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LLS NO. 06-0151.01 Nicole Hoffman

HOUSE BILL

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A BILL FOR AN ACT

101 **CONCERNING THE COLORADO ECONOMIC DEVELOPMENT COMMISSION,**
102 **AND, IN CONNECTION THEREWITH, ESTABLISHING MINIMUM**
103 **STANDARDS FOR RECIPIENTS OF MONEYS FROM THE COLORADO**
104 **ECONOMIC DEVELOPMENT FUND, ESTABLISHING REPORTING**
105 **REQUIREMENTS FOR THE RECIPIENTS, AND EXTENDING THE**
106 **STATUTORY REPEAL DATE FOR THE COMMISSION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Interim Committee on Economic Development. Specifies minimum standards that any person or entity shall satisfy in order for the

Colorado economic development commission (commission) to award such person or entity a grant or loan from the Colorado economic development fund.

Requires any person or entity that receives a grant or loan from the commission on the basis of a proposal to create new jobs that meet wage and benefit requirements to file an annual progress report with the commission. Specifies the information that the person or entity shall include in the report. Requires the commission to provide the information collected each year in the reports to the general assembly.

Specifies that the reports submitted to the commission shall be open records, but prohibits the disclosure to the public of information that reveals any income tax return or the salary of any employee.

Extends the statutory repeal date for the commission.

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

SECTION 1. 24-46-104 (2), Colorado Revised Statutes, is amended to read:

24-46-104. Powers and duties of commission. (2) The commission shall report to the general assembly no later than February 1 of each year regarding the work of the commission. THE REPORT SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO, THE INFORMATION REQUIRED TO BE COLLECTED BY THE COMMISSION PURSUANT TO SECTION 24-46-105.7.

SECTION 2. The introductory portion to 24-46-105 (2.5) (a) and 24-46-105 (2.5) (b), Colorado Revised Statutes, are amended, and the said 24-46-105 is further amended BY THE ADDITION OF A NEW SUBSECTION, to read:

24-46-105. Colorado economic development fund - creation. (2.5) (a) The moneys in the fund may be used by the commission to make grants or loans to both public and private persons and entities for use in carrying out the purposes of this part 1, subject to the provisions of paragraph (b) of this subsection (2.5) and ~~subsection (3)~~ SUBSECTIONS (3) AND (4) of this section. In determining whether to make a grant or loan,

1 the commission shall consider each of the following guidelines:
2 (b) The commission may establish whatever terms and conditions
3 it deems appropriate in making grants or loans pursuant to this section;
4 EXCEPT THAT THE TERMS AND CONDITIONS ESTABLISHED BY THE
5 COMMISSION SHALL MEET OR EXCEED THE REQUIREMENTS ESTABLISHED
6 IN SUBSECTION (4) OF THIS SECTION. The loan amount and any interest
7 earned thereon shall be paid back to the commission, and such moneys
8 shall be credited to a special account in the fund to be known as the
9 revolving account. In accordance with subsection (2) of this section,
10 interest earned on the investment or deposit of moneys in the economic
11 development fund shall also be credited to the revolving account. All
12 moneys in the revolving account may be used by the commission to make
13 loans and grants as provided in this subsection (2.5) without further
14 appropriation by the general assembly. The commission shall not approve
15 grants or loans to state departments or agencies for specific projects
16 which are typically considered by the general assembly in the general
17 appropriation bill or in supplemental appropriation bills unless the joint
18 budget committee approves the application for such grants or loans.
19 (4) (a) THE MONEYS IN THE FUND SHALL BE USED BY THE
20 COMMISSION TO MAKE GRANTS OR LOANS TO A PUBLIC OR PRIVATE PERSON
21 OR ENTITY ONLY IF THE PERSON OR ENTITY:
22 (I) PAYS ALL OF ITS EMPLOYEES IN THE STATE A MINIMUM WAGE
23 THAT IS AT LEAST ONE DOLLAR PER HOUR HIGHER THAN THE FEDERAL
24 MINIMUM WAGE;
25 (II) OFFERS TO ALL OF ITS EMPLOYEES IN THE STATE WHO WORK AT
26 LEAST THIRTY-FIVE HOURS PER WEEK A HEALTH INSURANCE BENEFIT PLAN
27 FOR WHICH THE EMPLOYER PAYS AT LEAST FIFTY PERCENT OF THE

MONTHLY PREMIUM, AND THE COVERAGE PAYS AT LEAST _____ PERCENT OF THE COSTS OF PHYSICIAN OFFICE VISITS, EMERGENCY CARE, SURGERY, AND PRESCRIPTIONS, WITH AN ANNUAL DEDUCTIBLE OF NO MORE THAN _____ DOLLARS; AND

(III) HAS NOT BEEN ADJUDICATED TO BE IN VIOLATION OF ANY FEDERAL, STATE, OR LOCAL LAWS AFFECTING THE HEALTH, SAFETY, OR WORKING CONDITIONS OF EMPLOYEES FOR AT LEAST THE PRIOR FIVE YEARS.

(b) THE PROVISIONS OF THIS SUBSECTION (4) DO NOT APPLY TO THE FOLLOWING:

(I) A NOT-FOR-PROFIT ENTITY; OR

(II) AN INTERN OR TRAINEE WHO IS UNDER THE AGE OF TWENTY-ONE AND WHO IS EMPLOYED FOR A PERIOD OF NOT LONGER THAN THREE MONTHS.

(c) NO PERSON OR ENTITY SHALL PAY AN EMPLOYEE THROUGH A THIRD PARTY OR TREAT AN EMPLOYEE AS A SUBCONTRACTOR OR INDEPENDENT CONTRACTOR TO AVOID THE REQUIREMENTS OF THIS SUBSECTION (4).

SECTION 3. Part 1 of article 46 of title 24, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

24-46-105.7. Reporting requirement - new jobs created. (1) EVERY PERSON OR ENTITY THAT RECEIVES A GRANT OR LOAN FROM THE COMMISSION PURSUANT TO THIS ARTICLE, AWARDED IN PART OR IN WHOLE ON THE BASIS OF THE PERSON'S OR ENTITY'S PROPOSAL TO CREATE NEW JOBS WITH WAGE AND BENEFIT REQUIREMENTS, SHALL FILE AN ANNUAL PROGRESS REPORT WITH THE COMMISSION. THE ANNUAL

PROGRESS REPORT SHALL INCLUDE, BUT SHALL NOT BE LIMITED TO, THE FOLLOWING:

(a) THE NAME OF THE PERSON OR ENTITY THAT RECEIVED THE GRANT OR LOAN, AND IF THE RECIPIENT IS AN ENTITY, THE NAME OF THE CHIEF OFFICER OF THE ENTITY;

(b) THE BUSINESS ADDRESS AND BUSINESS PHONE NUMBER OF THE PERSON OR ENTITY THAT RECEIVED THE GRANT OR LOAN;

(c) THE AMOUNT OF THE GRANT OR LOAN AWARDED TO THE PERSON OR ENTITY BY THE COMMISSION;

(d) A STATEMENT OF THE NUMBER OF NEW JOBS THAT THE PERSON OR ENTITY PROPOSED TO CREATE BEFORE RECEIVING THE GRANT OR LOAN, CATEGORIZED BY FULL-TIME PERMANENT, PART-TIME PERMANENT, TEMPORARY, AND CONTRACT JOBS;

(e) A STATEMENT OF THE NUMBER OF NEW JOBS THAT THE PERSON OR ENTITY THAT RECEIVED THE GRANT OR LOAN HAS CREATED TO DATE, CATEGORIZED BY FULL-TIME PERMANENT, PART-TIME PERMANENT, TEMPORARY, AND CONTRACT JOBS;

(f) PAYROLL OR OTHER DATA TO VERIFY THE NUMBER OF JOBS CREATED BY THE PERSON OR ENTITY;

(g) THE AVERAGE ANNUAL COMPENSATION LEVEL OF EMPLOYEES, INCLUDING BENEFITS, OF THE NEW JOBS CREATED AND RETAINED, IF APPLICABLE, CATEGORIZED BY FULL-TIME PERMANENT, PART-TIME PERMANENT, TEMPORARY, AND CONTRACT JOBS;

(h) A STATEMENT AS TO WHETHER THE PERSON OR ENTITY THAT RECEIVED THE GRANT OR LOAN REDUCED EMPLOYMENT AT ANY OTHER SITE CONTROLLED BY THE PERSON OR ENTITY IN THE STATE AS A RESULT OF AUTOMATION, MERGER, ACQUISITION, CORPORATE RESTRUCTURING, OR

1 OTHER BUSINESS ACTIVITY; AND

2 (i) ANY OTHER INFORMATION REASONABLY REQUIRED BY THE
3 COMMISSION TO EVALUATE THE PROGRESS OF THE PERSON OR ENTITY THAT
4 RECEIVED THE GRANT OR LOAN AND THE EFFECTIVENESS OF AWARDING
5 THE GRANT OR LOAN.

6 (2) AN ANNUAL PROGRESS REPORT SUBMITTED TO THE
7 COMMISSION SHALL INCLUDE A SIGNED CERTIFICATION BY THE PERSON
8 WHO RECEIVED THE GRANT OR LOAN OR, IF THE RECIPIENT IS AN ENTITY,
9 THE CHIEF OFFICER OF THE ENTITY THAT RECEIVED THE GRANT OR LOAN
10 AS TO THE ACCURACY OF THE ANNUAL PROGRESS REPORT.

11 (3) ANY PERSON OR ENTITY THAT RECEIVES A GRANT OR LOAN
12 PURSUANT TO THIS ARTICLE SHALL FILE THE FIRST ANNUAL PROGRESS
13 REPORT REQUIRED PURSUANT TO SUBSECTION (1) OF THIS SECTION NO
14 LATER THAN ONE YEAR AND THIRTY DAYS AFTER THE RECEIPT OF THE
15 GRANT OR LOAN, AND THEN EVERY YEAR THEREAFTER FOR FIVE YEARS IN
16 THE CASE OF A GRANT OR IN THE CASE OF A LOAN EVERY YEAR
17 THEREAFTER UNTIL THE LOAN IS REPAID IN FULL.

18 (4) THE COMMISSION SHALL INCLUDE THE INFORMATION
19 COLLECTED EACH YEAR PURSUANT TO SUBSECTION (1) OF THIS SECTION IN
20 THE COMMISSION'S REPORT TO THE GENERAL ASSEMBLY PURSUANT TO
21 SECTION 24-46-104 (2). THE COMMISSION'S REPORT SHALL ALSO INCLUDE
22 A STATEMENT AS TO WHETHER THE PERSON OR ENTITY THAT RECEIVED
23 THE GRANT OR LOAN HAS ACHIEVED THE PERSON'S OR ENTITY'S JOB
24 CREATION, WAGE, AND BENEFIT REQUIREMENTS.

25 (5) THE COMMISSION SHALL INFORM A PERSON OR ENTITY THAT
26 RECEIVES A GRANT OR LOAN THAT THE PERSON OR ENTITY IS REQUIRED TO
27 COMPLY WITH THE REQUIREMENTS OF THIS SECTION AT THE TIME THE

COMMISSION AWARDS THE GRANT OR LOAN.

(6) THE INFORMATION SUBMITTED IN THE ANNUAL PROGRESS REPORT TO THE COMMISSION SHALL BE CONSIDERED PUBLIC RECORDS AS DEFINED IN SECTION 24-72-202 (6) AND SHALL BE PRESERVED FOR AT LEAST FIVE YEARS BY THE COMMISSION. THE COMMISSION SHALL BE THE CUSTODIAN OF THE REPORTS AND SHALL MAKE THE REPORTS AVAILABLE FOR INSPECTION BY ANY PERSON AT REASONABLE TIMES. NOTHING IN THIS SUBSECTION (6) SHALL BE CONSTRUED TO PERMIT THE DISCLOSURE TO THE PUBLIC OF ANY COLORADO INCOME TAX RETURN OR OF ANY INFORMATION THAT REVEALS THE AMOUNT OF COMPENSATION PAID TO ANY INDIVIDUAL EMPLOYEE.

SECTION 4. 24-46-106, Colorado Revised Statutes, is amended to read:

24-46-106. Repeal of part. This part 1 is repealed, effective ~~July 1, 2006~~ JULY 1, 2016.

SECTION 5. Applicability. The provisions of this act shall apply to grants or loans made by the Colorado economic development commission on or after the applicable effective date of this act.

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