

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 17-1016.01 Nicole Myers x4326

SENATE BILL 17-248

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SENATE SPONSORSHIP

Hill and Merrifield,

HOUSE SPONSORSHIP

Lee and Liston, Exum, Landgraf

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Senate Committees

Finance

House Committees

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A BILL FOR AN ACT

101 CONCERNING THE AUTHORITY OF THE COLORADO ECONOMIC  
102 DEVELOPMENT COMMISSION TO APPROVE MODIFICATIONS TO A  
103 PREVIOUSLY APPROVED REGIONAL TOURISM PROJECT.

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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://leg.colorado.gov>.)*

The "Colorado Regional Tourism Act" includes a process by which one or more local governments may undertake a regional tourism project (project), create a regional tourism zone in which the project will be built, and create a regional tourism authority to use tax increment financing based on state sales tax revenue to finance eligible

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.*

improvements related to the project. Currently, once a project has been approved, there is not a process to allow a local government to request and the Colorado economic development commission (commission) to approve a modification to the components of the project.

The bill allows a local government that is a participant in an approved project to apply to the commission to modify the project if the local government determines that a planned project component is no longer viable or that the new component will increase the number of out-of-state tourists visiting the project or net new revenue generated by the project.

A local government must submit an application to modify an approved project to the Colorado office of economic development (office) for initial review prior to the commencement of substantial work on the project component that will be replaced. The local government is required to include certain information in the proposal but is not required to provide any information that was in the original application and that remains unchanged. The application must include an economic analysis that details whether the modified project meets the requirements specified in law and in guidelines established by the office.

The office is required to review and forward an application for a modification of a project to the commission with a recommendation that the commission approve the application, deny it, or approve it with conditions. The commission is required approve the application unless the modified project no longer meets the criteria for a project established in law. The commission may amend its original award, including the percentage of sales tax increment that is awarded and the total cumulative dollar amount to be awarded if specifically impacted by the new component, but may not increase the total cumulative dollar amount of the award beyond that which was previously awarded.

If the application for a modification is approved, the commission is required to modify the resolution it adopted when it approved the original application as necessary to conform the resolution to the modified project.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 24-46-311 as  
3 follows:

4           **24-46-311. Modification of a previously approved project -**  
5 **application.** (1) A LOCAL GOVERNMENT THAT IS A PARTICIPANT IN AN  
6 APPROVED REGIONAL TOURISM PROJECT MAY APPLY TO THE COMMISSION

1 TO MODIFY A PREVIOUSLY APPROVED PROJECT IF THE LOCAL GOVERNMENT  
2 DETERMINES THAT A PLANNED PROJECT COMPONENT IS NO LONGER VIABLE  
3 OR THAT THE SUBSTITUTION OF A NEW COMPONENT WILL INCREASE THE  
4 NUMBER OF OUT-OF-STATE TOURISTS VISITING THE PROJECT OR NET NEW  
5 REVENUE GENERATED BY THE PROJECT.

6 (2) A LOCAL GOVERNMENT MUST SUBMIT AN APPLICATION TO  
7 MODIFY AN APPROVED PROJECT TO THE COLORADO OFFICE OF ECONOMIC  
8 DEVELOPMENT FOR INITIAL REVIEW PRIOR TO THE COMMENCEMENT OF  
9 SUBSTANTIAL WORK ON THE PROJECT COMPONENT THAT WILL BE  
10 REPLACED. THE LOCAL GOVERNMENT SHALL INCLUDE ALL RELEVANT  
11 INFORMATION THAT WOULD HAVE BEEN SUPPLIED UNDER SECTION  
12 24-46-304 (2) IF THE NEW COMPONENT HAD BEEN INCLUDED IN THE  
13 ORIGINAL APPLICATION AND SHALL DESCRIBE HOW THE NEW COMPONENT  
14 CHANGES ANY OF THE INFORMATION ORIGINALLY SUPPLIED. THE LOCAL  
15 GOVERNMENT IS NOT REQUIRED TO PROVIDE ANY INFORMATION THAT WAS  
16 IN THE ORIGINAL APPLICATION AND REMAINS UNCHANGED. THE  
17 APPLICATION SHALL ALSO INCLUDE AN ECONOMIC ANALYSIS THAT DETAILS  
18 WHETHER THE MODIFIED PROJECT MEETS THE REQUIREMENTS OF THIS  
19 SECTION AND ANY GUIDELINES PROVIDED BY THE COLORADO OFFICE OF  
20 ECONOMIC DEVELOPMENT. UNLESS REQUESTED BY THE COMMISSION  
21 AFTER REVIEWING THE APPLICATION, THE LOCAL GOVERNMENT SHALL NOT  
22 BE REQUIRED TO OBTAIN A THIRD-PARTY ANALYSIS DESCRIBED IN SECTION  
23 24-46-304 (2)(i).

24 (3) UPON RECEIPT OF AN APPLICATION FOR A MODIFICATION, THE  
25 COLORADO OFFICE OF ECONOMIC DEVELOPMENT SHALL REVIEW IT FOR  
26 COMPLETENESS AND, IF NO FURTHER INFORMATION IS REQUESTED OF THE  
27 LOCAL GOVERNMENT, SHALL FORWARD IT TO THE COMMISSION WITH A

1 RECOMMENDATION THAT THE COMMISSION APPROVE THE APPLICATION,  
2 DENY IT, OR APPROVE IT WITH CONDITIONS.

3 (4) THE COMMISSION SHALL APPROVE THE APPLICATION FOR A  
4 MODIFICATION UNLESS THE REVISED PROJECT NO LONGER MEETS THE  
5 CRITERIA ESTABLISHED IN SECTION 24-46-304 (3). THE COMMISSION MAY  
6 AMEND ITS ORIGINAL AWARD, INCLUDING THE PERCENTAGE OF SALES TAX  
7 INCREMENT THAT IS AWARDED AND THE TOTAL CUMULATIVE DOLLAR  
8 AMOUNT TO BE AWARDED IF SPECIFICALLY IMPACTED BY THE NEW  
9 COMPONENT, BUT MAY NOT INCREASE THE TOTAL CUMULATIVE DOLLAR  
10 AMOUNT OF THE AWARD BEYOND THAT WHICH WAS PREVIOUSLY  
11 AWARDED PURSUANT TO SECTION 24-46-305 (4.5).

12 (5) IF THE APPLICATION FOR A MODIFICATION IS APPROVED, THE  
13 COMMISSION SHALL MODIFY THE RESOLUTION ADOPTED UPON APPROVAL  
14 OF THE ORIGINAL APPLICATION PURSUANT TO SECTION 24-46-305 (3), BUT  
15 ONLY TO THE EXTENT NECESSARY TO CONFORM THE RESOLUTION TO THE  
16 MODIFIED PROJECT. THE COMMISSION SHALL NOT MODIFY ANY OTHER  
17 ASPECT OF THE RESOLUTION.

18 **SECTION 2. Act subject to petition - effective date.** This act  
19 takes effect at 12:01 a.m. on the day following the expiration of the  
20 ninety-day period after final adjournment of the general assembly (August  
21 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
22 referendum petition is filed pursuant to section 1 (3) of article V of the  
23 state constitution against this act or an item, section, or part of this act  
24 within such period, then the act, item, section, or part will not take effect  
25 unless approved by the people at the general election to be held in  
26 November 2018 and, in such case, will take effect on the date of the  
27 official declaration of the vote thereon by the governor.