

**Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 20-0673.01 Nicole Myers x4326

HOUSE BILL 20-1116

HOUSE SPONSORSHIP

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A BILL FOR AN ACT

101 **CONCERNING AN EXTENSION OF THE PROCUREMENT TECHNICAL**
102 **ASSISTANCE CENTER 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 <http://leg.colorado.gov>.)

The office of economic development (office) currently contracts with a nonprofit entity that was designated by the federal defense logistics agency to provide procurement technical assistance statewide (nonprofit entity). The nonprofit entity helps small businesses in the state obtain and perform government contracts at the local, state, and federal level. This includes small businesses owned by women, minorities, and veterans.

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.

SENATE
Amended 2nd Reading
June 4, 2020

HOUSE
3rd Reading Unamended
March 2, 2020

HOUSE
2nd Reading Unamended
February 28, 2020

The current 6-year contract between the office and the nonprofit entity will expire in September 2020. The bill authorizes the office to renew the contract for up to 5 years.

As part of the state's investment in the procurement technical assistance program (state's investment), current law specifies that the general assembly shall not contribute more than \$200,000 from the general fund or any other source. The bill allows the general assembly to increase its contribution to the state's investment in any contract year so long as the nonprofit entity contributes a 100% match to the increased amount in the same contract year by soliciting gifts, grants, and donations. In addition, the nonprofit entity is required to obtain \$200,000 in gifts, grants, or donations annually for part of the state's investment. In the 3rd through 6th contract year of the original contract, current law requires that at least 25% of the \$200,000 be in the form of cash. The bill extends this requirement for each year of the renewed contract.

Current law also requires the state treasurer to annually transfer \$220,000 from the general fund to the procurement technical assistance cash fund through the 2019-20 fiscal year. The bill extends the annual transfer through the 2024-25 fiscal year.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-48.5-121, **amend**
3 (2)(a), (3), (4)(b), (4)(c)(II)(C), (4)(d)(II), and (8)(a)(I) as follows:

4 **24-48.5-121. Procurement technical assistance program - fund**
5 **- legislative declaration - definitions.** (2) **Definitions.** As used in this
6 section, unless the context otherwise requires:

7 (a) "Contract year" means one year of the term of the contract
8 entered into OR RENEWED pursuant to this section.

9 (3) **Contract.** (a) On or before September 15, 2014, the office
10 shall enter into a contract with the qualified entity or entities that were
11 selected by the federal defense logistics agency to provide procurement
12 technical assistance statewide. The contract term and requirements shall
13 be in effect for up to six years and shall align with the federal defense
14 logistics agency requirements for such contract.

1 (b) ON OR BEFORE SEPTEMBER 15, 2020, THE OFFICE MAY RENEW
2 AN EXISTING CONTRACT WITH A QUALIFIED ENTITY OR ENTITIES. THE
3 RENEWED CONTRACT MUST BE IN EFFECT FOR UP TO FIVE YEARS AND MUST
4 ALIGN WITH THE FEDERAL DEFENSE LOGISTICS AGENCY REQUIREMENTS
5 FOR THE CONTRACT.

6 (4) **State's investment.** (b) (I) EXCEPT AS OTHERWISE PROVIDED
7 IN SUBSECTION (4)(b)(II) OF THIS SECTION, in each contract year, the state,
8 through the office, shall contribute the lesser of the qualified entity's
9 contribution to the previous contract year's state's investment or two
10 hundred thousand dollars to the total amount of the state's investment in
11 the procurement technical assistance program for the then-current
12 contract year. Therefore, the general assembly shall provide not more than
13 two hundred thousand dollars from the state general fund or from any
14 other source of state ~~moneys~~ MONEY in each contract year; EXCEPT THAT
15 THE GENERAL ASSEMBLY MAY PROVIDE MORE THAN TWO HUNDRED
16 THOUSAND DOLLARS FROM THE STATE GENERAL FUND OR FROM ANY
17 OTHER SOURCE IN ANY CONTRACT YEAR SO LONG AS THE QUALIFIED
18 ENTITY PROVIDES A ONE HUNDRED PERCENT MATCH, IN THE MANNER
19 SPECIFIED IN SUBSECTION (4)(c)(II)(C) OF THIS SECTION, TO THE
20 ADDITIONAL AMOUNT PROVIDED BY THE GENERAL ASSEMBLY IN THE
21 APPLICABLE CONTRACT YEAR.

22 (II) (A) FOR THE 2020-21 STATE FISCAL YEAR, THE STATE,
23 THROUGH THE OFFICE, SHALL CONTRIBUTE THE LESSER OF THE QUALIFIED
24 ENTITY'S CONTRIBUTION TO THE PREVIOUS CONTRACT YEAR'S STATE'S
25 INVESTMENT OR TWO HUNDRED THOUSAND DOLLARS TO THE TOTAL
26 AMOUNT OF THE STATE'S INVESTMENT IN THE PROCUREMENT TECHNICAL
27 ASSISTANCE PROGRAM FOR THE APPLICABLE CONTRACT YEAR; EXCEPT

1 THAT, FOR THE 2020-21 STATE FISCAL YEAR, THE GENERAL ASSEMBLY
2 SHALL NOT PROVIDE MORE THAN ONE HUNDRED SEVENTY-FIVE THOUSAND
3 DOLLARS FROM THE GENERAL FUND. THE OFFICE SHALL PROVIDE, WITHIN
4 EXISTING RESOURCES, THE REMAINING TWENTY-FIVE THOUSAND DOLLARS
5 TOWARD THE STATE'S INVESTMENT FOR THE 2020-21 STATE FISCAL YEAR.

6 (B) FOR THE 2021-22 STATE FISCAL YEAR, THE STATE, THROUGH
7 THE OFFICE, SHALL CONTRIBUTE THE LESSER OF THE QUALIFIED ENTITY'S
8 CONTRIBUTION TO THE PREVIOUS CONTRACT YEAR'S STATE'S INVESTMENT
9 OR ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS TO THE TOTAL
10 AMOUNT OF THE STATE'S INVESTMENT IN THE PROCUREMENT TECHNICAL
11 ASSISTANCE PROGRAM FOR THE THEN-CURRENT CONTRACT YEAR.
12 THEREFORE, THE GENERAL ASSEMBLY SHALL NOT PROVIDE MORE THAN
13 ONE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS FROM THE STATE
14 GENERAL FUND OR FROM ANY OTHER SOURCE OF STATE MONEYS IN THE
15 2021-22 STATE FISCAL YEAR.

16 (C) FOR THE 2022-23 STATE FISCAL YEAR AND EACH STATE FISCAL
17 YEAR THEREAFTER FOR THE REMAINDER OF THE TERM OF THE CONTRACT,
18 THE AMOUNT OF THE CONTRIBUTION MADE TO THE STATE'S INVESTMENT
19 AND THE AMOUNT PROVIDED BY THE GENERAL ASSEMBLY FOR SUCH
20 CONTRIBUTION SHALL BE DETERMINED PURSUANT TO SUBSECTION (4)(b)(I)
21 OF THIS SECTION.

22 (c) (II) The gifts, grants, or donations that the qualified entity
23 obtains may be comprised of both cash and in-kind contributions; except
24 that, of the two hundred thousand dollars that the qualified entity is
25 required to obtain in each contract year, at least the following percentages
26 shall be in the form of cash:

27 (C) For the third through sixth contract years, AND FOR EACH

1 CONTRACT YEAR OF A CONTRACT THAT IS RENEWED PURSUANT TO
2 SUBSECTION (3)(b) OF THIS SECTION, at least twenty-five percent.

3 (d) (II) The office shall ensure that by December 1 of the third
4 contract year, the qualified entity is projected to provide at least a
5 cumulative amount of six hundred thousand dollars of the state's
6 investment for the first through third contract years, of which amount at
7 least one hundred twenty thousand dollars is in the form of cash. If, based
8 on the office's review, the qualified entity is not projected to satisfy such
9 requirements, the office shall notify the members of the house of
10 representatives and senate committees with jurisdiction over business
11 issues, and the general assembly may determine whether to continue the
12 annual appropriation to the office for the purposes of the procurement
13 technical assistance program. THIS SUBSECTION (4)(d)(II) DOES NOT
14 APPLY TO ANY CONTRACT YEAR OF A CONTRACT THAT IS RENEWED
15 PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION.

16 (8) **Fund.** (a) The procurement technical assistance cash fund is
17 created in the state treasury. The fund consists of:

18 (I) (A) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION
19 (8)(a)(I)(B) OF THIS SECTION, two hundred twenty thousand dollars that
20 the state treasurer is required to transfer from the general fund to the fund
21 on July 1, 2015, and July 1 of the next ~~four~~ NINE years thereafter, PLUS
22 ANY ADDITIONAL AMOUNT THE GENERAL ASSEMBLY PROVIDES PURSUANT
23 TO SUBSECTION (4)(b) OF THIS SECTION. and

24 (B) FOR THE 2020-21 AND 2021-22 STATE FISCAL YEARS, ONE
25 HUNDRED SEVENTY-FIVE THOUSAND DOLLARS THAT THE STATE
26 TREASURER IS REQUIRED TO TRANSFER FROM THE GENERAL FUND TO THE
27 FUND ON JULY 1, 2020, AND ON JULY 1, 2021.

1 **SECTION 2. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety.