

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0590.01 Jennifer Berman x3286

SENATE BILL 15-036

SENATE SPONSORSHIP

Donovan,

HOUSE SPONSORSHIP

(None),

Senate Committees

State, Veterans, & Military Affairs

House Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF A RURAL ECONOMIC EMERGENCY
102 ASSISTANCE GRANT PROGRAM FOR THE PROVISION OF
103 EMERGENCY-BASED GRANT FUNDS TO RURAL COMMUNITIES
104 EXPERIENCING CERTAIN SIGNIFICANT ECONOMIC EVENTS THAT
105 HAVE LED TO SUBSTANTIAL JOB LOSS IN THE RURAL
106 COMMUNITY, AND, IN CONNECTION THEREWITH, AUTHORIZING
107 THE DIVISION OF LOCAL GOVERNMENT WITHIN THE
108 DEPARTMENT OF LOCAL AFFAIRS TO ADMINISTER THE GRANT
109 PROGRAM.

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

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.*

applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/bills/summaries>.)

The bill creates:

- ! The rural economic emergency assistance grant program (program) in the division of local government within the department of local affairs (division) for the purpose of disbursing emergency-based grant funds to rural communities experiencing significant economic events, such as a plant closure or layoffs including industry-wide layoffs, that have a significant, quantifiable impact on the unemployment rate within the rural community; and
- ! The rural economic emergency assistance grant fund, to be administered by the director of the division for implementation of the program and into which \$2 million is transferred from the general fund for the 2015-16 fiscal year and to which gifts, grants, and donations may be transmitted.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-32-106, **add** (1)
3 (h) as follows:

4 **24-32-106. Powers of the director.** (1) In order to perform the
5 functions and duties of the division expressly set forth in this part 1, the
6 director, acting under the authority of the executive director of the
7 department of local affairs, has the following powers:

8 (h) TO AWARD GRANTS AND PROVIDE TECHNICAL ASSISTANCE
9 UNDER THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT PROGRAM
10 CREATED IN SECTION 24-32-117.

11 **SECTION 2.** In Colorado Revised Statutes, **add** 24-32-117 as
12 follows:

13 **24-32-117. Rural economic emergency assistance grant**
14 **program - fund - creation - reports - legislative declaration -**
15 **definitions - repeal.** (1) **Legislative declaration.** (a) THE GENERAL

1 ASSEMBLY HEREBY FINDS AND DETERMINES THAT:

2 (I) CERTAIN SIGNIFICANT ECONOMIC EVENTS SUCH AS PLANT
3 CLOSURES AND LAYOFFS, INCLUDING INDUSTRY-WIDE LAYOFFS, CAUSE
4 SUBSTANTIAL JOB LOSSES, WHICH CAN HAVE AN ESPECIALLY DETRIMENTAL
5 IMPACT WHEN SUCH SUBSTANTIAL JOB LOSSES OCCUR IN RURAL
6 COMMUNITIES. THESE EVENTS MAY CREATE A SUDDEN NEED FOR
7 DISLOCATED WORKER SERVICES AND OTHER ECONOMIC RESOURCES THAT
8 CANNOT REASONABLY BE ACCOMMODATED THROUGH A RURAL
9 COMMUNITY'S ONGOING OPERATIONS AND BUDGET.

10 (II) GIVEN THE EMERGENCY ECONOMIC RESOURCES THAT SUCH A
11 SIGNIFICANT ECONOMIC EVENT MAY REQUIRE, RURAL COMMUNITIES
12 COULD BENEFIT FROM THE ALLOCATION OF EMERGENCY-BASED GRANT
13 FUNDS TO HELP PROVIDE REEMPLOYMENT, JOB TRAINING, AND OTHER
14 SERVICES BENEFITING DISLOCATED WORKERS AND THEIR COMMUNITIES.

15 (b) THEREFORE, THE GENERAL ASSEMBLY DETERMINES AND
16 DECLARES THAT IT IS THE RESPONSIBILITY OF THE STATE TO PROVIDE
17 ONE-TIME, EMERGENCY-BASED GRANT FUNDS TO HELP RURAL
18 COMMUNITIES EXPERIENCING SIGNIFICANT ECONOMIC EVENTS THAT LEAD
19 TO SUBSTANTIAL JOB LOSSES THROUGH THE DEVELOPMENT OF A GRANT
20 PROGRAM IN THE DIVISION FOR ALLOCATION OF FUNDS TO RURAL
21 COMMUNITIES ELIGIBLE FOR SUCH GRANT FUNDS.

22 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
23 OTHERWISE REQUIRES:

24 (a) "DEPARTMENT" MEANS THE DEPARTMENT OF LOCAL AFFAIRS.

25 (b) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION OF LOCAL
26 GOVERNMENT OR THE DIRECTOR'S DESIGNEE.

27 (c) "RURAL" MEANS:

1 (I) A COUNTY WITH A POPULATION OF LESS THAN FIFTY THOUSAND;

2 (II) A MUNICIPALITY WITH A POPULATION OF LESS THAN FIFTY
3 THOUSAND THAT IS LOCATED FIFTY MILES OR MORE FROM ANY
4 MUNICIPALITY WITH A POPULATION OF FIFTY THOUSAND OR MORE; OR

5 (III) THE UNINCORPORATED PART OF A COUNTY FIFTY MILES OR
6 MORE FROM A MUNICIPALITY WITH A POPULATION OF FIFTY THOUSAND OR
7 MORE.

8 (d) (I) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" MEANS AN
9 ECONOMIC EVENT OCCURRING WITHIN A RURAL COMMUNITY, INCLUDING
10 A PLANT CLOSURE OR LAYOFFS, INCLUDING INDUSTRY-WIDE LAYOFFS,
11 THAT MAY HAVE A SIGNIFICANT, QUANTIFIABLE IMPACT ON THE
12 UNEMPLOYMENT RATE WITHIN THE RURAL COMMUNITY, AS DETERMINED
13 BY THE DIRECTOR WHEN CONSIDERING GRANT AWARD ELIGIBILITY
14 STANDARDS ESTABLISHED BY THE DIRECTOR PURSUANT TO THIS SECTION.

15 (II) "SIGNIFICANT ECONOMIC EVENT" OR "EVENT" INCLUDES A
16 SERIES OF ECONOMIC EVENTS OCCURRING WITHIN A SIX-MONTH PERIOD
17 WITHIN A RURAL COMMUNITY THAT COLLECTIVELY MAY HAVE A
18 SIGNIFICANT, QUANTIFIABLE IMPACT ON THE UNEMPLOYMENT RATE
19 WITHIN THE RURAL COMMUNITY, AS DETERMINED BY THE DIRECTOR.

20 (3) **Rural economic emergency assistance grant program.**

21 (a) FOR THE PURPOSE OF ASSISTING RURAL COMMUNITIES IMPACTED BY
22 A SIGNIFICANT ECONOMIC EVENT, THE DIRECTOR SHALL ADMINISTER THE
23 RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT PROGRAM, ALSO
24 REFERRED TO IN THIS SECTION AS THE "GRANT PROGRAM".

25 (b) THE DIRECTOR MAY AWARD A GRANT TO A RURAL COMMUNITY
26 THAT APPLIES IN A FORM AND MANNER DETERMINED BY THE DIRECTOR
27 AND THAT SUFFICIENTLY DEMONSTRATES TO THE DIRECTOR'S

1 SATISFACTION THAT IT HAS EXPERIENCED A SIGNIFICANT ECONOMIC EVENT
2 THAT MEETS THE GRANT AWARD ELIGIBILITY STANDARDS ESTABLISHED BY
3 THE DIRECTOR. THE DIRECTOR'S ELIGIBILITY STANDARDS MUST INCLUDE
4 CONSIDERATION OF THE FOLLOWING FACTORS:

5 (I) THE CHANGE IN ECONOMIC CONDITIONS RESULTING FROM THE
6 EVENT ON:

7 (A) THE RURAL COMMUNITY AS A WHOLE;

8 (B) AN INDUSTRY AFFECTED BY THE EVENT; OR

9 (C) ANY OTHER RELEVANT SECTION OF THE COMMUNITY CAPABLE
10 OF DELINEATION;

11 (II) IF KNOWN, THE ANTICIPATED DURATION OF THE EVENT;

12 (III) THE PERCENTAGE OF WORKERS AND TYPES OF INDUSTRIES
13 WITHIN THE RURAL COMMUNITY DIRECTLY IMPACTED BY THE EVENT; AND

14 (IV) ANY IMPACT THE EVENT HAS HAD OR IS ANTICIPATED TO
15 HAVE ON OTHER GEOGRAPHIC AREAS OF THE STATE.

16 (c) IN APPLYING FOR A GRANT, A RURAL COMMUNITY MUST:

17 (I) TO THE EXTENT PRACTICABLE, COORDINATE WITH A LOCAL
18 RURAL ECONOMIC AGENCY SUCH AS A LOCAL OFFICE OF THE COLORADO
19 RURAL DEVELOPMENT COUNCIL, OR ANY SUCCESSOR ORGANIZATION, IN
20 PREPARING THE APPLICATION;

21 (II) ADDRESS THE FACTORS LISTED IN PARAGRAPH (b) OF THIS
22 SUBSECTION (3) AND ANY OTHER FACTORS ABOUT WHICH THE DIRECTOR
23 REQUIRES INFORMATION;

24 (III) DEMONSTRATE THE INTENDED USE OF ANY GRANT MONEY
25 AWARDED BY INCLUDING A PLAN FOR USE OF THE MONEY, WHICH PLAN
26 MUST BE SUBMITTED WITH THE APPLICATION IN A FORM AND MANNER
27 DETERMINED BY THE DIRECTOR; AND

1 (IV) IDENTIFY POTENTIAL LOCAL FUNDING SOURCES, INCLUDING
2 ANY AVAILABLE EMERGENCY RESERVES THAT THE RURAL COMMUNITY
3 MAY UTILIZE AND ANY AVAILABLE PRIVATE FUNDING SOURCES.

4 (d) TO THE EXTENT PRACTICABLE AND WITHIN EXISTING
5 RESOURCES AND IN COLLABORATION WITH THE DEPARTMENT AND THE
6 OFFICE OF ECONOMIC DEVELOPMENT CREATED IN SECTION 24-48.5-101,
7 THE DIRECTOR SHALL PROVIDE TECHNICAL ASSISTANCE TO ANY RURAL
8 COMMUNITY SEEKING ASSISTANCE WITH ANY OF THE APPLICATION
9 REQUIREMENTS SET FORTH IN PARAGRAPH (c) OF THIS SUBSECTION (3).

10 (e) IF TWO OR MORE RURAL COMMUNITIES AFFECTED BY THE SAME
11 EVENT SUBMIT A JOINT GRANT APPLICATION, THE RURAL COMMUNITIES
12 MUST DESCRIBE IN THE PLAN SUBMITTED WITH THE APPLICATION:

13 (I) HOW THE DIRECTOR SHOULD DISTRIBUTE THE GRANT MONEY
14 BETWEEN THE RURAL COMMUNITIES; AND

15 (II) ANY COORDINATION OF SERVICES THAT THE RURAL
16 COMMUNITIES PLAN TO PROVIDE.

17 (f) WITHIN SIXTY DAYS OF RECEIPT OF A GRANT APPLICATION, THE
18 DIRECTOR SHALL NOTIFY THE GRANT APPLICANT IN WRITING WHETHER THE
19 APPLICATION IS APPROVED OR DENIED.

20 (4) (a) IF A RURAL COMMUNITY THAT HAS RECEIVED A GRANT
21 AWARD DEMONSTRATES TO THE SATISFACTION OF THE DIRECTOR THAT IT
22 LACKS SUFFICIENT NONMONETARY RESOURCES TO PROVIDE ADEQUATE
23 SERVICES, THE DIRECTOR MAY REQUEST THAT THE DEPARTMENT ASSIST
24 THE RURAL COMMUNITY WITH PROVIDING SERVICES.

25 (b) IF THE DIRECTOR REQUESTS THE DEPARTMENT'S ASSISTANCE IN
26 A RURAL COMMUNITY, THE DEPARTMENT, TO THE EXTENT PRACTICABLE
27 AND WITHIN EXISTING RESOURCES AND IN COLLABORATION WITH THE

1 REGIONAL MANAGER OF THE REGION COVERING THE RURAL COMMUNITY,
2 SHALL PROVIDE NONMONETARY RESOURCES TO ASSIST THE RURAL
3 COMMUNITY WITH PROVIDING SERVICES.

4 (5) **Reporting.** (a) ON OR BEFORE FEBRUARY 1, 2016, AND
5 ANNUALLY THEREAFTER, THE DIRECTOR SHALL REPORT TO THE
6 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND THE SENATE THAT
7 HEAR MATTERS CONCERNING LOCAL GOVERNMENT ON THE GRANT
8 PROGRAM, INCLUDING THE NUMBER OF APPLICATIONS RECEIVED, THE
9 NUMBER AND AMOUNTS OF GRANTS AWARDED, AND THE RURAL
10 COMMUNITIES' USE OF GRANT MONEY THAT WAS AWARDED. ON OR BEFORE
11 FEBRUARY 1, 2021, THE DIRECTOR SHALL GIVE A FINAL REPORT ON THE
12 IMPLEMENTATION OF THE GRANT PROGRAM.

13 (b) FOR PURPOSES OF THE REPORTING REQUIREMENTS IN THIS
14 SUBSECTION (5), THE DIRECTOR SHALL DEVELOP REPORTING
15 REQUIREMENTS FOR RURAL COMMUNITIES AWARDED GRANT MONEY.

16 (6) **Rural economic emergency assistance grant fund - gifts,
17 grants, and donations.** (a) (I) THERE IS HEREBY CREATED IN THE STATE
18 TREASURY THE RURAL ECONOMIC EMERGENCY ASSISTANCE GRANT FUND,
19 REFERRED TO IN THIS SUBSECTION (6) AS THE "FUND". THE DIRECTOR
20 SHALL ADMINISTER THE FUND FOR IMPLEMENTATION OF THE GRANT
21 PROGRAM.

22 (II) FOR THE 2015-16 FISCAL YEAR, THE STATE TREASURER SHALL
23 TRANSFER TWO MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND
24 FOR IMPLEMENTATION OF THE GRANT PROGRAM.

25 (III) THE GENERAL ASSEMBLY MAY APPROPRIATE ADDITIONAL
26 MONEY TO THE FUND. ANY MONEY IN THE FUND AT THE END OF THE
27 2015-16 FISCAL YEAR REMAINS IN THE FUND. ANY INTEREST EARNED ON

1 THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND REMAINS IN THE
2 FUND AND SHALL NOT BE CREDITED TO THE GENERAL FUND.

3 (b) THE DIRECTOR MAY USE UP TO TEN PERCENT OF THE MONEY IN
4 THE FUND ANNUALLY FOR THE DIRECT AND INDIRECT COSTS ASSOCIATED
5 WITH THE DEPARTMENT'S ADMINISTRATION OF THE GRANT PROGRAM.

6 (c) THE DIRECTOR MAY ACCEPT AND EXPEND GIFTS, GRANTS, AND
7 DONATIONS FOR THE PURPOSES OF THIS SECTION, BUT THE
8 IMPLEMENTATION OF THIS SECTION IS NOT DEPENDENT ON THE RECEIPT OF
9 GIFTS, GRANTS, AND DONATIONS. THE DIRECTOR SHALL TRANSMIT ALL
10 MONEY RECEIVED THROUGH GIFTS, GRANTS, OR DONATIONS TO THE STATE
11 TREASURER, WHO SHALL CREDIT IT TO THE FUND.

12 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2021.

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