



D 2020 259

EXECUTIVE ORDER

Call for the First Extraordinary Session of the Seventy-Second General Assembly

Pursuant to the authority vested in the Governor of the State of Colorado, and in particular, pursuant to article IV, section 9 of the Colorado Constitution, and as recognized in article V, section 7, I, Jared Polis, Governor of the State of Colorado, hereby find that the following extraordinary occasions exist to convene the 72nd General Assembly to meet in special session.

I. Background

The Colorado Department of Public Health and Environment's (CDPHE) public health laboratory confirmed the first presumptive positive coronavirus disease 2019 (COVID-19) test result in Colorado on March 5, 2020. I declared a disaster emergency due to the presence of COVID-19 in the State of Colorado on March 11, 2020. Since then, the COVID-19 Pandemic Emergency has cost the lives of over 2,300 of our fellow Coloradans, has strained our public health care system and health care capacity, damaged our economy, and taken a significant toll on our schools and institutions of higher education.

Recent developments in vaccine research are encouraging. We can envision a near future when the COVID-19 Pandemic Emergency is behind us. But while the finish line is in sight, we must continue to protect ourselves and our loved ones from COVID-19. Case counts have steadily climbed through the fall, and it has become clear that we must take extraordinary measures to support Colorado's people and economy. Businesses and families need assistance to get through the challenging winter ahead. To meet this moment, we must make critical investments as soon as possible. Colorado small businesses and families struggling to pay rent and their electric bills cannot afford to wait until the 73rd General Assembly convenes on January 13th, 2021, which is why I am calling this extraordinary session of the General Assembly.

This past fiscal year, the General Assembly passed a responsible budget in a very challenging fiscal environment. Their actions, combined with better than anticipated revenues during the summer months, resulted in surplus funds in the current fiscal year that we can direct to one-time support for businesses and families impacted by the COVID-19 Pandemic Emergency, while also helping to sustain our economy. I am calling this extraordinary session to ask the General Assembly to consider taking action in seven areas:

Small Business

Small businesses, including gyms, restaurants, bars, arts and culture venues, and event-related businesses, such as entertainment venues, have struggled to stay open at lower capacities, making it difficult to pay their staff and rent. While these small businesses saw some recovery over the summer when many were able to provide walk-up and outdoor service, many still struggle due to lack of consumer confidence and COVID-19 restrictions. These challenges will likely increase through the fall and winter months.

Child Care

The COVID-19 Pandemic Emergency has burdened child care providers, which we know are crucial to building and sustaining a thriving economy by enabling families to work and preparing children for school. Colorado's fragile child care system is strained and vulnerable to a collapse due to the pandemic. Lower enrollment, required changes to ensure student and worker safety consistent with health requirements, staffing issues including quarantine measures consistent with protecting the public health, sporadic closure of the schools, and other impacts of the pandemic are also impacting the child care system. Based on a recent survey, at least 26% of child care facilities in Colorado may close permanently without financial support, due to the pandemic.

Housing and Direct Assistance

Because of the federal Paycheck Protection Program, loans for small businesses, enhanced unemployment benefits, and direct payments to Americans, we have avoided a significant wave of housing evictions and foreclosures. Now, though, the expiration of these programs leaves vulnerable Coloradans at risk of eviction or foreclosure in the coming months. We must mobilize additional resources to allow Coloradans to stay in their homes in the near term and rebuild their lives in the long term.

Broadband

A Colorado Department of Education and Colorado Education Initiative survey demonstrated that 65,860 children lacked stable internet access at home. While many school districts across Colorado are learning in person, the most recent increase in COVID-19 cases has led other school districts, including many Denver metro area school districts, to switch to remote learning. Without broadband or wi-fi hotspots, these students will face significant learning loss that will have implications for their future academic careers and lifetime earnings.

Food Insecurity

Demand for food assistance via food pantries and food banks has increased as a result of the COVID-19 Pandemic Emergency. The demand appears to be correlated with unemployment and furloughs in the service sector, as well as school and camp closures, and is not anticipated to abate in the short-term. Meanwhile, food pantries' food resources were often stretched prior to the pandemic and resulting economic fallout. As dollars available for hunger relief through the Coronavirus Aid, Relief, and Economic

Security Act (CARES Act) and Families First Coronavirus Relief Act (FFRCA) end in December 2020, no new federal funding is currently available to replace these funds.

Utilities Assistance

Heading into the winter, many Coloradans are unemployed, underemployed, or unable to find new work. At the same time, these Coloradans may have little to no savings and growing expenses due to the COVID-19 Pandemic Emergency. This segment of the population now qualifies as low-income, and is at risk of being unable to afford their utility bills over the coming months. Energy Outreach Colorado applications are up 25% compared to the same time last year, and funding allocated by the General Assembly during the prior legislative session will be distributed by December 4, 2020.

Public Health Response

As the pandemic has entered its third wave in Colorado, additional funds are needed immediately to continue the State's robust public health response. My budget request set aside funds to ensure the State can continue to protect public health while we await additional federal stimulus and reimbursement from the Federal Emergency Management Agency.

In the face of federal inaction, Colorado must act now to support small businesses, protect renters and homeowners, support child care providers, and enable students to access remote education. We can make one-time, urgently needed investments now to help these crucial sectors of our economy survive the winter and sustain our economy.

I urge the General Assembly to act and am defining the appropriate subject matter for legislative consideration herein. The following section describes the purpose and need for the special session.

II. Purpose and Need

In the coming months, we will need to focus on suppressing the spread of COVID-19 in our communities to conserve our strained healthcare resources. We recognize that the lack of consumer confidence, the reality of the risky health situation, and compliance with justified public health measures comes at a cost to our business owners, workers, educators, and families. We therefore believe it is right and proper to take all necessary measures to enable our residents to weather the economic and logistical challenges that accompany our mitigation strategies. We are calling on the General Assembly to consider taking action to fund the following support programs to help minimize the disruptions caused by our COVID-19 emergency response:

- A. The General Assembly should consider taking legislative action to provide direct support and emergency tax relief to small businesses impacted by the COVID-19 Pandemic Emergency. This includes but is not limited to an expeditious, direct assistance funding mechanism for small businesses that are operating at a significantly reduced capacity or closed under public health orders. Small businesses, including gyms, restaurants, bars, arts and culture venues, and event-

related businesses, such as entertainment venues, have struggled to stay open at lower capacities, making it difficult to pay their staff and rent. The General Assembly should also consider providing tax and administrative relief, including sales tax retention, for certain small businesses, including restaurants and bars. The General Assembly should consider allowing these certain small businesses to retain up to \$2,000 per month of the 2.9% gross state sales tax collections they already collect and should allow for the waiver of certain fees associated with the sale of liquor and enforcement and the operation of a restaurant, including retail food establishment licensing fees administered by CDPHE and Colorado Department of Revenue.

- B. The General Assembly should consider taking legislative action to provide housing and rental assistance and direct cash assistance for individuals and families who have been impacted both directly and indirectly by the COVID-19 Pandemic Emergency through existing funding mechanisms such as the Property Owner Preservation program (POP), the Emergency Housing Assistance program (EHAP), the Workers Left Behind Fund (WLBF), the Housing Counseling Assistance Program (HCAP), homeless youth programs, and direct cash assistance.
- C. The General Assembly should consider taking legislative action to provide monetary assistance to new and existing child care providers through existing funding mechanisms such as sustainability grants for existing child care providers, and support for child care start-up or expansion costs for providers located in child care deserts, demonstrated need, or areas of the State hardest hit by COVID-19.
- D. The General Assembly should consider taking legislative action to expand broadband and wi-fi access for educational purposes, especially for P-12 students and educators.
- E. The General Assembly should consider taking legislative action to provide support for food pantries and food banks so that they can provide assistance for those experiencing food insecurity due to the COVID-19 Pandemic Emergency.
- F. The General Assembly should consider taking legislative action to provide utility assistance to Coloradans experiencing financial hardship due to the COVID-19 Pandemic Emergency.
- G. The General Assembly should consider taking legislative action to appropriate funds to the Disaster Emergency Fund for public health expenses associated with the COVID-19 Pandemic Emergency.

III. Proclamation

I, Jared Polis, Governor of the State of Colorado, with this proclamation find extraordinary occasions exist to convene the 72nd General Assembly of this State and summon the members of the 72nd General Assembly to meet in Special Session at 10:00 AM on November 30, 2020, at the State Capitol, in the City and County of Denver, and designate the following specific subjects for consideration, appropriate legislative action, and funding:

- A. Concerning direct support and emergency tax relief to small businesses impacted by the COVID-19 Pandemic Emergency. This includes but is not limited to an expeditious direct assistance funding mechanism for small businesses that are at reduced capacity under public health orders including gyms, restaurants, bars, arts and culture venues, and event-related businesses, such as entertainment venues; emergency sales tax relief for public health order-impacted eating and drinking establishments by allowing them to retain up to \$2,000 per month of the 2.9% gross state sales tax that they already collect, in order to pay for expenses including employee pay, rent, and overhead; and allowing for the waiver of certain licensing fees associated with sale of liquor and fees associated with the establishment or operation of a retail food establishment.
- B. Concerning housing and rental assistance to individuals and residential property owners impacted by the COVID-19 Pandemic Emergency through existing funding mechanisms such as the Property Owner Preservation program (POP), the Emergency Housing Assistance program (EHAP), the Workers Left Behind Fund (WLBF), the Housing Counseling Assistance Program (HCAP), homeless youth organizations, non-profits, and cash assistance.
- C. Concerning support for existing and new child care providers impacted by the COVID-19 Pandemic Emergency through existing funding mechanisms such as, but not limited to, sustainability grants for existing child care providers and support for child care start-up or expansion costs for providers located in child care deserts or areas of the State hardest hit by COVID-19.
- D. Concerning expanding broadband and wi-fi access for educational purposes, especially for P-12 students and educators impacted by the COVID-19 Pandemic Emergency.
- E. Concerning support for the existing food pantry assistance grant program within the Department of Human Services to aid Colorado food pantries and food banks in the purchase and allocation of food to serve those who have experienced financial hardship caused by the COVID-19 Pandemic Emergency.
- F. Concerning assistance for individuals unable to pay their utility bills due to financial hardship caused by the COVID-19 Pandemic Emergency, including support to the Energy Outreach Colorado low-income energy assistance program.

- G. Concerning appropriating funding to the Disaster Emergency Fund for public health expenses associated with the COVID-19 Pandemic Emergency.



GIVEN under my hand and the Executive Seal of the State of Colorado, this nineteenth day of November, 2020.

A handwritten signature in blue ink that reads "Jared Polis".

Jared Polis
Governor