

HB1241\_L.002

## HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Finance.HB12-1241 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 39-30-103, **amend**  
4 (1) (a), (1.3), (2), and (4) (b) introductory portion as follows:

5 **39-30-103. Zones established - review - termination - repeal.**

6 (1) Any municipality, county, or group of contiguous municipalities or  
7 counties may propose an area of such municipality, county, or group of  
8 municipalities or counties to be designated as an enterprise zone if the  
9 area has a population of no more than one hundred fifteen thousand  
10 persons as calculated pursuant to subsection (1.3) of this section, or one  
11 hundred fifty thousand persons as calculated pursuant to subsection (1.3)  
12 of this section if the area is a rural area, and meets at least one of the  
13 following additional criteria:

14 (a) ~~An unemployment rate at least twenty-five percent above the~~  
15 ~~state average for the most recent period of twelve consecutive months for~~  
16 ~~which data is available from the department of labor and employment~~  
17 ~~AREA FOR WHICH THE SEASONALLY ADJUSTED U-3 UNEMPLOYMENT RATE,~~  
18 ~~OR SUCCESSOR INDEX, IS AT LEAST TWENTY-FIVE PERCENT ABOVE THE~~  
19 ~~CORRESPONDING AVERAGE RATE FOR THE STATE OF COLORADO OF THE~~  
20 ~~MOST RECENT PERIOD OF TWELVE CONSECUTIVE MONTHS FOR WHICH DATA~~  
21 ~~IS PUBLISHED BY THE UNITED STATES SECRETARY OF LABOR;~~

22 (1.3) For the purposes of this article, the population of an  
23 enterprise zone shall be calculated using data from the ~~most recent federal~~  
24 ~~decennial~~ UNITED STATES census BUREAU OR THE DEPARTMENT OF LOCAL  
25 AFFAIRS at the county, municipal, or block levels. Such calculations that  
26 require the use of block level data shall include the entire population of  
27 each block in which the enterprise zone is located.

28 (2) (a) EXCEPT AS PROVIDED IN PARAGRAPHS (b) AND (c) OF THIS  
29 SUBSECTION (2), the director of the Colorado office of economic  
30 development shall determine whether an area meets the criteria specified  
31 in subsection (1) of this section based on the most recent statistics  
32 available. EXCEPT AS PROVIDED IN PARAGRAPHS (b) AND (c) OF THIS  
33 SUBSECTION (2), all decisions concerning the designation or termination  
34 of an enterprise zone or any portion of an enterprise zone shall be made  
35 by the Colorado economic development commission created in section  
36 24-46-102, C.R.S., upon the recommendations of the director of the  
37 Colorado office of economic development.



1 (b) (I) IN ORDER TO REVIEW THE EFFECTIVENESS OF THE "URBAN  
2 AND RURAL ENTERPRISE ZONE ACT", THERE IS HEREBY CREATED AN  
3 ENTERPRISE ZONE REVIEW TASK FORCE, REFERRED TO IN THIS PARAGRAPH  
4 (b) AS THE "TASK FORCE".

5 (II) THE TASK FORCE CONSISTS OF THIRTEEN MEMBERS AS  
6 FOLLOWS:

7 (A) THE DIRECTOR OF THE OFFICE OF ECONOMIC DEVELOPMENT OR  
8 THE DIRECTOR'S DESIGNEE; AND SUCH MEMBER SHALL SERVE AS CHAIR OF  
9 THE TASK FORCE;

10 (B) FOUR ZONE ADMINISTRATORS REPRESENTING VARIOUS PARTS  
11 OF THE STATE WITH VARIOUS POPULATION DENSITIES;

12 (C) TWO ECONOMIC DEVELOPMENT PROFESSIONALS;

13 (D) THE DIRECTOR OF THE DEPARTMENT OF REVENUE OR THE  
14 DIRECTOR'S DESIGNEE;

15 (E) THREE BUSINESS OWNERS, ONE WITH FEWER THAN FIFTY  
16 EMPLOYEES, ONE WITH FIFTY TO ONE HUNDRED AND FIFTY EMPLOYEES,  
17 AND ONE WITH MORE THAN ONE HUNDRED FIFTY EMPLOYEES; AND

18 (F) TWO PERSONS KNOWLEDGEABLE ABOUT THE STATE'S BUDGET  
19 ISSUES.

20 (III) THE MEMBERS OF THE TASK FORCE SHALL BE APPOINTED BY  
21 THE OFFICE OF ECONOMIC DEVELOPMENT ON OR BEFORE JULY 1, 2012.

22 (IV) MEMBERS OF THE TASK FORCE SHALL SERVE AT THE WILL OF  
23 THE PERSON APPOINTING THE MEMBER.

24 (V) MEMBERS OF THE TASK FORCE SHALL NOT BE COMPENSATED  
25 FOR OR REIMBURSED FOR THEIR EXPENSES INCURRED IN ATTENDING  
26 MEETINGS OF THE TASK FORCE.

27 (VI) THE TASK FORCE SHALL MEET AS OFTEN AS NECESSARY AND  
28 MAY ADOPT POLICIES AND PROCEDURES NECESSARY TO CARRY OUT ITS  
29 DUTIES.

30 (VII) THE TASK FORCE SHALL REVIEW:

31 (A) THE CRITERIA FOR DESIGNATION OF AN ENTERPRISE ZONE;

32 (B) THE TAX CREDITS AVAILABLE IN THIS ARTICLE TO ASSESS THEIR  
33 EFFECTIVENESS IN ACHIEVING THE PURPOSES OF THE ENTERPRISE ZONES  
34 AND EXPANDING ECONOMIC DEVELOPMENT IN SUCH ZONES; AND

35 (C) ALL OTHER ISSUES RELATED TO ENTERPRISE ZONES THAT THE  
36 TASK FORCE FINDS NECESSARY.

37 (VIII) THE TASK FORCE SHALL REPORT ITS PROGRESS, FINDINGS,  
38 AND RECOMMENDATIONS TO THE FINANCE COMMITTEES OF THE HOUSE OF  
39 REPRESENTATIVES AND THE SENATE, THE HOUSE ECONOMIC AND BUSINESS  
40 DEVELOPMENT COMMITTEE, AND THE SENATE BUSINESS, LABOR, AND  
41 TECHNOLOGY COMMITTEE, OR ANY SUCCESSOR COMMITTEES, ON OR



1 BEFORE NOVEMBER 1, 2013.

2 (IX) (A) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE JULY 1,  
3 2014.

4 (B) PRIOR TO SAID REPEAL, THE TASK FORCE CREATED PURSUANT  
5 TO THIS SECTION SHALL BE REVIEWED AS PROVIDED IN SECTION 2-3-1203,  
6 C.R.S.

7 (c) (I) COMMENCING JANUARY 1, 2016, THE DIRECTOR OF THE  
8 COLORADO OFFICE OF ECONOMIC DEVELOPMENT AND THE COLORADO  
9 ECONOMIC DEVELOPMENT COMMISSION SHALL REVIEW THE ENTERPRISE  
10 ZONE DESIGNATIONS NO LESS FREQUENTLY THAN ONCE EVERY FIVE YEARS  
11 TO ENSURE THAT THE EXISTING ZONES CONTINUE TO MEET THE CRITERIA  
12 SPECIFIED IN SUBSECTION (1) OF THIS SECTION. THE DIRECTOR AND THE  
13 COMMISSION MAY MODIFY EXISTING ENTERPRISE ZONE DESIGNATIONS  
14 BASED ON THE REVIEW SPECIFIED IN THIS PARAGRAPH (c). IF IT IS  
15 DETERMINED THAT EXISTING ENTERPRISE ZONE DESIGNATIONS NEED TO BE  
16 MODIFIED, SUCH MODIFICATION SHALL NOT BE UNDERTAKEN IN A HIGH  
17 UNEMPLOYMENT PERIOD. ANY MODIFICATION SHALL BE REPORTED TO THE  
18 LEGISLATIVE AUDIT COMMITTEE IN CONJUNCTION WITH THE ANNUAL  
19 PRESENTATION DESCRIBED IN PARAGRAPH (b.7) OF SUBSECTION (4) OF THIS  
20 SECTION, AND SHALL ALSO BE REPORTED TO THE FINANCE COMMITTEES OF  
21 THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR  
22 COMMITTEES.

23 (II) FOR PURPOSES OF THIS SECTION, "HIGH UNEMPLOYMENT  
24 PERIOD" MEANS A PERIOD IN WHICH THE AVERAGE OF THE SEASONALLY  
25 ADJUSTED U-3 UNEMPLOYMENT RATE, OR SUCCESSOR INDEX, FOR  
26 COLORADO AS DETERMINED BY THE UNITED STATES SECRETARY OF  
27 LABOR, FOR THE MOST RECENT THREE MONTHS FOR WHICH DATA FOR  
28 COLORADO IS PUBLISHED, EQUALS OR EXCEEDS EIGHT PERCENT.

29 (4) (b) ~~For any area designated as an enterprise zone or as a~~  
30 ~~portion of an enterprise zone prior to July 1, 1999;~~ The Colorado  
31 economic development commission shall work with the zone  
32 administrator ADMINISTRATORS OF EACH ENTERPRISE ZONE to ensure that  
33 the area EACH ZONE has specific economic development objectives with  
34 outcomes that can be measured with specific, verifiable data. The director  
35 of the Colorado office of economic development shall require the zone  
36 administrators for each zone to submit annual documentation of efforts  
37 to improve conditions in areas designated as enterprise zones and the  
38 results of those efforts. Such annual documentation shall include specific,  
39 verifiable data that can be used to measure whether the zone has achieved  
40 the specific economic development objectives for the zone that have  
41 measurable outcomes. In order for the commission to determine if the



1 enterprise zones or portions thereof are achieving the specific economic  
2 development objectives submitted pursuant to this paragraph (b) or to  
3 paragraph (d) of subsection (3) of this section, such annual documentation  
4 shall include, but need not be limited to, the most recent statistics  
5 available for companies claiming enterprise zone tax credits on:

6 **SECTION 2.** In Colorado Revised Statutes, 2-3-1203, **add** (3)  
7 (aa) (VI) as follows:

8 **2-3-1203. Sunset review of advisory committees.** (3) The  
9 following dates are the dates for which the statutory authorization for the  
10 designated advisory committees is scheduled for repeal:

11 (aa) July 1, 2014:

12 (VI) THE ENTERPRISE ZONE REVIEW TASK FORCE, CREATED IN  
13 SECTION 39-30-103, C.R.S.;

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

\*\* \*\*\* \*\* \*\*\* \*\*

