HOUSE BILL 21-1285

A BILL FOR AN ACT

CONCERNING THE ALLOCATION OF GENERAL FUND MONEY TO PROVIDE SUPPORT TO CREATIVE ARTS INDUSTRIES, AND, IN CONNECTION THEREWITH, 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:

- Transfers $5 million from the general fund to the Colorado office of film, television, and media operational account cash fund and appropriates that amount to the governor's office for use in the 2021-22 state fiscal year by the
Colorado office of film, television, and media in awarding performance-based incentives for film production in Colorado and for the loan guarantee program to finance production activities;

- For the 2020-21 state fiscal year, appropriates $3.5 million, in addition to the amount appropriated pursuant to Senate Bill 20B-001, from the general fund to the creative industries cash fund for the arts relief program and removes the prohibition against an applicant that received a relief payment from the small business relief program from also receiving a relief payment under the arts relief program;

- For the 2020-21 state fiscal year, appropriates $1.5 million from the general fund to the creative industries cash fund for allocation by the creative industries division to a nonprofit organization that administers grants to certain cultural facilities that focus on programming for and have board representation from defined historically marginalized and under-resourced communities; and

- Transfers any money appropriated for the small business relief program that is not encumbered or expended by June 30, 2021, to the creative industries cash fund for the arts relief program.

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

SECTION 1. In Colorado Revised Statutes, 24-48.5-116, amend (5)(a) introductory portion and (5)(a)(II) as follows:

24-48.5-116. Film, television, and media - performance-based incentive for film production in Colorado - Colorado office of film, television, and media operational account cash fund - creation - definition. (5) (a) There is hereby created in the state treasury the Colorado office of film, television, and media operational account cash fund, referred to in this section as the "fund". The fund shall consist of:

(II) Money transferred to the fund, including three million dollars that shall be transferred on July 1, 2012, AND FIVE MILLION DOLLARS THAT SHALL BE TRANSFERRED ON JULY 1, 2021, from the general
fund to the Colorado office of film, television, and media operational account cash fund; and

**SECTION 2.** In Colorado Revised Statutes, 24-48.5-301, amend (2)(a)(V), (2)(a)(VI)(A), (2)(b)(IV), and (2)(b)(V)(A); and add (2)(a)(VII), (2)(a)(VIII), and (2)(b)(VI) as follows:

**24-48.5-301. Creative industries division - creative industries cash fund - creation - definition - repeal.** (2) (a) There is hereby created in the state treasury the creative industries cash fund, referred to in this section as the "fund". The fund consists of:

(V) Any gifts, grants, or donations from private or public sources that the division is hereby authorized to seek and accept; and

(VI) (A) Seven million five hundred thousand dollars appropriated by the general assembly FROM THE GENERAL FUND to the fund, PURSUANT TO SENATE BILL 20B-001, ENACTED IN 2020, FIRST EXTRAORDINARY SESSION, AND THREE MILLION FIVE HUNDRED THOUSAND DOLLARS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND TO THE FUND, PURSUANT TO THIS HOUSE BILL 21-1285, ENACTED IN 2021, for the arts relief program established pursuant to section 24-48.5-316;

(VII) (A) ANY AMOUNT TRANSFERRED TO THE FUND PURSUANT TO SECTION 24-32-129 (3)(b).

(B) THIS SUBSECTION (2)(a)(VII) IS REPEALED, EFFECTIVE DECEMBER 31, 2022.

(VIII) (A) ONE MILLION FIVE HUNDRED THOUSAND DOLLARS APPROPRIATED BY THE GENERAL ASSEMBLY FROM THE GENERAL FUND TO THE FUND, FOR ALLOCATION IN ACCORDANCE WITH SECTION 24-48.5-317.

(B) THIS SUBSECTION (2)(a)(VIII) IS REPEALED, EFFECTIVE DECEMBER 31, 2022.
(b) The money in the fund shall be annually appropriated to the division for the operation of the division, and for the following:

(IV) For need-based funding for infrastructure development in creative districts as authorized by section 24-48.5-314 (5)(b), to the extent that the general assembly appropriates money to the fund for that purpose; and

(V) (A) With regard to the amount appropriated to the fund pursuant to subsection (2)(a)(VI) of this section AND ANY AMOUNT TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (2)(a)(VII) OF THIS SECTION, for the arts relief program established pursuant to section 24-48.5-316.

(VI) (A) WITH REGARD TO THE AMOUNT APPROPRIATED TO THE FUND PURSUANT TO SUBSECTION (2)(a)(VIII) OF THIS SECTION, FOR ALLOCATION PURSUANT TO SECTION 24-48.5-317.

(B) THIS SUBSECTION (2)(b)(VI) IS REPEALED, EFFECTIVE DECEMBER 31, 2022.

SECTION 3. In Colorado Revised Statutes, 24-48.5-316, amend (3) and (4) introductory portion; and repeal (2)(b) as follows:

24-48.5-316. COVID-19 relief program for arts, cultural, and entertainment artists, crew members, and organizations - definitions - report - repeal. (2) Arts relief program. (b) Notwithstanding any provision of law to the contrary, an arts, culture, and entertainment artist, crew member, or organization that receives an arts relief payment pursuant to this section is not eligible for any other relief payments from the small business relief program created in section 24-32-129, enacted by Senate Bill 20B-001, enacted in the first extraordinary session of the seventy-second general assembly. An organization that applies for an arts
relief payment pursuant to this section shall certify that the organization
neither applied for nor received any other relief payments from the small
business relief program created in section 24-32-129, enacted by Senate
Bill 20B-001, enacted in the first extraordinary session of the
seventy-second general assembly:

(3) **Funding.** For the 2020-21 AND 2021-22 state fiscal year
YEARS, the general assembly shall appropriate seven million five hundred
thousand A TOTAL OF ELEVEN MILLION dollars from the general fund to the
creative industries cash fund created in section 24-48.5-301 (2) for the
arts relief program. The division may use up to five percent of the amount
appropriated pursuant to this section for its administrative costs in
administering or contracting with a third party to administer the arts relief
program.

(4) **Report.** By November 1, 2021, AND NOVEMBER 1, 2022, the
division shall submit a report to the governor, the business, labor, and
technology committee of the senate or its successor committee, and the
business affairs and labor committee of the house of representatives or its
successor committee detailing how the money was allocated through the
arts relief program, including:

**SECTION 4.** In Colorado Revised Statutes, **add** 24-48.5-317 as
follows:

**24-48.5-317. Allocation of funding for tier III cultural facilities
serving historically marginalized and under-resourced communities
- repeal.** (1) **THE DIVISION SHALL ALLOCATE MONEY APPROPRIATED TO
THE CREATIVE INDUSTRIES CASH FUND PURSUANT TO SECTION 24-48.5-301
(2)(a)(VIII) TO A NONPROFIT ORGANIZATION THAT ADMNISTERS THE
COMMUNITY ARTS, CULTURE, TRANSFORMATION, AND SCIENCE (ACTS)
FUND, OR ANY SUCCESSOR FUND, TO AWARD CAPACITY-BUILDING GRANTS TO CULTURAL FACILITIES DESCRIBED IN SECTION 32-13-107 (3)(c) THAT SATISFY THE FOLLOWING CRITERIA:

(a) The cultural facility’s mission states a specific focus on defined historically marginalized and under-resourced communities or the cultural facility focuses at least fifty-one percent of its programming on engaging and supporting defined historically marginalized and under-resourced communities; and

(b) At least fifty-one percent of the board of directors or staff of the cultural facility consists of individuals from defined historically marginalized and under-resourced communities.

(2) The nonprofit organization to which the division allocates money pursuant to subsection (1) of this section shall report to the division regarding the use of the money, including information about the recipients of capacity-building grants, how much money was allocated to each grant recipient, and how the grant recipients used the grant dollars. As part of the report required pursuant to section 24-48.5-316 (4), the division shall report information received from the nonprofit organization regarding the use of the money allocated pursuant to this section.

(3) This section is repealed, effective December 31, 2022.

SECTION 5. In Colorado Revised Statutes, 24-32-129, amend (3) as follows:

24-32-129. Small business relief program - address negative
effects of capacity limits due to COVID-19 pandemic - distribution through local governments - definitions - report - repeal.

(3) **Funding.** (a) For the 2020-21 state fiscal year, the general assembly shall appropriate thirty-seven million dollars from the general fund to the department of local affairs for use by the division in accordance with this section.

(b) The department of local affairs shall notify the state treasurer if, on June 30, 2021, there is unexpended and unencumbered money remaining from the amount appropriated to the department pursuant to this subsection (3). If the state treasurer is so notified, the state treasurer shall transfer the unexpended and unencumbered amount to the creative industries cash fund created in section 24-48.5-301 for use in accordance with section 24-48.5-301 (2)(b)(V).

SECTION 6. **Appropriation.** (1) (a) For the 2020-21 state fiscal year, $5,000,000 is appropriated to the creative industries cash fund created in section 24-48.5-301 (2)(a), C.R.S. This appropriation is from the general fund. The office of the governor is responsible for the accounting related to this appropriation.

(b) For the 2020-21 state fiscal year, $5,000,000 is appropriated to the office of the governor for use by economic development programs. This appropriation is from reappropriated funds in the creative industries cash fund under subsection (1)(a) of this section. To implement this act, the office may use the appropriation for the council on creative industries as follows:

(I) $3,500,000 for the arts relief program established pursuant to section 24-48.5-316, C.R.S.; and
(II) $1,500,000 for allocation in accordance with section 24-48.5-317, C.R.S.

(2) For the 2021-22 state fiscal year, $5,000,000 is appropriated to the office of the governor for use by economic development programs. This appropriation is from the Colorado office of film, television, and media operational account cash fund created in section 24-48.5-116 (5)(a), C.R.S. To implement this act, the office may use the appropriation for the Colorado office of film, television, and media in accordance with section 24-48.5-116 (5)(b), C.R.S.

SECTION 7. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.