

## Rural Economic Advancement of Colorado Towns (REACT) Act SB18-005, DONOVAN, SCOTT; ROBERTS

The Rural Economic Advancement of Colorado Towns (REACT) Act will help rural communities across Colorado in the event of significant job loss, across one employer or an entire industry. If a community experiences significant job loss, such as, but not limited to, plant closures or industry-wide layoffs, or is aware of impending community-wide job loss, across an industry or single large employer, the community will then receive a coordinated, strategic response through the Department of Local Affairs (DOLA).

DOLA would provide resources from the state, such as, but not limited to, support and partnerships to the affected community and coordinate various non-monetary means of support that the state has to offer across divisions and departments.

This will help alleviate the bureaucratic burden that communities face when needing to independently respond to significant job loss. Rural communities lack the administrative bandwidth to write grants and apply for support in times of economic decline. Additionally, rural towns cannot bounce back as fast as the Front Range communities can, thus, this bill ensures that rural Colorado towns will have the coordinated support of the state to help in the event of a significant job loss and economic decline.

### **What SB5 does:**

- Bill authorizes the executive director of DOLA to help with “non-monetary assistance” for eligible towns and counties, i.e. helping rural communities experiencing economic hardships find and apply for available assistance.
- In instances of major economic setbacks in rural towns, the executive director of DOLA (or designee) would be allowed to use nonmonetary and administrative resources for aiding in job retention or creation. “Economic setback,” for example, can include substantial job loss with the closing of a mine, plant, or with industry-wide layoffs that cause detrimental impact to a rural community.
- “Rural” pertains to counties with a population of less than 50,000, or a municipality with a population of less than 20,000 if the municipality is not sharing a common border with a municipality with a population of 20,000 or more.

### **Why this bill is important:**

- 1,000 job losses in a place like Delta County is proportional to 19,000 jobs in the Denver Metro Area. Within three years, Delta County lost two-thirds of their coal industry jobs.
- To ensure preservation of vulnerable communities for future generations by minimizing job losses and displacement.
- Aids communities in fortifying while also diversifying their economies.
- Folks have dedicated their lives to these communities, and deserve a fair shot at preserving them after an economic emergency.