

**Second Regular Session
Seventieth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 16-0381.01 Jennifer Berman x3286

SENATE BILL 16-081

SENATE SPONSORSHIP

Donovan, Kefalas, Hodge, Garcia, Todd, Aguilar, Newell, Jones, Guzman, Johnston, Kerr,
Merrifield, Steadman

HOUSE SPONSORSHIP

Young,

Senate Committees

Local Government
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF A RURAL ECONOMIC EMERGENCY**
102 **ASSISTANCE GRANT PROGRAM FOR THE PROVISION OF**
103 **EMERGENCY-BASED GRANT FUNDS TO RURAL COMMUNITIES**
104 **EXPERIENCING CERTAIN SIGNIFICANT ECONOMIC EVENTS THAT**
105 **HAVE LED TO SUBSTANTIAL JOB LOSS IN THE RURAL**
106 **COMMUNITY, AND, IN CONNECTION THEREWITH, AUTHORIZING**
107 **THE DEPARTMENT OF LOCAL AFFAIRS TO ADMINISTER THE**
108 **GRANT PROGRAM.**

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

[http://www.leg.state.co.us/bills/summaries.](http://www.leg.state.co.us/bills/summaries/))

The bill creates the rural economic emergency assistance grant program (program) within the department of local affairs (department) for the purpose of disbursing emergency-based grant funds to rural communities experiencing significant economic events, such as a plant closure or layoffs including industry-wide layoffs, that have a significant, quantifiable impact on jobs within the rural community.

The bill also creates the rural economic emergency assistance grant fund, to be administered by the executive director of the department, for implementation of the program and into which \$2 million is transferred from the unclaimed property trust fund for the 2016-17 state fiscal year and to which grants, gifts, and donations may be transmitted.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 35 to article
3 32 of title 24 as follows:

4 **PART 35**

5 **RURAL ECONOMIC EMERGENCY ASSISTANCE GRANTS**

6 **24-32-3501. Rural economic emergency assistance grant**
7 **program - fund - creation - reports - legislative declaration -**
8 **definitions - repeal. (1) Legislative declaration.** THE GENERAL
9 ASSEMBLY HEREBY FINDS AND DETERMINES THAT:

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

15 (b) THESE EVENTS MAY CREATE A SUDDEN NEED FOR WORKFORCE,
16 COMMUNITY, AND ECONOMIC DEVELOPMENT AND FOR CAPACITY THAT
17 CANNOT REASONABLY BE ACCOMMODATED THROUGH A RURAL
18 COMMUNITY'S ONGOING OPERATIONS AND BUDGET.

1 (2) THEREFORE, THE GENERAL ASSEMBLY DETERMINES AND
2 DECLARES THAT EMERGENCY-BASED GRANT FUNDS WOULD HELP RURAL
3 COMMUNITIES EXPERIENCING SIGNIFICANT ECONOMIC EVENTS THAT LEAD
4 TO SUBSTANTIAL JOB LOSSES THROUGH THE DEVELOPMENT OF A GRANT
5 PROGRAM IN THE DEPARTMENT.

6 **24-32-3502. Definitions.** AS USED IN THIS PART 35, UNLESS THE
7 CONTEXT OTHERWISE REQUIRES:

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

9 (2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
10 THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

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

12 (I) A COUNTY WITH A POPULATION OF FEWER THAN FIFTY
13 THOUSAND; OR

14 (II) A MUNICIPALITY WITH A POPULATION OF FEWER THAN TWENTY
15 THOUSAND IF THE MUNICIPALITY IS NOT CONTIGUOUS TO A MUNICIPALITY
16 WITH A POPULATION OF TWENTY THOUSAND OR MORE.

17 (b) THE EXECUTIVE DIRECTOR MAY MODIFY THE DEFINITION OF
18 "RURAL" AS NECESSARY TO IMPLEMENT THE GRANT PROGRAM CREATED IN
19 SECTION 24-32-3503.

20 (4) (a) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" MEANS AN
21 ECONOMIC EVENT OCCURRING WITHIN A RURAL COMMUNITY OR REGION,
22 INCLUDING A PLANT CLOSURE OR LAYOFFS, INCLUDING INDUSTRY-WIDE
23 LAYOFFS, THAT MAY HAVE A SIGNIFICANT, QUANTIFIABLE IMPACT ON THE
24 TOTAL JOBS WITHIN THE RURAL COMMUNITY, AS DETERMINED BY THE
25 EXECUTIVE DIRECTOR WHEN CONSIDERING GRANT AWARD ELIGIBILITY
26 STANDARDS ESTABLISHED BY THE EXECUTIVE DIRECTOR PURSUANT TO
27 THIS SECTION.

1 (b) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" INCLUDES A
2 SERIES OF ECONOMIC EVENTS OCCURRING WITHIN A TWELVE-MONTH
3 PERIOD WITHIN A RURAL COMMUNITY THAT COLLECTIVELY MIGHT HAVE
4 A SIGNIFICANT, QUANTIFIABLE IMPACT ON THE TOTAL JOBS WITHIN THE
5 RURAL COMMUNITY, AS DETERMINED BY THE EXECUTIVE DIRECTOR.

6 **24-32-3503. Rural economic emergency assistance grant**
7 **program.** (1) FOR THE PURPOSE OF ASSISTING RURAL COMMUNITIES
8 IMPACTED BY A SIGNIFICANT ECONOMIC EVENT OR AN ANTICIPATED EVENT
9 THAT HAS BEEN ANNOUNCED, THE EXECUTIVE DIRECTOR SHALL
10 ADMINISTER THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT
11 PROGRAM, ALSO REFERRED TO IN THIS SECTION AS THE "GRANT PROGRAM".

12 (2) THE EXECUTIVE DIRECTOR MAY AWARD A GRANT TO A RURAL
13 COMMUNITY THAT APPLIES IN A FORM AND MANNER DETERMINED BY THE
14 EXECUTIVE DIRECTOR AND THAT SUFFICIENTLY DEMONSTRATES TO THE
15 EXECUTIVE DIRECTOR'S SATISFACTION THAT IT HAS EXPERIENCED A
16 SIGNIFICANT ECONOMIC EVENT THAT MEETS THE GRANT AWARD
17 ELIGIBILITY STANDARDS ESTABLISHED BY THE EXECUTIVE DIRECTOR. THE
18 EXECUTIVE DIRECTOR'S ELIGIBILITY STANDARDS MUST INCLUDE
19 CONSIDERATION OF THE FOLLOWING FACTORS:

20 (a) THE CHANGE IN ECONOMIC CONDITIONS RESULTING FROM THE
21 EVENT ON:

- 22 (I) THE RURAL COMMUNITY AS A WHOLE;
- 23 (II) AN INDUSTRY AFFECTED BY THE EVENT; OR
- 24 (III) ANY OTHER RELEVANT SECTOR OF THE COMMUNITY CAPABLE
25 OF DELINEATION;

26 (b) IF KNOWN, THE ANTICIPATED DURATION OF THE EVENT;

27 (c) THE PERCENTAGE OF WORKERS AND TYPES OF INDUSTRIES

1 WITHIN THE RURAL COMMUNITY DIRECTLY IMPACTED BY THE EVENT;

2 (d) ANY NEGATIVE IMPACT THE EVENT HAS HAD OR IS

3 ANTICIPATED TO HAVE ON OTHER GEOGRAPHIC AREAS OF THE STATE; AND

4 (e) THE RURAL COMMUNITY'S ABILITY AND CAPACITY TO MANAGE

5 THE EVENT OR ITS NEGATIVE IMPACTS.

6 (3) WHEN APPLYING FOR A GRANT, A RURAL COMMUNITY MUST:

7 (a) TO THE EXTENT PRACTICABLE, COORDINATE WITH A LOCAL,

8 STATE, OR FEDERAL AGENCY OR A NONPROFIT ORGANIZATION WITH

9 EXPERTISE IN RURAL COMMUNITY DEVELOPMENT IN PREPARING THE

10 APPLICATION;

11 (b) ADDRESS THE FACTORS LISTED IN SUBSECTION (2) OF THIS

12 SECTION AND ANY OTHER INFORMATION THE EXECUTIVE DIRECTOR

13 REQUIRES;

14 (c) DEMONSTRATE THE INTENDED USE OF ANY GRANT MONEY

15 AWARDED BY INCLUDING A PLAN FOR USE OF THE MONEY, WHICH PLAN

16 MUST BE SUBMITTED WITH THE APPLICATION IN A FORM AND MANNER

17 DETERMINED BY THE EXECUTIVE DIRECTOR; AND

18 (d) IDENTIFY POTENTIAL LOCAL FUNDING SOURCES, INCLUDING

19 ANY AVAILABLE EMERGENCY RESERVES THAT THE RURAL COMMUNITY

20 MAY UTILIZE AND ANY AVAILABLE PRIVATE FUNDING SOURCES.

21 (4) TO THE EXTENT PRACTICABLE AND WITHIN EXISTING

22 RESOURCES AND IN COLLABORATION WITH THE DEPARTMENT OF LABOR

23 AND EMPLOYMENT CREATED IN SECTION 24-1-121 AND THE OFFICE OF

24 ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101, THE

25 EXECUTIVE DIRECTOR SHALL PROVIDE TECHNICAL ASSISTANCE TO ANY

26 RURAL COMMUNITY SEEKING ASSISTANCE WITH ANY OF THE APPLICATION

27 REQUIREMENTS SET FORTH IN SUBSECTION (3) OF THIS SECTION.

1 (5) IF TWO OR MORE RURAL COMMUNITIES AFFECTED BY THE SAME
2 EVENT SUBMIT A JOINT GRANT APPLICATION, THE RURAL COMMUNITIES
3 MUST DESCRIBE IN THE PLAN SUBMITTED WITH THE APPLICATION:

4 (a) HOW THE GRANTEE SHOULD ALLOCATE THE GRANT MONEY
5 BETWEEN THE RURAL COMMUNITIES; AND

6 (b) ANY COORDINATION OF SERVICES THAT THE RURAL
7 COMMUNITIES PLAN TO PROVIDE.

8 (6) WITHIN SIXTY DAYS OF RECEIPT OF A COMPLETE GRANT
9 APPLICATION, THE EXECUTIVE DIRECTOR SHALL NOTIFY THE GRANT
10 APPLICANT IN WRITING WHETHER THE APPLICATION IS APPROVED OR
11 DENIED.

12 (7) (a) IF A RURAL COMMUNITY THAT HAS RECEIVED A GRANT
13 AWARD DEMONSTRATES TO THE SATISFACTION OF THE EXECUTIVE
14 DIRECTOR THAT IT LACKS SUFFICIENT NONMONETARY RESOURCES,
15 INCLUDING TECHNICAL ASSISTANCE, TO PROVIDE ADEQUATE SERVICES,
16 THE EXECUTIVE DIRECTOR MAY COORDINATE THE PROVISION OF
17 NONMONETARY RESOURCES TO THE RURAL COMMUNITY FOR CAPACITY
18 BUILDING.

19 (b) IF THE EXECUTIVE DIRECTOR AUTHORIZES CAPACITY BUILDING
20 ASSISTANCE UNDER PARAGRAPH (a) OF THIS SUBSECTION (7), THE
21 DEPARTMENT, TO THE EXTENT PRACTICABLE AND WITHIN EXISTING
22 RESOURCES AND IN COLLABORATION WITH THE DEPARTMENT OF LABOR
23 AND EMPLOYMENT, THE OFFICE OF ECONOMIC DEVELOPMENT, AND THE
24 DEPARTMENT'S REGIONAL MANAGER OF THE REGION COVERING THE RURAL
25 COMMUNITY, SHALL PROVIDE NONMONETARY RESOURCES TO ASSIST THE
26 RURAL COMMUNITY WITH PROVIDING SERVICES.

27 **24-32-3504. Reporting.** (1) ON OR BEFORE MARCH 1, 2017, AND

1 ANNUALLY THEREAFTER, THE EXECUTIVE DIRECTOR SHALL REPORT TO THE
2 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE THAT
3 HEAR MATTERS CONCERNING LOCAL GOVERNMENT ON THE GRANT
4 PROGRAM AND INCLUDE INFORMATION ABOUT THE NUMBER OF
5 APPLICATIONS RECEIVED, THE NUMBER AND AMOUNTS OF GRANTS
6 AWARDED, AND THE RURAL COMMUNITIES' USE OF GRANT MONEY THAT
7 WAS AWARDED. ON OR BEFORE MARCH 1, 2022, THE EXECUTIVE DIRECTOR
8 SHALL GIVE A FINAL REPORT TO THE SAME COMMITTEES ON THE
9 IMPLEMENTATION OF THE GRANT PROGRAM.

10 (2) FOR PURPOSES OF THE REPORTING REQUIREMENTS IN THIS
11 SECTION, THE EXECUTIVE DIRECTOR SHALL DEVELOP REPORTING
12 REQUIREMENTS FOR RURAL COMMUNITIES THAT HAVE BEEN AWARDED
13 GRANT MONEY.

14 **24-32-3505. Rural economic emergency assistance grant fund**
15 **- gifts, grants, and donations.** (1) THERE IS HEREBY CREATED IN THE
16 STATE TREASURY THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT
17 FUND, REFERRED TO IN THIS SECTION AS THE "FUND". THE EXECUTIVE
18 DIRECTOR SHALL ADMINISTER THE FUND FOR IMPLEMENTATION OF THE
19 GRANT PROGRAM.

20 (2) ON JUNE 1, 2016, THE STATE TREASURER SHALL TRANSFER TWO
21 MILLION DOLLARS FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE
22 FUND IN ACCORDANCE WITH SECTION 38-13-116.5 (2.8) (a.5), C.R.S., FOR
23 IMPLEMENTATION OF THE GRANT PROGRAM, INCLUDING THE DIRECT AND
24 INDIRECT COSTS OF ADMINISTERING THE GRANT PROGRAM.

25 (3) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
26 ADDITIONAL MONEY TO THE FUND. ANY MONEY IN THE FUND AT THE END
27 OF EACH FISCAL YEAR REMAINS IN THE FUND. ANY INTEREST EARNED ON

1 THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND REMAINS IN THE
2 FUND AND SHALL NOT BE CREDITED TO THE GENERAL FUND.

3 (4) THE EXECUTIVE DIRECTOR MAY ACCEPT AND EXPEND GIFTS,
4 GRANTS, AND DONATIONS FOR THE PURPOSES OF THIS SECTION, BUT THE
5 IMPLEMENTATION OF THIS SECTION IS NOT DEPENDENT ON THE RECEIPT OF
6 GIFTS, GRANTS, AND DONATIONS. THE EXECUTIVE DIRECTOR SHALL
7 TRANSMIT ALL MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS
8 TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE FUND.

9 **24-32-3506. Repeal.** THIS PART 35 IS REPEALED, EFFECTIVE JULY
10 1, 2022.

11 **SECTION 2.** In Colorado Revised Statutes, 38-13-116.5, **add**
12 (2.8) (a.5) as follows:

13 **38-13-116.5. Unclaimed property trust fund - creation -**
14 **payments - interest - appropriations - records - rules - repeal.**

15 (2.8) (a.5) (I) ON JUNE 1, 2016, AFTER RESERVING THE AMOUNTS
16 DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (2.8) AND
17 TRANSMITTING THE AMOUNT DESCRIBED IN PARAGRAPH (a) OF THIS
18 SUBSECTION (2.8), THE STATE TREASURER SHALL TRANSMIT TWO MILLION
19 DOLLARS FROM THE INTEREST IN THE TRUST FUND, AND, TO THE EXTENT
20 THAT THE INTEREST IS INSUFFICIENT TO COVER THE AMOUNT, FROM THE
21 PRINCIPAL IN THE TRUST FUND, TO THE RURAL ECONOMIC EMERGENCY
22 ASSISTANCE GRANT FUND, CREATED IN SECTION 24-32-3505, C.R.S., TO
23 IMPLEMENT THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT
24 PROGRAM, CREATED IN SECTION 24-32-3503, C.R.S. THE MONEY
25 TRANSMITTED TO THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT
26 FUND PURSUANT TO THIS PARAGRAPH (a.5) CONSTITUTES FISCAL YEAR
27 SPENDING FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE

1 CONSTITUTION.

2 (II) THIS PARAGRAPH (a.5) IS REPEALED EFFECTIVE JULY 1, 2017.

3 **SECTION 3. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.