

Second Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 06-0151.01 Nicole Hoffman

HOUSE BILL 06-1038

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HOUSE SPONSORSHIP

**Borodkin,**

SENATE SPONSORSHIP

**Bacon,**

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**House Committees**

Business Affairs and Labor

**Senate Committees**

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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.**

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**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

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.*

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.

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

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

4 **24-46-104. Powers and duties of commission.** (2) The  
5 commission shall report to the general assembly no later than February 1  
6 of each year regarding the work of the commission. THE REPORT SHALL  
7 INCLUDE, BUT SHALL NOT BE LIMITED TO, THE INFORMATION REQUIRED TO  
8 BE COLLECTED BY THE COMMISSION PURSUANT TO SECTION 24-46-105.7.

9 **SECTION 2.** The introductory portion to 24-46-105 (2.5) (a) and  
10 24-46-105 (2.5) (b), Colorado Revised Statutes, are amended, and the said  
11 24-46-105 is further amended BY THE ADDITION OF A NEW  
12 SUBSECTION, to read:

13 **24-46-105. Colorado economic development fund - creation.**  
14 (2.5) (a) The moneys in the fund may be used by the commission to make  
15 grants or loans to both public and private persons and entities for use in  
16 carrying out the purposes of this part 1, subject to the provisions of  
17 paragraph (b) of this subsection (2.5) and ~~subsection (3)~~ SUBSECTIONS (3)  
18 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

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

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

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

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

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

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

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

22 **24-46-105.7. Reporting requirement - new jobs created.**

23 (1) EVERY PERSON OR ENTITY THAT RECEIVES A GRANT OR LOAN FROM  
24 THE COMMISSION PURSUANT TO THIS ARTICLE, AWARDED IN PART OR IN  
25 WHOLE ON THE BASIS OF THE PERSON'S OR ENTITY'S PROPOSAL TO CREATE  
26 NEW JOBS WITH WAGE AND BENEFIT REQUIREMENTS, SHALL FILE AN  
27 ANNUAL PROGRESS REPORT WITH THE COMMISSION. THE ANNUAL

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

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

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

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

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

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

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

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

24              (h) A STATEMENT AS TO WHETHER THE PERSON OR ENTITY THAT  
25       RECEIVED THE GRANT OR LOAN REDUCED EMPLOYMENT AT ANY OTHER  
26       SITE CONTROLLED BY THE PERSON OR ENTITY IN THE STATE AS A RESULT  
27       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 REPAYED 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

1 COMMISSION AWARDS THE GRANT OR LOAN.

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

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

14 **24-46-106. Repeal of part.** This part 1 is repealed, effective ~~July~~  
15 ~~1, 2006~~ JULY 1, 2016.

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

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