

CHAPTER 393

GOVERNMENT - STATE

HOUSE BILL 03-1354

BY REPRESENTATIVE(S) Carroll, Butcher, Frangas, Jahn, Marshall, McFadyen, Merrifield, Paccione, Romanoff, and Williams S.;
also SENATOR(S) Groff, Andrews, Chlouber, Entz, Hagedorn, Hillman, Johnson S., Jones, Kester, Owen, Sandoval, Teck, and Windels.

AN ACT

CONCERNING THE ESTABLISHMENT OF A MICROENTERPRISE DEVELOPMENT ADVISORY COUNCIL.

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

SECTION 1. Title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW ARTICLE to read:

Article 48.6
Microenterprise Development Act

24-48.6-101. Short title. THIS ARTICLE SHALL BE KNOWN AND MAY BE CITED AS THE "MICROENTERPRISE DEVELOPMENT ACT".

24-48.6-102. Legislative declaration. (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(a) THERE IS A NEED TO DEVELOP AND EXPAND BUSINESSES IN ECONOMICALLY DISTRESSED COMMUNITIES IN BOTH RURAL AND URBAN AREAS IN COLORADO AND TO ASSIST RESIDENTS WHO ARE UNEMPLOYED, UNDEREMPLOYED, OR IN LOW-INCOME JOBS.

(b) SMALL BUSINESSES THAT GENERALLY LACK ACCESS TO CONVENTIONAL FINANCING, KNOWN AS MICROENTERPRISES, CAN PROVIDE A MEANS FOR UNEMPLOYED, UNDEREMPLOYED, OR LOW-INCOME INDIVIDUALS TO FIND AND SUSTAIN PRODUCTIVE WORK AND PROVIDE OPPORTUNITIES FOR ECONOMICALLY DISTRESSED COMMUNITIES TO THRIVE.

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

(c) MANY LOW-INCOME MICROENTREPRENEURS IN COLORADO LACK ACCESS TO THE CAPITAL, TRAINING, AND TECHNICAL ASSISTANCE THEY NEED IN ORDER TO START, OPERATE, OR EXPAND THEIR BUSINESSES.

(d) LOCAL MICROENTERPRISE SUPPORT ORGANIZATIONS HAVE DEMONSTRATED COST-EFFECTIVE DELIVERY METHODS FOR PROVIDING TECHNICAL ASSISTANCE TO LOW-INCOME MICROENTREPRENEURS, AND A STATEWIDE PROGRAM FOR THE DEVELOPMENT OF MICROENTERPRISES WOULD LEVERAGE CHARITABLE FOUNDATION SUPPORT, FEDERAL PROGRAM FUNDING, AND PRIVATE SECTOR SUPPORT.

(2) IT IS THE INTENT OF THE GENERAL ASSEMBLY IN ENACTING THIS ARTICLE TO STRENGTHEN THE COLORADO ECONOMY BY ENABLING AND ENCOURAGING UNEMPLOYED, UNDEREMPLOYED, AND LOW-INCOME RESIDENTS TO BECOME SELF-SUFFICIENT THROUGH THE DEVELOPMENT OF MICROENTERPRISES.

24-48.6-103. Definitions. AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COUNCIL" MEANS THE MICROENTERPRISE DEVELOPMENT ADVISORY COUNCIL CREATED IN SECTION 24-48.6-104.

(2) "DIRECTOR" MEANS THE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101.

(3) "MICROENTERPRISE" MEANS A SOLE PROPRIETORSHIP, PARTNERSHIP, LIMITED LIABILITY COMPANY, OR CORPORATION THAT HAS FEWER THAN FIVE EMPLOYEES AND GENERALLY LACKS ACCESS TO CONVENTIONAL LOANS, EQUITY, OR OTHER BANKING SERVICES.

(4) "MICROENTERPRISE DEVELOPMENT ORGANIZATION" MEANS A NONPROFIT ENTITY OR A PROGRAM ADMINISTERED BY SUCH AN ENTITY, INCLUDING COMMUNITY DEVELOPMENT CORPORATIONS OR OTHER NONPROFIT DEVELOPMENT ORGANIZATIONS AND SOCIAL SERVICE ORGANIZATIONS, THAT PROVIDES SERVICES TO LOW-INCOME MICROENTERPRISES.

24-48.6-104. Microenterprise development advisory council - creation - membership - report. (1) THERE IS HEREBY CREATED A MICROENTERPRISE DEVELOPMENT ADVISORY COUNCIL. THE COUNCIL SHALL ASSIST THE DIRECTOR IN INTEGRATING THE PRINCIPLES OF MICROENTERPRISE DEVELOPMENT INTO SMALL BUSINESS DEVELOPMENT AND ASSISTANCE PROGRAMS IN COLORADO.

(2) THE COUNCIL SHALL BE COMPRISED OF THE DIRECTOR OR THE DIRECTOR'S DESIGNEE AND AN ADDITIONAL NINE MEMBERS WHO SHALL BE APPOINTED BY THE GOVERNOR NO LATER THAN SEPTEMBER 1, 2003, AS FOLLOWS: TWO MEMBERS SHALL BE FROM THE BANKING INDUSTRY; THREE MEMBERS SHALL BE FROM MICROENTERPRISE DEVELOPMENT ORGANIZATIONS; TWO MEMBERS SHALL BE FROM LOCAL GOVERNMENT ECONOMIC DEVELOPMENT AGENCIES; AND TWO MEMBERS SHALL BE MICROENTERPRISE ENTREPRENEURS. EACH MEMBER SHALL SERVE FOR A TERM OF FOUR YEARS.

(3) THE COUNCIL SHALL PRODUCE AN ANNUAL REPORT DETAILING THE STATUS OF

MICROENTERPRISE IN COLORADO AND RECOMMENDING THE BEST PRACTICES AVAILABLE FOR MICROENTERPRISE DEVELOPMENT. THE COUNCIL SHALL SUBMIT A REPORT TO THE GENERAL ASSEMBLY NO LATER THAN JANUARY 1, 2005, AND ON JANUARY 1 OF EACH YEAR THEREAFTER. THE REPORT SHALL BE FUNDED THROUGH GIFTS, GRANTS, AND DONATIONS.

24-48.6-105. Private source of funding - administrative support for council.

(1) THE COUNCIL SHALL BE AUTHORIZED TO ACCEPT FINANCIAL AND ADMINISTRATIVE ASSISTANCE FROM THE COLORADO ALLIANCE FOR MICROENTERPRISE INITIATIVES, A COLORADO NONPROFIT ORGANIZATION, AND FROM ANY OTHER NONPROFIT ORGANIZATION FOR ANY DIRECT OR INDIRECT COSTS ASSOCIATED WITH THE DUTIES OF THE COUNCIL AS ESTABLISHED IN THIS ARTICLE. GENERAL FUND MONEYS SHALL NOT BE APPROPRIATED TO OR OTHERWISE EXPENDED BY THE COUNCIL FOR ANY PURPOSE.

(2) THE COLORADO ALLIANCE FOR MICROENTERPRISE INITIATIVES MAY ACCEPT GIFTS, GRANTS, AND DONATIONS TO BE USED TO ASSIST THE COUNCIL IN CARRYING OUT ITS DUTIES AS ESTABLISHED IN THIS ARTICLE.

24-48.6-106. Council - organization - meetings. (1) THE COUNCIL SHALL ADOPT ITS OWN RULES OF PROCEDURE, SHALL ELECT A CHAIR AND A VICE-CHAIR FROM ITS MEMBERSHIP, AND SHALL KEEP A RECORD OF ITS PROCEEDINGS.

(2) THE COUNCIL SHALL MEET AS DETERMINED BY ITS MEMBERSHIP. MEMBERS SHALL SERVE WITHOUT COMPENSATION.

24-48.6-107. Certification of funds - repeal. ON OR BEFORE SEPTEMBER 30, 2004, THE COLORADO ALLIANCE FOR MICROENTERPRISE INITIATIVES SHALL CERTIFY TO THE DIRECTOR AND THE REVISOR OF STATUTES THAT IT HAS RECEIVED AN AMOUNT OF GIFTS, GRANTS, AND DONATIONS THAT IS SUFFICIENT TO AID THE COUNCIL IN PRODUCING THE REPORT REQUIRED PURSUANT TO SECTION 24-48.6-104 (3). IF NO SUCH CERTIFICATION IS RECEIVED, THIS ARTICLE IS REPEALED, EFFECTIVE OCTOBER 1, 2004.

SECTION 2. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: June 5, 2003