PURCHASE OF ALCOHOL BEVERAGES AS DEFINED IN SECTION 44-3-103
20 (2).

21 (e) "PROGRAM" MEANS THE COLORADO MEETING AND EVENTS
22 INCENTIVE PROGRAM CREATED IN SUBSECTION (3) OF THIS SECTION.

23 (3) (a) THERE IS HEREBY CREATED WITHIN THE OFFICE THE
24 COLORADO MEETING AND EVENTS INCENTIVE PROGRAM TO PROVIDE
25 REBATES AND DIRECT SUPPORT TO ELIGIBLE [REDACTED] EVENTS. SUBJECT TO
26 AVAILABLE APPROPRIATIONS, THE OFFICE SHALL PROVIDE REBATES AND
27 DIRECT SUPPORT AS PROVIDED IN THIS SECTION AND PURSUANT TO THE

1 GUIDELINES ADOPTED BY THE OFFICE PURSUANT TO SUBSECTION (4) OF
2 THIS SECTION. THE COSTS OF THE PROGRAM, INCLUDING THE COSTS OF
3 MARKETING AND PROMOTION SHALL BE PAID OUT OF THE FUND.

4 (b) THE PROGRAM MAY PROVIDE:

5 (I) A REBATE OF UP TO TEN PERCENT OF THE HARD COSTS OF AN
6 ELIGIBLE █ EVENT;

7 (II) A REBATE OF UP TO TWENTY-FIVE PERCENT FOR THE
8 COVID-19-RELATED COSTS OF AN ELIGIBLE █ EVENT; AND

9 (III) DIRECT SUPPORT FOR ATTRACTING ELIGIBLE EVENTS THAT
10 AFFECT MULTIPLE COUNTIES AND HAVE THE POTENTIAL TO GENERATE
11 SIGNIFICANT ECONOMIC IMPACT; EXCEPT THAT THE TOTAL COSTS OF ALL
12 SUCH DIRECT SUPPORT MUST NOT EXCEED FIVE PERCENT OF THE TOTAL
13 APPROPRIATION FOR THE PROGRAM.

14 (4) (a) THE OFFICE SHALL ESTABLISH AND PUBLICIZE GUIDELINES
15 FOR THE PROGRAM. AT A MINIMUM, THE GUIDELINES MUST ADDRESS:

16 (I) THE PROCESS FOR APPLYING FOR AND RECEIVING A REBATE
17 UNDER THE PROGRAM;

18 (II) ANY ADDITIONAL ELIGIBILITY CRITERIA FOR ELIGIBLE █
19 EVENTS;

20 (III) THE DOCUMENTATION OR REPORTING REQUIRED FROM
21 RECIPIENTS UNDER THE PROGRAM;

22 (IV) THE PERCENTAGE REBATE THAT IS AVAILABLE FOR HARD
23 COSTS AND COVID-19-RELATED COSTS FOR ELIGIBLE █ EVENTS; AND

24 (V) THE HARD COSTS AND COVID-19-RELATED COSTS THAT ARE
25 ELIGIBLE FOR REBATES UNDER THE PROGRAM. THE OFFICE SHALL CONSULT
26 WITH INDUSTRY STAKEHOLDERS IN DETERMINING WHICH HARD COSTS AND
27 COVID-19-RELATED COSTS ARE ELIGIBLE FOR REBATES UNDER THE

1 PROGRAM.

2 (b) IN ESTABLISHING THE GUIDELINES FOR THE PROGRAM, THE
3 OFFICE SHALL CONSIDER MECHANISMS TO:

4 (I) MAKE REBATES AND DIRECT SUPPORT AVAILABLE EQUITABLY
5 AND PROPORTIONALLY ACROSS THE STATE;

6 (II) PRIORITIZE EVENTS WITH THE POTENTIAL TO GENERATE LOCAL
7 BUSINESS EARNINGS AND LOCAL TAX REVENUES;

8 (III) ATTRACT NEW ELIGIBLE [REDACTED] EVENTS TO THE STATE THROUGH
9 THE USE OF REBATES AND DIRECT SUPPORT; AND

10 (IV) MAKE REBATES AND DIRECT SUPPORT AVAILABLE TO RETAIN
11 EXISTING ELIGIBLE EVENTS WHERE THERE IS A DEMONSTRATED
12 LIKELIHOOD OF CANCELLATION, DELAY, OR RELOCATION IN THE ABSENCE
13 OF SUPPORT AND THE CANCELLATION, DELAY, OR RELOCATION WOULD
14 CREATE SIGNIFICANT HARM FOR LOCAL BUSINESS EARNINGS AND LOCAL
15 TAX REVENUES.

16 (c) THE OFFICE MAY MODIFY OR AMEND THE GUIDELINES TO
17 RESPOND TO CHANGES IN THE SEVERITY OF THE COVID-19 PANDEMIC,
18 MODIFICATIONS TO PUBLIC HEALTH ORDERS AND OTHER RESPONSES TO THE
19 COVID-19 PANDEMIC, OR CHANGES IN OTHER CIRCUMSTANCES RELATED
20 TO THE COVID-19 PANDEMIC AND THE RECOVERY FROM THE COVID-19
21 PANDEMIC.

22 (5) (a) THE COLORADO MEETING AND EVENTS INCENTIVE
23 PROGRAM FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND
24 CONSISTS OF MONEY TRANSFERRED TO THE FUND IN ACCORDANCE WITH
25 SUBSECTION (5)(d) OF THIS SECTION AND ANY OTHER MONEY THAT THE
26 GENERAL ASSEMBLY APPROPRIATES OR TRANSFERS TO THE FUND.

27 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND

1 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
2 FUND TO THE FUND.

3 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
4 OFFICE FOR THE PURPOSES SPECIFIED IN THIS SECTION. THE OFFICE MAY
5 EXPEND UP TO SEVEN PERCENT OF THE MONEY APPROPRIATED TO THE
6 FUND TO PAY FOR ITS DIRECT AND INDIRECT COSTS IN IMPLEMENTING AND
7 ADMINISTERING THIS SECTION. AS USED IN THIS SUBSECTION (5)(c),
8 "DIRECT AND INDIRECT COSTS" DOES NOT INCLUDE THE COSTS OF
9 MARKETING AND PROMOTING THE PROGRAM.

10 (d) ON THE EFFECTIVE DATE OF THIS SECTION, THE STATE
11 TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE GENERAL
12 FUND TO THE COLORADO MEETING AND EVENTS INCENTIVE PROGRAM
13 FUND CREATED IN SUBSECTION (5)(a) OF THIS SECTION.

14 (e) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED
15 AND UNENCUMBERED MONEY IN THE FUND AT THE END OF THE FISCAL
16 YEAR ON JUNE 30, 2023, TO THE GENERAL FUND.

17 (6) THE OFFICE MAY CONTRACT WITH A THIRD PARTY OR PARTIES
18 TO ADMINISTER THE PROGRAM.

19 (7) ON OR BEFORE JULY 1, 2022, AND ON OR BEFORE JULY 1, 2023,
20 THE OFFICE SHALL SUBMIT A REPORT DETAILING THE EXPENDITURE OF
21 MONEY APPROPRIATED TO THE PROGRAM TO THE GOVERNOR AND TO THE
22 HOUSE OF REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE
23 AND THE SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR
24 THEIR SUCCESSOR COMMITTEES.

25 (8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2024.

26 **SECTION 2. Safety clause.** The general assembly hereby finds,

1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, or safety.