SENATE COMMITTEE OF REFERENCE REPORT

Date

Chair of Committee

November 30, 2020

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

<u>SB20B-001</u> be amended as follows, and as so amended, be referred to the Committee on <u>Appropriations</u> with favorable recommendation:

- 1 Amend printed bill, page 3, line 5, strike "direct".
- Page 3, line 12, strike "Direct relief to small businesses" and substitute
 "Small business relief".
- 4 Page 3, lines 14 and 15, strike "counties exemptions from
 5 procurement requirements" and substitute "local governments".
- 6 Page 3, strike lines 20 through 22.
- 7 Reletter succeeding paragraphs accordingly.
- 8 Page 4, line 2, strike "UNDER" and substitute "AS OF DECEMBER 31, 2020,
 9 UNDER".
- 10 Page 4, strike lines 3 and 4 and substitute "THROUGH A STATEWIDE OR
- 11 LOCAL PUBLIC HEALTH ORDER THAT HAS BEEN IN EFFECT SINCE DECEMBER
- 12 10, 2020, OR EARLIER AND THAT INCLUDES THE FOLLOWING".
- 13 Page 4, strike line 13 and substitute:
- 14 "(II) IN GOOD-FAITH COMPLIANCE WITH THE EXECUTIVE ORDERS
- $15 \quad \text{pertaining to the public health emergency due to COVID-19 and} \\$
- 16 ALL APPLICABLE STATEWIDE AND LOCAL PUBLIC HEALTH ORDERS THAT".

Page 4, line 14, strike "ESTABLISHES" and substitute "ESTABLISH", and
 strike "RESTRICTIONS." and substitute "RESTRICTIONS, AS DETERMINED BY
 THE DIVISION IN CONSULTATION WITH THE DEPARTMENT OF PUBLIC
 HEALTH AND ENVIRONMENT AND AS DEMONSTRATED BY:

5 (A) THE COUNTY'S GOOD-FAITH EFFORTS TO ENFORCE OR 6 PROMOTE COMPLIANCE WITH APPLICABLE EXECUTIVE AND PUBLIC HEALTH 7 ORDERS WITHIN THE SCOPE OF ITS AUTHORITY AND IN CONSIDERATION OF 8 AVAILABLE RESOURCES, INCLUDING ENGAGING LAW ENFORCEMENT TO 9 ENFORCE EXECUTIVE AND PUBLIC HEALTH ORDER VIOLATIONS; AND

10 (B) THE COUNTY NOT ADOPTING A PUBLIC HEALTH ORDER OR 11 ENFORCEMENT POLICY THAT IS LESS RESTRICTIVE THAN A STATEWIDE 12 PUBLIC HEALTH ORDER ADOPTED BY THE DEPARTMENT OF PUBLIC HEALTH 13 AND ENVIRONMENT, UNLESS THE COUNTY HAS OBTAINED A VARIANCE OR 14 OTHER EXEMPTION FROM THE DEPARTMENT OF PUBLIC HEALTH AND 15 ENVIRONMENT.".

16 Page 5, after line 15 insert:

17 "(III) BREWERY, LICENSED PURSUANT TO SECTION 44-3-407
18 (1)(b)(I) AND THAT OPERATES AN ATTACHED SALES ROOM PURSUANT TO
19 SECTION 44-3-407 (1)(b);

20 (IV) WINERY, LICENSED PURSUANT TO SECTION 44-3-402 (1) OR
21 44-3-403 AND THAT OPERATES AN ATTACHED SALES ROOM PURSUANT TO
22 SECTION 44-3-402 (2) OR 44-3-403 (2)(e);

(V) DISTILLERY, LICENSED PURSUANT TO SECTION 44-3-402 (1)
AND THAT OPERATES AN ATTACHED SALES ROOM PURSUANT TO SECTION
44-3-402 (7);".

26 Renumber succeeding subparagraphs accordingly.

Page 5, lines 26 and 27, strike "FEDERAL TAX EMPLOYER IDENTIFICATION"
and substitute "COLORADO INCOME TAX ACCOUNT".

29 Page 6, line 8, strike "TEN" and substitute "THIRTY-THREE".

30 Page 6, line 16, strike "DIVISION" and substitute "ELIGIBLE LOCAL

31 GOVERNMENT TO WHICH THE SMALL BUSINESS APPLIES FOR A RELIEF

32 PAYMENT UNDER THE DIRECT RELIEF PROGRAM".

SB001_S_FIN.001

-2-

1 Page 6, strike line 18.

Page 6, line 19, strike "PROGRAMS" and substitute "RELIEF PAYMENTS
FROM THE ARTS RELIEF PROGRAM CREATED IN SECTION 24-48.5-316,", and
strike "20B-," and substitute "20B-001,".

- 5 Page 6, line 22, strike "ALL STATE" and substitute "THE EXECUTIVE
 6 ORDERS PERTAINING TO THE PUBLIC HEALTH EMERGENCY DUE TO
 7 COVID-19 AND ALL APPLICABLE STATEWIDE".
- 8 Page 7, after line 4 insert:

9 "(j) "SMALL BUSINESS RELIEF PROGRAM" OR "RELIEF PROGRAM"
10 MEANS THE SMALL BUSINESS RELIEF PROGRAM CREATED IN SUBSECTION (2)
11 OF THIS SECTION.".

Page 7, line 5, strike "Direct relief to small businesses" and substitute "Small business relief".

- Page 7, line 6, strike "DIRECT RELIEF TO SMALL BUSINESSES" and substitute
 "SMALL BUSINESS RELIEF".
- 16 Page 7, line 11, after "ALLOCATION" insert "OF AVAILABLE MONEY".

17 Page 7, strike lines 13 through 25 and substitute "OPERATING WITHIN 18 THEIR BOUNDARIES. AN ELIGIBLE LOCAL GOVERNMENT THAT CHOOSES TO 19 APPLY TO PARTICIPATE IN THE RELIEF PROGRAM MUST SUBMIT AN 20 APPLICATION TO THE DIVISION BY JANUARY 8, 2021, AND BY JANUARY 15, 21 2021, THE DIVISION SHALL ALLOCATE THE MONEY APPROPRIATED 22 PURSUANT TO SUBSECTION (3) OF THIS SECTION TO ELIGIBLE LOCAL 23 GOVERNMENTS. EXCEPT AS PROVIDED IN SUBSECTION (2)(a)(II) OF THIS 24 SECTION, THE DIVISION SHALL ALLOCATE MONEY TO ELIGIBLE LOCAL 25 GOVERNMENTS BASED ON THE POPULATION OF THE ELIGIBLE LOCAL 26 GOVERNMENTS, AS DETERMINED PURSUANT TO THE MOST RECENTLY 27 PUBLISHED POPULATION ESTIMATES FROM THE STATE DEMOGRAPHER 28 APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL 29 AFFAIRS.

30 (II) THE DIVISION SHALL SET ASIDE TEN PERCENT OF THE TOTAL
 31 AMOUNT APPROPRIATED PURSUANT TO SUBSECTION (3) OF THIS SECTION TO
 32 DISTRIBUTE ADDITIONAL AMOUNTS TO ELIGIBLE COUNTIES THAT:

1 (A) DEMONSTRATE HIGH NEEDS, AS DETERMINED BY THE DIVISION;

2 (B) HAVE A POPULATION OF NOT MORE THAN ONE HUNDRED 3 THOUSAND PEOPLE.".

- Page 7, lines 26 and 27, strike "THIRTY-SEVEN MILLION DOLLARS" and
 substitute "THE AMOUNT APPROPRIATED TO THE DIVISION PURSUANT TO
 SUBSECTION (3) OF THIS SECTION".
- Page 8, line 2, strike "THIRTY-SEVEN MILLION DOLLARS" and substitute
 "THE APPROPRIATED AMOUNT".
- 9 Page 8, line 4, strike "FOR PURPOSES OF".
- 10 Page 8, strike lines 5 through 13.
- Page 8, line 15, after "NECESSARY" insert "BY THE ELIGIBLE LOCALGOVERNMENT".
- Page 8, strike lines 16 and 17 and substitute "THE TOTAL AMOUNT
 ALLOCATED TO THE ELIGIBLE LOCAL GOVERNMENT PURSUANT TO
 SUBSECTION (2)(a) OF THIS SECTION:".
- 16 Page 9, line 7, after "ANY" insert "NEW OR".
- Page 9, line 9, after "THROUGH" insert "INTERGOVERNMENTAL
 AGREEMENTS WITH OTHER ELIGIBLE LOCAL GOVERNMENTS OR POLITICAL
 SUBDIVISIONS AND", and after "WITH" insert "PUBLIC OR".
- 20 Page 9, line 10, strike "TO PROVIDE" and substitute "TO:
- 21 (A) PROVIDE".
- Page 9, strike lines 12 through 22 and substitute "EXPEDITIOUS AND
 EFFICIENT MANNER; AND
- (B) ENCOURAGE AND FACILITATE THE EQUITABLE DISTRIBUTION OF
 RELIEF PAYMENTS TO ELIGIBLE SMALL BUSINESSES WITHIN THE
 MUNICIPALITIES AND POLITICAL SUBDIVISIONS LOCATED WITHIN THE
 GEOGRAPHICAL BOUNDARIES OF THE ELIGIBLE LOCAL GOVERNMENT.
- 28 (II) EACH ELIGIBLE LOCAL GOVERNMENT THAT RECEIVES AN
 29 ALLOCATION FROM THE DIVISION PURSUANT TO THE RELIEF PROGRAM
 30 SHALL:

(A) ALLOW SMALL BUSINESSES LOCATED WITHIN THE
 GEOGRAPHICAL BOUNDARIES OF THE ELIGIBLE LOCAL GOVERNMENT A
 SPECIFIED PERIOD OF NOT LESS THAN TWENTY-ONE DAYS DURING WHICH TO
 APPLY FOR RELIEF PAYMENTS;

5 (B) NOT DISTRIBUTE RELIEF PAYMENTS BASED ON THE ORDER IN
6 WHICH APPLICATIONS ARE SUBMITTED OR RECEIVED; AND

7 (C) COLLECT SUFFICIENT INFORMATION FROM SMALL BUSINESS
8 APPLICANTS TO ENABLE THE ELIGIBLE LOCAL GOVERNMENT TO ISSUE AN
9 INTERNAL REVENUE SERVICE FORM 1099 TO AN ELIGIBLE SMALL BUSINESS
10 THAT RECEIVES A RELIEF PAYMENT PURSUANT TO THIS SECTION.

(III) ELIGIBLE LOCAL GOVERNMENTS THAT APPLY TO PARTICIPATE
IN THE RELIEF PROGRAM MUST COMMUNICATE INFORMATION ABOUT THE
RELIEF PROGRAM IN A MANNER THAT INFORMS SMALL BUSINESSES
LOCATED WITHIN THE GEOGRAPHICAL BOUNDARIES OF THE ELIGIBLE LOCAL
GOVERNMENT ABOUT THE RELIEF PROGRAM AND HOW AND WHEN TO APPLY
FOR RELIEF PAYMENTS.".

Page 9, line 26, after "GOVERNMENT" insert "BASED ON THE PAYMENT
AMOUNTS SPECIFIED IN SUBSECTION (2)(b)(II) OF THIS SECTION, REDUCED
AS NECESSARY BASED ON THE TOTAL AMOUNT ALLOCATED TO THE
ELIGIBLE LOCAL GOVERNMENT PURSUANT TO SUBSECTION (2)(a) OF THIS
SECTION,".

22 Page 10, line 1, strike "26," and substitute "12,".

Page 10, line 1, after "2021." add "AN ELIGIBLE LOCAL GOVERNMENT
SHALL PROVIDE AN INTERNAL REVENUE SERVICE FORM 1099 TO EACH
ELIGIBLE SMALL BUSINESS TO WHICH IT DISTRIBUTES A RELIEF PAYMENT
PURSUANT TO THIS SECTION.".

- 27 Page 10, line 5, after "PROCESS;" insert "AND".
- 28 Page 10, strike lines 6 and 7.
- 29 Renumber succeeding subparagraph accordingly.
- 30 Page 10, line 15, strike "PAYMENTS, GRANTS,".
- 31 Page 10, strike line 16 and substitute "RELIEF PAYMENTS FROM THE ARTS
- 32 RELIEF PROGRAM CREATED IN SECTION 24-48.5-316, ENACTED BY".

- 1 Page 10, line 17, strike "20B-____," and substitute "20B-001,".
- 2 Page 10, line 22, strike "(1)(i)" and substitute "(1)(h)".
- 3 Page 10, strike lines 23 through 27 and substitute:
- 4 "(3) Funding. FOR THE 2020-21 STATE FISCAL YEAR, THE GENERAL
 5 ASSEMBLY SHALL APPROPRIATE THIRTY-SEVEN MILLION DOLLARS FROM
 6 THE GENERAL FUND TO THE DEPARTMENT OF LOCAL AFFAIRS FOR USE BY
 7 THE DIVISION IN ACCORDANCE WITH THIS SECTION.".
- 8 Page 11, line 27, strike "(1)(h)," and substitute "(1)(g),".
- 9 Page 12, line 25, strike "GRANT" and substitute "ARTS RELIEF".
- 10 Page 13, line 15, strike "GRANT" and substitute "ARTS RELIEF".
- 11 Page 13, line 20, strike "direct".
- 12 Page 14, line 6, strike "Direct" and substitute "Arts".
- Page 14, line 19, after "FUNDING." add "THE DIVISION SHALL COLLECT
 sufficient information from applicants to enable the division to
 issue an internal revenue service form 1099 to an applicant that
 Receives a relief payment pursuant to this section. When issuing
 a relief payment to an applicant, the division shall provide the
 internal revenue service form 1099 to the applicant.".
- 19 Page 14, strike lines 24 and 25 and substitute "RELIEF PAYMENTS FROM
- 20 THE SMALL BUSINESS RELIEF PROGRAM CREATED IN SECTION 24-32-129,
- 21 ENACTED BY SENATE BILL 20B-001, ENACTED IN THE FIRST".
- 22 Page 15, line 2, strike "PAYMENTS,".
- 23 Page 15, strike line 3 and substitute "RELIEF PAYMENTS FROM THE SMALL
- 24 BUSINESS RELIEF PROGRAM CREATED IN SECTION 24-32-129, ENACTED".
- 25 Page 15, line 4, strike "20B-____," and substitute "20B-001,".
- 26 Page 15, line 10, strike "ONE" and substitute "FIVE".

- Page 16, line 12, after "HEALTH" insert "AND THE CITY AND COUNTY OF
 DENVER".
- Page 16, strike lines 14 through 16 and substitute "AN ANNUAL LICENSING
 FEE.".
- 5 Page 16, line 27, after "(1)(j)," insert "(1)(k),".
- 6 Page 18, line 2, after "HUNDRED" insert "SEVENTY-EIGHT".
- 7 Page 18, line 27, strike "Direct relief" and substitute "Relief".
- 8 Page 19, line 5, strike "DIRECT RELIEF" and substitute "RELIEF".
- 9 Page 19, after line 27 insert:

10 "(c) THE OFFICE SHALL COLLECT SUFFICIENT INFORMATION FROM MINORITY-OWNED BUSINESSES APPLYING FOR A RELIEF PAYMENT OR 11 12 GRANT PURSUANT TO THIS SUBSECTION (2) TO ENABLE THE DIVISION TO 13 ISSUE AN INTERNAL REVENUE SERVICE FORM 1099 TO A MINORITY-OWNED 14 BUSINESS THAT RECEIVES A RELIEF PAYMENT OR GRANT. WHEN ISSUING A 15 RELIEF PAYMENT OR GRANT TO A MINORITY-OWNED BUSINESS, THE 16 DIVISION SHALL PROVIDE THE INTERNAL REVENUE SERVICE FORM 1099 TO 17 THE RELIEF PAYMENT OR GRANT RECIPIENT.".

- 18 Page 20, line 4, after "USED" insert "ANNUALLY".
- 19 Page 20, strike lines 19 through 23.
- 20 Renumber succeeding subsections accordingly.
- 21 Page 21, after line 10 insert:
- 22 "SECTION 9. In Colorado Revised Statutes, 24-46-105, add (6)
- as follows:

24 24-46-105. Colorado economic development fund - creation repeal. (6) (a) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO
THE CONTRARY, THE COMMISSION SHALL ALLOCATE MONEY APPROPRIATED
TO THE FUND PURSUANT TO SECTION 24-49.5-106 (4) TO THE MINORITY
BUSINESS OFFICE CREATED IN SECTION 24-49.5-102 FOR USE IN
ACCORDANCE WITH SECTION 24-49.5-106.

- 1 (b) This section is repealed, effective December 31, 2022.".
- 2 Renumber succeeding section accordingly.
- 3 Strike "A DIRECT" and substitute "AN ARTS" on: **Page 14**, lines 7, 11, 14, 22, and 27.
- 5 Strike "DIRECT" and substitute "ARTS" on: Page 15, lines 9, 13, 19, 21, and6 24.
- Strike "DIRECT" on: Page 5, line 24; page 6, line 17; page 7, lines 8, 12,
 and 24; page 8, lines 1, 4, 14, 16, 20, and 24; page 9, lines 1, 5, 6, 10, and
 24; page 10, lines 3, 13, 14, 15, 19, and 20; page 11, lines 8 and 13; and
 page 12, line 2; page 14, lines 8 and 23; page 15, line 2; and page 19,
 lines 12, 15, 20, 22, and 24.
- 12 Strike "(5)" and substitute "(4)" on: **Page 19**, line 3; and **page 20**, line 3.

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SB001_S_FIN.001