

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Judiciary.

HB21-1215 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1. Legislative declaration.** (1) The general
4 assembly hereby finds and declares that:

5 (a) The justice reinvestment crime prevention initiative is a
6 community-led program that provides grants for direct services aimed at
7 reducing crime and recidivism as well as small business lending to
8 promote employment and community development in the target
9 communities of north Aurora and southeast Colorado Springs;

10 (b) This program is in its pilot phase, and preliminary data
11 indicates successful outcomes in both of the target communities;

12 (c) There are likely strategies that can demonstrate effectiveness
13 in both rural and urban settings, and there are also likely to be important
14 differences and distinctions, so this initiative would be more meaningful
15 and useful if it includes both rural and urban communities; and

16 (d) Therefore, there would be substantial benefit for the state to
17 expand the program to include the two rural communities of Grand
18 Junction and Trinidad, including surrounding unincorporated areas, in
19 order to design and effectuate community-based safety strategies and
20 services in a rural setting.

21 (2) The general assembly further finds and declares that:

22 (a) Approximately seventy-seven million Americans, or one in
23 three adults, have a criminal record and there is substantial empirical
24 evidence that having a criminal record is a barrier to employment;

25 (b) The National Conference of State Legislatures estimated that
26 the employment barriers faced by people with felony convictions were
27 associated with a reduction in the overall employment rate, amounting to
28 an estimated loss of at least 1.7 million workers from the workforce and
29 a cost of at least \$78 billion to the economy;

30 (c) These circumstances negatively impact the individual, his or
31 her family and community, and the state;

32 (d) Although there have been concerted efforts at both the policy
33 and direct service levels to help people with criminal records obtain
34 employment, little has been done specifically to provide training and
35 other support for those who are interested in starting their own business;
36 and

37 (e) Small business ownership is one of the ways to integrate
38 people fully into society and, if given training and assistance by local
39 nonprofit organizations, people who have previously been in the criminal
40 justice system would be in a better position to provide valuable services,

1 goods, and jobs to their communities and the state.

2 **SECTION 2.** In Colorado Revised Statutes, 24-32-120, **amend**

3 (1)(a), (1)(b)(I), (2)(b), (2)(c) introductory portion, (2)(c)(I), (2)(c)(II),

4 (2)(c)(V), (2)(c)(VI), (2)(d), (2)(e) introductory portion, (2)(f), (2)(i)(III),

5 (2)(i)(IV), and (3); and **add** (2)(c)(VII) and (2.5) as follows:

6 **24-32-120. Justice reinvestment crime prevention initiative -**

7 **program - rules - cash funds - reports - definitions - repeal.**

8 (1) (a) The division of local government shall administer the justice

9 reinvestment crime prevention initiative to expand small business lending

10 and provide grants aimed at reducing crime and promoting community

11 development in the target communities of north Aurora and southeast

12 Colorado Springs. EFFECTIVE SEPTEMBER 1, 2021, THE TARGET

13 COMMUNITIES MUST ALSO INCLUDE THE GRAND JUNCTION AND TRINIDAD

14 AREAS, INCLUDING UNINCORPORATED AREAS OUTSIDE OF CITY LIMITS.

15 (b) Subject to available appropriations, on and after August 10,

16 2017, the division shall develop and implement an initiative in

17 accordance with policies developed by the executive director specifically

18 designed to expand small business lending in the target communities

19 described in this subsection (1). An initiative developed and implemented

20 pursuant to subsection (1)(a) of this section shall include, but need not be

21 limited to, the following components:

22 (I) (A) On or before September 10, 2017, the division shall issue

23 a request for participation and select one or more nondepository

24 community development financial institution loan funds to participate in

25 the small business lending program described in this ~~subsection~~

26 SUBSECTION (1)(b)(I)(A);

27 (B) ON OR BEFORE SEPTEMBER 1, 2021, IF THE NONDEPOSITORY

28 COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION LOAN FUNDS

29 CONTRACTED PURSUANT TO SUBSECTION (1)(b)(I)(A) OF THIS SECTION ARE

30 NOT ABLE TO ALSO EFFECTIVELY SERVE THE GRAND JUNCTION AND

31 TRINIDAD AREAS, INCLUDING UNINCORPORATED AREAS OUTSIDE OF THE

32 CITY LIMITS, THE DIVISION SHALL ISSUE A REQUEST FOR PARTICIPATION TO

33 SELECT ONE OR MORE ADDITIONAL DEPOSITORY COMMUNITY

34 DEVELOPMENT FINANCIAL INSTITUTION LOAN FUNDS TO SERVE THE GRAND

35 JUNCTION AND TRINIDAD AREAS, INCLUDING UNINCORPORATED AREAS

36 OUTSIDE OF THE CITY LIMITS.

37 (2) (b) (I) On or before September 10, 2017, the executive director

38 shall issue a request for participation and select a community foundation

39 or foundations to manage the grant program. To be eligible, the

40 community foundation must be registered in the state of Colorado and

41 have a history of grant-making in the target community in areas consistent

42 with the permissible uses of funding described in subsection (2)(e) of this

43 section. The division may select one community foundation to serve both

1 target communities or may select one community foundation for each
2 target community.

3 (II) ON OR BEFORE SEPTEMBER 1, 2021, IF THE COMMUNITY
4 FOUNDATIONS CONTRACTED PURSUANT TO SUBSECTION (2)(b)(I) OF THIS
5 SECTION ARE NOT ABLE TO ALSO EFFECTIVELY SERVE THE GRAND
6 JUNCTION AND TRINIDAD AREAS, INCLUDING UNINCORPORATED AREAS
7 OUTSIDE OF THE CITY LIMITS, THE DIVISION SHALL ISSUE A REQUEST FOR
8 PARTICIPATION AND SELECT ONE OR MORE COMMUNITY FOUNDATIONS OR
9 THIRD-PARTY GRANT ADMINISTRATORS AS DEFINED IN SECTION
10 25-20.5-801 (3)(a) TO MANAGE THE GRANT PROGRAM OR PROGRAMS FOR
11 THE GRAND JUNCTION AND TRINIDAD AREAS, INCLUDING
12 UNINCORPORATED AREAS OUTSIDE OF THE CITY LIMITS.

13 (c) The division shall execute a written agreement with ~~the~~ EACH
14 selected community foundation or ~~community foundations~~ THIRD-PARTY
15 GRANT ADMINISTRATOR that outlines ~~the~~ ITS roles and responsibilities, ~~of~~
16 ~~the community foundation. The roles and responsibilities~~ WHICH must
17 include:

18 (I) Developing a nomination process and governance policy for
19 the local crime prevention planning team. ~~subject to approval by the~~
20 ~~appropriate city council.~~ The community foundation OR THIRD-PARTY
21 GRANT ADMINISTRATOR shall ensure that the proposed local planning
22 team members represent a diverse cross-section with expertise in areas
23 like education, business, youth, families, nonprofit direct service, law
24 enforcement, local government, community, and residents of the target
25 communities, including those that have been directly impacted by crime
26 and involvement in the criminal justice system;

27 (II) Providing facilitation to the local crime prevention planning
28 team in ~~both Aurora and Colorado Springs~~ THE TARGET COMMUNITIES;

29 (V) ~~Contracting~~ IF THE AGREEMENT IS WITH A COMMUNITY
30 FOUNDATION, CONTRACTING with a third-party evaluator to assist each
31 local planning team to establish best practices with regard to data
32 collection and identifying appropriate performance and outcome measures
33 that measure outcome and impact of any funded crime prevention
34 projects, programs, or initiatives;

35 (VI) Collaborating with the office of state planning and budgeting
36 to provide information and research to local planning teams regarding
37 best practices and effective programs for community development and
38 crime prevention; AND

39 (VII) IF THE WRITTEN AGREEMENT IS WITH A THIRD-PARTY
40 ADMINISTRATOR, PERFORMING DATA COLLECTION, IDENTIFYING
41 APPROPRIATE PERFORMANCE AND OUTCOME MEASURES, PROVIDING
42 TECHNICAL ASSISTANCE, AND ASSISTING WITH GRANTEE CAPACITY
43 BUILDING.

1 (d) The division shall develop the procedures and timelines by
2 which ~~the~~ EACH selected community foundation or ~~community~~
3 ~~foundations~~ THIRD-PARTY GRANT ADMINISTRATOR will be provided
4 funding from the division for disbursement for the grant program.

5 (e) The permissible uses of any funding provided to ~~the~~ EACH
6 community foundation OR THIRD-PARTY GRANT ADMINISTRATOR shall
7 include programs, projects, or initiatives that are aimed at:

8 (f) (I) The division shall transfer to the community foundation OR
9 THIRD-PARTY GRANT ADMINISTRATOR within thirty days after execution
10 of the agreement described in subsection (2)(c) of this section the
11 administrative costs of the community foundation OR THIRD-PARTY
12 GRANT ADMINISTRATOR related to the performance of the roles and
13 responsibilities for managing the grant program. ~~which costs must not~~
14 ~~exceed four percent of the appropriation.~~

15 (II) IF THE COSTS DESCRIBED IN SUBSECTION (2)(f)(I) OF THIS
16 SECTION PERTAIN TO A COMMUNITY FOUNDATION, THE COSTS MAY NOT
17 EXCEED EIGHT PERCENT OF THE APPROPRIATION.

18 (III) IF THE COSTS DESCRIBED IN SUBSECTION (2)(f)(I) OF THIS
19 SECTION PERTAIN TO A THIRD-PARTY GRANT ADMINISTRATOR, THE COSTS
20 MAY NOT EXCEED FIFTEEN PERCENT OF THE APPROPRIATION TO COVER
21 BOTH THE GRANT PROGRAM MANAGEMENT RESPONSIBILITIES AND THE
22 ADDITIONAL RESPONSIBILITIES DESCRIBED IN SUBSECTION (2)(c)(VII) OF
23 THIS SECTION.

24 (i) (III) Money in the fund is continuously appropriated to the
25 department of local affairs for the grant program developed pursuant to
26 this subsection (2) AND (2.5).

27 (III.3) THERE IS HEREBY CREATED A SPECIAL ACCOUNT WITHIN THE
28 FUND TO BE KNOWN AS THE JUSTICE REINVESTMENT INITIATIVE EXPANSION
29 ACCOUNT. ON JUNE 30, 2021, THE STATE TREASURER SHALL TRANSFER
30 THREE MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE GENERAL
31 FUND TO THE ACCOUNT. MONEY IN THE ACCOUNT IS CONTINUOUSLY
32 APPROPRIATED TO THE DEPARTMENT TO BE USED BY THE DEPARTMENT AS
33 SET FORTH IN THIS SUBSECTION (2)(i)(III.3) AND SUBSECTION (2)(i)(III.5)
34 OF THIS SECTION. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
35 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
36 ACCOUNT TO THE ACCOUNT. IN STATE FISCAL YEAR 2021-22, THE
37 DEPARTMENT MAY USE ONE MILLION SEVEN HUNDRED FIFTY THOUSAND
38 DOLLARS IN THE ACCOUNT AS FOLLOWS:

39 (A) FORTY PERCENT FOR THE EXPANSION OF THE GRANT PROGRAM
40 TO INCLUDE GRAND JUNCTION, INCLUDING UNINCORPORATED AREAS
41 OUTSIDE OF THE CITY LIMITS, AS DESCRIBED IN THIS SUBSECTION (2) AND
42 RELATED ADMINISTRATIVE COSTS;

43 (B) TWENTY PERCENT FOR THE EXPANSION OF THE GRANT

1 PROGRAM TO INCLUDE TRINIDAD, INCLUDING UNINCORPORATED AREAS
2 OUTSIDE OF THE CITY LIMITS, AS DESCRIBED IN THIS SUBSECTION (2) AND
3 RELATED ADMINISTRATIVE COSTS; AND
4 (C) FORTY PERCENT FOR THE IMPLEMENTATION AND
5 ADMINISTRATION OF THE PROGRAM CREATED IN SUBSECTION (2.5) OF THIS
6 SECTION.
7 (D) THIS SUBSECTION (2)(i)(III.3) IS REPEALED, EFFECTIVE
8 SEPTEMBER 1, 2023.
9 (III.5) (A) IN STATE FISCAL YEAR 2022-23, THE DEPARTMENT MAY
10 USE ANY REMAINING MONEY IN THE ACCOUNT FOR THE SAME PURPOSES
11 AND IN THE PERCENTAGES SET FORTH IN SUBSECTION (2)(i)(III.3) OF THIS
12 SECTION. ON JULY 1, 2023, THE STATE TREASURER SHALL TRANSFER ANY
13 UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE ACCOUNT
14 TO THE GENERAL FUND.
15 (B) THIS SUBSECTION (2)(i)(III.5) IS REPEALED, EFFECTIVE
16 SEPTEMBER 1, 2023.
17 (IV) The state treasurer shall transfer to the general fund all
18 unexpended and unencumbered money in the fund on ~~September 1, 2023~~
19 SEPTEMBER 1, 2026.
20 (2.5) (a) AS USED IN THIS SUBSECTION (2.5), UNLESS THE CONTEXT
21 OTHERWISE REQUIRES:
22 (I) "ELIGIBLE ENTITY" MEANS A NONPROFIT ORGANIZATION
23 REGISTERED AND IN GOOD STANDING WITH THE UNITED STATES INTERNAL
24 REVENUE SERVICE AND THE COLORADO SECRETARY OF STATE'S OFFICE.
25 (II) "GRANTEE" MEANS AN ELIGIBLE ENTITY SELECTED BY THE
26 DIVISION TO PARTICIPATE IN THE PROGRAM DESCRIBED IN SUBSECTION
27 (2.5)(b) OF THIS SECTION.
28 (III) "JUSTICE-SYSTEM-INVOLVED PERSON" MEANS A PERSON WHO
29 HAS PENDING CHARGES FOR A CRIMINAL OFFENSE OR DELINQUENT ACT OR
30 HAS BEEN CONVICTED OF, PLED GUILTY OR NOLO CONTENDERE,
31 PARTICIPATED IN A PRETRIAL DIVERSION PROGRAM, OR HAS RECEIVED A
32 DEFERRED SENTENCE FOR A CRIMINAL OFFENSE OR DELINQUENT ACT.
33 "JUSTICE-SYSTEM-INVOLVED PERSON" DOES NOT INCLUDE A PERSON WHO
34 IS CURRENTLY INCARCERATED.
35 (b) SUBJECT TO ANNUAL APPROPRIATIONS, ON OR BEFORE
36 SEPTEMBER 1, 2021, THE DIVISION SHALL ADMINISTER A STATEWIDE
37 PROGRAM TO PROVIDE GRANTS TO ELIGIBLE ENTITIES TO ESTABLISH
38 BUSINESS AND ENTREPRENEURSHIP TRAINING PROGRAMS FOR
39 JUSTICE-SYSTEM-INVOLVED PERSONS. THE PERMISSIBLE USES OF ANY
40 FUNDING PROVIDED TO AN ELIGIBLE ENTITY ARE PROJECTS, PROGRAMS,
41 AND INITIATIVES THAT ARE AIMED AT THE FOLLOWING:
42 (I) ASSESSING JUSTICE-SYSTEM-INVOLVED PERSONS TO DETERMINE
43 THEIR CURRENT LEVEL OF RELEVANT KNOWLEDGE, SKILL, AND READINESS

1 TO START OR EXPAND A BUSINESS;

2 (II) PROVIDING ENTREPRENEURSHIP AND RELEVANT BUSINESS
3 SKILLS TRAINING, INCLUDING CURRICULUM DEVELOPMENT OR
4 REASONABLE CURRICULUM USE FEES;

5 (III) ASSISTING JUSTICE-SYSTEM-INVOLVED PERSONS WHO ARE
6 PARTICIPATING IN OR GRADUATED FROM THE ENTREPRENEURSHIP
7 TRAINING PROGRAM WITH IDENTIFYING AND APPLYING FOR SMALL
8 BUSINESS LOANS OR OTHER INVESTMENT CAPITAL, WHICH MAY INCLUDE
9 ASSISTING IN THE DEVELOPMENT OF BUSINESS PLANS OR OTHER
10 DOCUMENTS THAT MAY BE REQUIRED BY A POTENTIAL LENDER;

11 (IV) GRANTS AWARDED ON AN ANNUAL BASIS NOT TO EXCEED
12 MORE THAN FIVE THOUSAND DOLLARS PER JUSTICE-SYSTEM-INVOLVED
13 PERSON PER YEAR THAT ARE INTENDED TO INCREASE TRAINING
14 PARTICIPATION OR GRADUATION, LOAN READINESS, ACCELERATE LOAN
15 REPAYMENT FOR HIGH PERFORMING BORROWERS, OR OTHER SIMILAR
16 PURPOSES, PROVIDED THAT A GRANT MAY NOT BE AWARDED TO A
17 JUSTICE-SYSTEM-INVOLVED PERSON FOR MORE THAN THREE YEARS; AND

18 (V) ONGOING TECHNICAL ASSISTANCE AND SOCIAL SUPPORT
19 SERVICES TO JUSTICE-SYSTEM-INVOLVED PERSONS WHO ARE
20 PARTICIPATING IN OR GRADUATED FROM THE ENTREPRENEURSHIP
21 TRAINING PROGRAM TO INCREASE LONG-TERM BUSINESS SUCCESS.

22 (c) THE DIVISION SHALL DEVELOP THE POLICIES, PROCEDURES, AND
23 TIMELINES TO IMPLEMENT THE PROGRAM DESCRIBED IN SUBSECTION
24 (2.5)(b) OF THIS SECTION, INCLUDING BUT NOT LIMITED TO THE
25 DEVELOPMENT OF GRANT GUIDELINES, APPLICATION AND REVIEW
26 PROCESSES, DATA COLLECTION, AND REPORTING REQUIREMENTS FOR
27 GRANTEES.

28 (d) ON OR BEFORE SEPTEMBER 1, 2021, THE DIVISION SHALL ISSUE
29 A REQUEST FOR PROPOSALS FROM ELIGIBLE ENTITIES. NOTWITHSTANDING
30 ANY LAW TO THE CONTRARY, AN ELIGIBLE ENTITY MAY IDENTIFY IN ITS
31 PROPOSAL A COLLABORATION THAT INCLUDES ANOTHER ELIGIBLE ENTITY
32 THAT WOULD RECEIVE SUBGRANTS TO PROVIDE SERVICES CONSISTENT
33 WITH THE PURPOSES SET FORTH IN THIS SUBSECTION (2.5).

34 (e) THE DIVISION SHALL AWARD GRANTS TO ELIGIBLE ENTITIES
35 THAT HAVE BEEN SELECTED TO PARTICIPATE IN THE PROGRAM NO LATER
36 THAN DECEMBER 1, 2021.

37 (f) THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY FROM THE
38 GENERAL FUND OR FROM ANY OTHER AVAILABLE SOURCE TO THE DIVISION
39 FOR THE PURPOSES OF THIS SUBSECTION (2.5). THE DIVISION MAY SEEK,
40 ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR
41 PUBLIC SOURCES FOR THE PURPOSES OF THIS SUBSECTION (2.5).

42 (3) ~~Subsection (2)~~ SUBSECTIONS (2) AND (2.5) of this section and
43 this subsection (3) are repealed, effective ~~September 1, 2023~~ SEPTEMBER

1 1, 2026. Before such repeal, the department of regulatory agencies shall
2 review the justice reinvestment crime prevention initiative pursuant to
3 section 24-34-104.

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

7 Page 1, lines 102 and 103, strike "THE CREATION OF" and substitute
8 "CREATING".

9 Page 1, line 104, strike "PERSONS." and substitute "PERSONS AND
10 MAKING AN APPROPRIATION."

** **