

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0583.01 Jennifer Berman x3286

SENATE BILL 17-022

SENATE SPONSORSHIP

Donovan,

HOUSE SPONSORSHIP

(None),

Senate Committees
Finance

House Committees

A BILL FOR AN ACT

101 CONCERNING THE COORDINATION OF ECONOMIC ASSISTANCE FOR
102 RURAL COMMUNITIES EXPERIENCING CERTAIN SIGNIFICANT
103 ECONOMIC EVENTS THAT HAVE LED TO SUBSTANTIAL JOB LOSS
104 IN THOSE COMMUNITIES, AND, IN CONNECTION THEREWITH,
105 AUTHORIZING THE DEPARTMENT OF LOCAL AFFAIRS TO
106 COORDINATE NONMONETARY ASSISTANCE AND AWARD GRANT
107 MONEY TO ASSIST RURAL COMMUNITIES WITH JOB CREATION OR
108 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

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://leg.colorado.gov>.)

The bill authorizes the executive director of the department of local affairs (department) 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 of the department 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 of the department for grant-making purposes over the next 3 years. For the 2017-18, 2018-19, and 2019-20 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.

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 ADVANCEMENT

6 OF COLORADO TOWNS

7 **24-32-3501. Short title.** THE SHORT TITLE OF THIS PART 35 IS THE
8 "RURAL ECONOMIC ADVANCEMENT OF COLORADO TOWNS (REACT)
9 ACT".

10 **24-32-3502. 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 SUBSTANTIAL JOB LOSSES OCCUR IN RURAL

1 COMMUNITIES;

2 (b) THESE EVENTS MAY CREATE A SUDDEN NEED FOR INCREASED
3 CAPACITY FOR WORKFORCE, COMMUNITY, OR ECONOMIC DEVELOPMENT
4 THAT CANNOT REASONABLY BE ACCOMMODATED THROUGH A RURAL
5 COMMUNITY'S ONGOING OPERATIONS AND BUDGET; AND

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

11 (2) THEREFORE, THE GENERAL ASSEMBLY DETERMINES AND
12 DECLARES THAT:

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

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

23 **24-32-3503. Definitions - rules.** AS USED IN THIS PART 35, UNLESS
24 THE CONTEXT OTHERWISE REQUIRES:

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

26 (2) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
27 THE DEPARTMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE.

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

2 (I) A COUNTY WITH A POPULATION OF FEWER THAN FIFTY
3 THOUSAND; OR

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

7 (b) THE EXECUTIVE DIRECTOR MAY MODIFY, BY RULE, THE
8 DEFINITION OF "RURAL" AS NECESSARY TO IMPLEMENT THIS PART 35.

9 (4) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" MEANS AN
10 ECONOMIC EVENT OCCURRING WITHIN A RURAL COMMUNITY OR REGION,
11 SUCH AS A PLANT CLOSURE OR LAYOFFS, INCLUDING INDUSTRY-WIDE
12 LAYOFFS, THAT MAY HAVE A SIGNIFICANT, QUANTIFIABLE IMPACT ON THE
13 TOTAL NUMBER OF JOBS WITHIN THE RURAL COMMUNITY, AS DETERMINED
14 BY THE EXECUTIVE DIRECTOR WHEN CONSIDERING APPLICATIONS FOR
15 NONMONETARY ASSISTANCE PURSUANT TO SECTION 24-32-3504 OR GRANT
16 MONEY PURSUANT TO SECTION 24-32-3505.

17 **24-32-3504. Rural economic advancement of Colorado towns**
18 **- coordination of nonmonetary assistance - application - rules.**

19 (1) FOR THE PURPOSE OF ASSISTING RURAL COMMUNITIES WITH JOB
20 RETENTION AND CREATION, THE EXECUTIVE DIRECTOR SHALL COORDINATE
21 THE PROVISION OF AVAILABLE STATE NONMONETARY RESOURCES AND
22 ASSISTANCE TO RURAL COMMUNITIES IMPACTED BY A SIGNIFICANT
23 ECONOMIC EVENT OR AN ANTICIPATED EVENT THAT HAS BEEN
24 ANNOUNCED.

25 (2) (a) IF A RURAL COMMUNITY HAS EXPERIENCED A SIGNIFICANT
26 ECONOMIC EVENT OR ANTICIPATES AN EVENT THAT HAS BEEN
27 ANNOUNCED, A PERSON MAY APPLY TO THE EXECUTIVE DIRECTOR ON

1 BEHALF OF THE RURAL COMMUNITY FOR THE PROVISION AND
2 COORDINATION OF AVAILABLE STATE NONMONETARY RESOURCES AND
3 OTHER NONMONETARY ASSISTANCE. A PERSON MAY APPLY
4 SIMULTANEOUSLY FOR BOTH NONMONETARY RESOURCES AND ASSISTANCE
5 UNDER THIS SECTION AND A GRANT AWARD UNDER SECTION 24-32-3505.
6 THE EXECUTIVE DIRECTOR SHALL DETERMINE THE FORM AND MANNER OF
7 APPLICATION FOR NONMONETARY RESOURCES AND ASSISTANCE AND
8 SHALL PUBLISH APPLICATION INSTRUCTIONS AND ANY NECESSARY FORMS
9 ON THE DEPARTMENT'S WEBSITE.

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

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

25 (II) TECHNICAL ASSISTANCE; AND

26 (III) OTHER NONMONETARY RESOURCES.

27 (3) THE EXECUTIVE DIRECTOR MAY PROMULGATE RULES AS

1 NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

2 **24-32-3505. Rural economic advancement of Colorado towns**

3 **- grant-making - application - rules. (1) (a)** FOR EACH STATE FISCAL

4 YEAR THROUGH STATE FISCAL YEAR 2019-20, THE EXECUTIVE DIRECTOR

5 SHALL AWARD UP TO FIVE HUNDRED THOUSAND DOLLARS IN GRANT

6 MONEY TO RURAL COMMUNITIES EXPERIENCING A SIGNIFICANT ECONOMIC

7 EVENT TO ASSIST THOSE COMMUNITIES WITH ECONOMIC DEVELOPMENT

8 AND REVITALIZATION. THE EXECUTIVE DIRECTOR SHALL ESTABLISH GRANT

9 AWARD ELIGIBILITY STANDARDS FOR THE AWARD OF MONEY TO RURAL

10 COMMUNITIES EXPERIENCING A SIGNIFICANT ECONOMIC EVENT OR AN

11 ANTICIPATED EVENT THAT HAS BEEN ANNOUNCED. THE EXECUTIVE

12 DIRECTOR SHALL POST THE GRANT AWARD ELIGIBILITY CRITERIA AND ANY

13 GRANT APPLICATION FORMS DEVELOPED PURSUANT TO THIS SECTION ON

14 THE DEPARTMENT'S WEBSITE.

15 (b) THE EXECUTIVE DIRECTOR MAY AWARD GRANT MONEY TO A

16 RURAL COMMUNITY IF A PERSON APPLIES ON BEHALF OF THE RURAL

17 COMMUNITY IN A FORM AND MANNER DETERMINED BY THE EXECUTIVE

18 DIRECTOR AND SUFFICIENTLY DEMONSTRATES TO THE EXECUTIVE

19 DIRECTOR'S SATISFACTION THAT THE RURAL COMMUNITY HAS:

20 (I) EXPERIENCED A SIGNIFICANT ECONOMIC EVENT OR AN

21 ANTICIPATED EVENT THAT HAS BEEN ANNOUNCED THAT MEETS THE GRANT

22 AWARD ELIGIBILITY STANDARDS ESTABLISHED BY THE EXECUTIVE

23 DIRECTOR PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION; AND

24 (II) PROPOSED A PROJECT TO WHICH THE GRANT MONEY WOULD BE

25 APPLIED AND THAT IS DESIGNED TO:

26 (A) STRENGTHEN THE RURAL COMMUNITY THROUGH INVESTMENT

27 IN THE RURAL COMMUNITY'S ECONOMY;

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

2 (C) FACILITATE JOB RETENTION OR CREATION IN THE RURAL
3 COMMUNITY.

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

6 (3) A PERSON APPLYING FOR GRANT MONEY ON BEHALF OF A
7 RURAL COMMUNITY SHALL INCLUDE A PLAN FOR USE OF THE MONEY,
8 WHICH PLAN MUST BE SUBMITTED WITH THE APPLICATION IN A FORM AND
9 MANNER DETERMINED BY THE EXECUTIVE DIRECTOR. A PERSON MAY
10 APPLY SIMULTANEOUSLY FOR BOTH A GRANT AWARD UNDER THIS SECTION
11 AND NONMONETARY RESOURCES AND ASSISTANCE UNDER SECTION
12 24-32-3504.

13 (4) A JOINT GRANT APPLICATION MAY BE SUBMITTED ON BEHALF
14 OF TWO OR MORE RURAL COMMUNITIES AFFECTED BY THE SAME EVENT.
15 THE APPLICATION MUST INCLUDE A DESCRIPTION OF:

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

18 (b) ANY COORDINATION OF SERVICES THAT THE RURAL
19 COMMUNITIES PLAN TO PROVIDE.

20 (5) WITHIN SIXTY DAYS AFTER RECEIPT OF A COMPLETE GRANT
21 APPLICATION, THE EXECUTIVE DIRECTOR SHALL NOTIFY THE GRANT
22 APPLICANT IN WRITING WHETHER THE APPLICATION IS APPROVED OR
23 DENIED.

24 **24-32-3506. Rural economic advancement of Colorado towns**
25 **fund - creation - gifts, grants, and donations.** (1) THERE IS HEREBY
26 CREATED IN THE STATE TREASURY THE RURAL ECONOMIC ADVANCEMENT
27 OF COLORADO TOWNS FUND, REFERRED TO IN THIS SECTION AS THE

1 "FUND". THE EXECUTIVE DIRECTOR SHALL ADMINISTER THE FUND FOR
2 IMPLEMENTATION OF THE EXECUTIVE DIRECTOR'S GRANT-MAKING
3 AUTHORITY SET FORTH IN SECTION 24-32-3505.

4 (2) (a) FOR IMPLEMENTATION OF SECTION 24-32-3505, THE STATE
5 TREASURER SHALL TRANSFER MONEY FROM THE GENERAL FUND TO THE
6 FUND IN THE FOLLOWING AMOUNTS:

7 (I) ON SEPTEMBER 1, 2017, FIVE HUNDRED THOUSAND DOLLARS;

8 (II) ON JULY 1, 2018, FIVE HUNDRED THOUSAND DOLLARS; AND

9 (III) ON JULY 1, 2019, FIVE HUNDRED THOUSAND DOLLARS.

10 (b) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
11 THE DEPARTMENT FOR IMPLEMENTATION OF THE GRANT-MAKING
12 AUTHORITY SET FORTH IN SECTION 24-32-3505.

13 (3) (a) THE GENERAL ASSEMBLY MAY ANNUALLY APPROPRIATE
14 ADDITIONAL MONEY TO THE FUND. ANY MONEY IN THE FUND AT THE END
15 OF EACH FISCAL YEAR REMAINS IN THE FUND. ANY INTEREST EARNED ON
16 THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND REMAINS IN THE
17 FUND AND SHALL NOT BE CREDITED TO THE GENERAL FUND.

18 (b) ON JUNE 30, 2020, THE STATE TREASURER SHALL TRANSFER
19 ANY MONEY REMAINING IN THE FUND TO THE GENERAL FUND.

20 (4) THE EXECUTIVE DIRECTOR MAY ACCEPT AND EXPEND GIFTS,
21 GRANTS, AND DONATIONS FOR THE PURPOSES OF THIS SECTION, BUT THE
22 IMPLEMENTATION OF THIS SECTION IS NOT DEPENDENT ON THE RECEIPT OF
23 GIFTS, GRANTS, AND DONATIONS. THE EXECUTIVE DIRECTOR SHALL
24 TRANSMIT ALL MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS
25 TO THE STATE TREASURER, WHO SHALL CREDIT IT TO THE FUND.

26 **24-32-3507. Repeal of part.** THIS PART 35 IS REPEALED,
27 EFFECTIVE JULY 1, 2020.

1 **SECTION 2. Act subject to petition - effective date.** This act
2 takes effect September 1, 2017; except that, if a referendum petition is
3 filed pursuant to section 1 (3) of article V of the state constitution against
4 this act or an item, section, or part of this act within the ninety-day period
5 after final adjournment of the general assembly, then the act, item,
6 section, or part will not take effect unless approved by the people at the
7 general election to be held in November 2018 and, in such case, will take
8 effect on the date of the official declaration of the vote thereon by the
9 governor.