

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 15-0607.01 Esther van Mourik x4215

HOUSE BILL 15-1157

HOUSE SPONSORSHIP

Willett and Pabon, Becker J.

SENATE SPONSORSHIP

Heath and Merrifield, Sonnenberg

House Committees
Business Affairs and Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN ECONOMIC DEVELOPMENT**
102 **WORKING GROUP FOR HIGHLY DISTRESSED REGIONS OF THE**
103 **STATE IN ORDER TO DEVELOP LEGISLATION TO IMPROVE THE**
104 **ECONOMIC VITALITY OF THOSE REGIONS, AND, IN CONNECTION**
105 **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://www.leg.state.co.us/billsummaries>.)

The bill creates the economic development working group for highly distressed rural and urban regions of the state. The working group

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
March 17, 2015

HOUSE
Amended 2nd Reading
March 16, 2015

consists of:

- ! Four members of the general assembly, who are voting members, appointed by leadership in each house in such a way to ensure that of the 4 members appointed, 2 represent rural regions of the state and 2 represent urban regions of the state;
- ! The executive director of the Colorado office of economic development, or his or her designee, who is the fifth voting member; and
- ! Four other nonvoting members appointed by the legislative members of the working group and the representative of the Colorado office of economic development with consideration for county issues, municipal issues, issues related to economic development in rural areas, and issues related to economic development in urban areas.

The working group must select data that is appropriate, consistently available, timely, and reflective of current reality, which data will then be used to ascertain the highly distressed rural and urban regions of the state.

The bill requires the working group to:

- ! Establish the regions and post their names and boundaries on the office's web site;
- ! Discuss and evaluate other economic development efforts in the regions and their best practices;
- ! Discuss and evaluate the possibility of creating tax-free zones or other economic development tools for the regions; and
- ! Make detailed legislative recommendations to the general assembly in order to quickly improve the economic vitality of those regions.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-124 as
3 follows:

4 **24-48.5-124. Economic development working group for highly**
5 **distressed rural and urban regions of the state - legislative**
6 **declaration - definitions - repeal.** (1) FOR PURPOSES OF THIS SECTION,

7 UNLESS THE CONTEXT OTHERWISE REQUIRES:

8 (a) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC

1 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

2 (b) "REGIONS" MEANS THE HIGHLY DISTRESSED RURAL AND URBAN
3 REGIONS OF THE STATE AS DETERMINED BY THE WORKING GROUP AS
4 SPECIFIED IN PARAGRAPH (a) OF SUBSECTION (6) OF THIS SECTION.

5 (c) "WORKING GROUP" MEANS THE ECONOMIC DEVELOPMENT
6 WORKING GROUP FOR HIGHLY DISTRESSED RURAL AND URBAN REGIONS OF
7 THE STATE CREATED IN THIS SECTION.

8 (2) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
9 DECLARES THAT:

10 (I) WHILE OVERALL THERE ARE IMPROVEMENTS TO THE COLORADO
11 ECONOMY, THERE STILL EXISTS A SIGNIFICANT CONTRACTION OF LOCAL
12 ECONOMIES IN CERTAIN AREAS OF THE STATE;

13 (II) IMPORTANTLY, THOSE AREAS ARE EXPERIENCING INCREASED
14 ECONOMIC DOWNTURN AS MEASURED BY CHANGES IN SUCH FACTORS AS
15 POPULATION, EMPLOYMENT, WEEKLY WAGE, ASSESSED VALUE OF ALL
16 PROPERTY, AND CONCENTRATION OF PUPILS ELIGIBLE FOR FREE LUNCH;

17 (III) COLORADO'S MANY DIVERSE ASPECTS ARE WHAT MAKE IT
18 SUCH A UNIQUE AND WONDERFUL STATE, WITH VARYING ECONOMIC
19 SECTORS AND REGIONS MAKING ITS STRENGTH GREATER THAN THE SUM OF
20 ITS PARTS. IT IS IMPERATIVE THAT ALL SECTORS OF THE STATE BE KEPT
21 INDEPENDENTLY STRONG AND BE GIVEN THE CHANCE TO IMPROVE,
22 PROSPER, AND CONTRIBUTE TO THE WHOLE, FROM WHICH ALL BENEFIT.
23 THE GENERAL ASSEMBLY IS COMMITTED TO REACHING OUT TO ALL SUCH
24 AREAS TO ENSURE THIS GOAL IS MET.

25 (IV) IT IS IMPORTANT THAT SATISFACTORY TOOLS ARE DEVELOPED
26 TO HELP DIVERSIFY THOSE LOCAL ECONOMIES AND ATTRACT ECONOMIC
27 ACTIVITY IN THE AREAS OF THE STATE THAT MOST NEED IT; AND

1 (V) IT IS CRITICAL TO USE AN APPROACH THAT AVOIDS USING TOO
2 BROAD OF AN AREA AND AVOIDS USING METRICS OR DATA THAT ARE TOO
3 STALE AND UNREFLECTIVE OF THE ECONOMIC REALITY IN THE AREAS.

4 (b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
5 THE CREATION OF AN ECONOMIC DEVELOPMENT WORKING GROUP FOCUSED
6 SOLELY ON HIGHLY DISTRESSED RURAL AND URBAN REGIONS OF THE STATE
7 IS NECESSARY SO THAT THE WORKING GROUP CAN USE THE MOST TIMELY
8 AND ACCURATE DATA POSSIBLE THAT REFLECTS CURRENT LOCAL
9 ECONOMIC DISTRESS TO DETERMINE THESE DISTRESSED AREAS AND, ONCE
10 DETERMINED, DISCUSS AND CRAFT SPECIFIC LEGISLATION TO RECOMMEND
11 TO THE GENERAL ASSEMBLY THAT IMPLEMENT THE ECONOMIC
12 DEVELOPMENT TOOLS, INCLUDING THE POSSIBLE ESTABLISHMENT OF
13 TAX-FREE ZONES, THAT ARE BEST SUITED TO BRING ABOUT THE ECONOMIC
14 VITALITY SO CRITICALLY NEEDED IN THOSE REGIONS.

15 (3) (a) THERE IS HEREBY CREATED THE ECONOMIC DEVELOPMENT
16 WORKING GROUP FOR HIGHLY DISTRESSED RURAL AND URBAN REGIONS OF
17 THE STATE. THE WORKING GROUP CONSISTS OF FIVE VOTING MEMBERS,
18 APPOINTED NO LATER THAN JUNE 2, 2015, AS FOLLOWS:

19 (I) FOUR MEMBERS OF THE GENERAL ASSEMBLY. IN MAKING
20 APPOINTMENTS TO THE WORKING GROUP PURSUANT TO THIS
21 SUBPARAGRAPH (I), THE SPEAKER OF THE HOUSE OF REPRESENTATIVES,
22 PRESIDENT OF THE SENATE, AND MINORITY LEADERS OF THE HOUSE OF
23 REPRESENTATIVES AND THE SENATE SHALL COLLABORATE TO ENSURE
24 THAT OF THE FOUR MEMBERS APPOINTED, TWO REPRESENT RURAL REGIONS
25 OF THE STATE AND TWO REPRESENT URBAN REGIONS OF THE STATE. THE
26 FOUR MEMBERS ARE APPOINTED AS FOLLOWS:

27 (A) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED

1 BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES;

2 (B) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES APPOINTED
3 BY THE MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES;

4 (C) ONE MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT
5 OF THE SENATE; AND

6 (D) ONE MEMBER OF THE SENATE APPOINTED BY THE MINORITY
7 LEADER OF THE SENATE.

8 (II) THE EXECUTIVE DIRECTOR OF THE OFFICE, OR HIS OR HER
9 DESIGNEE.

10 (b) IN ADDITION TO THE VOTING MEMBERS APPOINTED PURSUANT
11 TO PARAGRAPH (a) OF THIS SUBSECTION (3), THE WORKING GROUP
12 CONSISTS OF FOUR OTHER NONVOTING MEMBERS APPOINTED NO LATER
13 THAN JUNE 16, 2015, BY THE LEGISLATIVE MEMBERS OF THE WORKING
14 GROUP AND THE REPRESENTATIVE OF THE OFFICE. IN APPOINTING THE
15 REMAINING NONVOTING MEMBERS, THE LEGISLATIVE MEMBERS AND THE
16 REPRESENTATIVE OF THE OFFICE SHALL CONSIDER PERSONS WITH
17 EXPERTISE IN COUNTY ISSUES, MUNICIPAL ISSUES, ISSUES RELATED TO
18 ECONOMIC DEVELOPMENT IN RURAL AREAS, AND ISSUES RELATED TO
19 ECONOMIC DEVELOPMENT IN URBAN AREAS.

20 (4) THE WORKING GROUP SHALL BE CO-CHAIRLED BY:

21 (a) ONE LEGISLATIVE MEMBER OF THE WORKING GROUP WHO
22 SHALL BE CHOSEN BY THE MEMBERS OF THE WORKING GROUP; AND

23 (b) THE REPRESENTATIVE OF THE OFFICE.

24 (5) THE WORKING GROUP SHALL MEET AS NECESSARY, AS
25 DETERMINED BY THE WORKING GROUP, AFTER THE FIRST REGULAR SESSION
26 OF THE SEVENTIETH GENERAL ASSEMBLY. THE WORKING GROUP MAY
27 INVITE REPRESENTATIVES FROM STATE AND LOCAL GOVERNMENTAL

1 ENTITIES, INCLUDING SPECIAL DISTRICTS, BUSINESSES OR ENTREPRENEURS,
2 CHAMBERS OF COMMERCE, K-12 EDUCATION, HIGHER EDUCATION, OR
3 OTHER PUBLIC OR PRIVATE ORGANIZATIONS TO PARTICIPATE IN THE
4 MEETINGS OF THE WORKING GROUP, AS DEEMED NECESSARY AND
5 APPROPRIATE BY THE MEMBERS OF THE WORKING GROUP. THE WORKING
6 GROUP SHALL COMPLETE ITS WORK AND MAKE RECOMMENDATIONS TO THE
7 GENERAL ASSEMBLY ON OR BEFORE OCTOBER 1, 2015.

8 (6) THE WORKING GROUP SHALL:

9 (a) SELECT DATA, NO LATER THAN JULY 10, 2015, THAT IS
10 APPROPRIATE, CONSISTENTLY AVAILABLE, TIMELY, AND REFLECTIVE OF
11 CURRENT REALITY TO ASCERTAIN THE HIGHLY DISTRESSED RURAL AND
12 URBAN REGIONS OF THE STATE. IN SELECTING AND DISCUSSING THE DATA
13 TO BE USED, THE WORKING GROUP SHALL SEEK ASSISTANCE FROM THE
14 ECONOMICS STAFF OF THE LEGISLATIVE COUNCIL AND SHALL CONSIDER
15 THE DATA SOURCES USED TO DETERMINE THE ELIGIBLE DISTRESSED RURAL
16 COUNTIES AS SPECIFIED IN HOUSE BILL 15-1177. ONCE THE WORKING
17 GROUP SELECTS THE DATA THAT WILL DETERMINE THE REGIONS, THE
18 WORKING GROUP SHALL ESTABLISH THE REGIONS AND POST THE REGION
19 NAMES AND BOUNDARIES ON THE OFFICE'S WEB SITE.

20 (b) DISCUSS AND EVALUATE OTHER ECONOMIC DEVELOPMENT
21 EFFORTS IN THE REGIONS AND THEIR BEST PRACTICES;

22 (c) DISCUSS AND EVALUATE THE POSSIBILITY OF CREATING
23 TAX-FREE ZONES OR OTHER ECONOMIC DEVELOPMENT TOOLS FOR THE
24 REGIONS; AND

25 (d) NO LATER THAN OCTOBER 1, 2015, MAKE DETAILED
26 LEGISLATIVE RECOMMENDATIONS OF THE HIGHLY DISTRESSED RURAL AND
27 URBAN REGIONS IDENTIFIED AND THE ECONOMIC DEVELOPMENT TOOLS

1 CHOSEN, INCLUDING A PROCESS BY WHICH SUCH REGIONS ARE REGULARLY
2 UPDATED, IN ORDER TO QUICKLY IMPROVE THE ECONOMIC VITALITY OF
3 THOSE REGIONS.

4 (7) THE OFFICE SHALL PROVIDE ALL STAFF NEEDED TO ASSIST THE
5 WORKING GROUP IN CONDUCTING ITS DUTIES.

6 (8) ALL NONLEGISLATIVE MEMBERS OF THE WORKING GROUP
7 SHALL SERVE WITHOUT COMPENSATION. THIS SECTION DOES NOT PREVENT
8 NONLEGISLATIVE MEMBERS OF THE WORKING GROUP FROM RECEIVING
9 THEIR REGULAR SALARY IF THEY PARTICIPATE IN WORKING GROUP
10 MEETINGS DURING THEIR REGULAR BUSINESS HOURS.

11 (9) THE LEGISLATIVE MEMBERS OF THE WORKING GROUP SHALL BE
12 COMPENSATED FOR ATTENDANCE AT MEETINGS OF THE WORKING GROUP
13 AND SHALL RECEIVE REIMBURSEMENT FOR ACTUAL AND NECESSARY
14 EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES AS MEMBERS
15 OF THE WORKING GROUP, AS PROVIDED IN SECTION 2-2-307, C.R.S. THE
16 TOTAL AMOUNT AVAILABLE FOR REIMBURSEMENT AND COMPENSATION
17 PURSUANT TO THIS SUBSECTION (9) SHALL NOT EXCEED FIVE THOUSAND
18 DOLLARS.

19 (10) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2016.

20 **SECTION 2. Appropriation.** (1) For the 2015-16 state fiscal
21 year, \$20,000 is appropriated to the office of the governor for use by the
22 Colorado office of economic development. This appropriation is from the
23 general fund. To implement this act, the Colorado office of economic
24 development may use this appropriation for the administrative costs in
25 staffing and attending the economic development working group for
26 highly distressed regions of the state.

27 (2) For the 2015-16 state fiscal year, \$5,000 is appropriated to the

1 legislative department for use by the general assembly. This appropriation
2 is from the general fund. To implement this act, the general assembly may
3 use this appropriation for legislative members of the working group to be
4 compensated for their attendance at the working group meetings.

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