First Regular Session Seventy-second General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 19-0151.01 Bob Lackner x4350

SENATE BILL 19-103

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Senate Committees Business, Labor, & Technology **House Committees**

A BILL FOR AN ACT

101 CONCERNING THE ABILITY OF A MINOR TO OPERATE A BUSINESS ON A

102 LIMITED BASIS WITHOUT OBTAINING THE APPROVAL OF A LOCAL

103 GOVERNMENT.

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 <u>http://leg.colorado.gov</u>.)

The bill prohibits any county, municipality, or city and county (local government) or any agency of a local government from requiring a license or permit for a business that is:

Operated on an occasional basis by a minor (a person under the age of 18 years); and

	 Located a sufficient distance from a commercial entity, determined by the local government, that is required to obtain a permit or license from the local government or an agency of the local government to prevent the minor's business from becoming a direct economic competitor of the commercial entity. The bill defines "occasional basis" to mean the business does not operate more than 84 days in any one calendar year.
1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add article 11.3 to
3	title 29 as follows:
4	ARTICLE 11.3
5	Businesses Operated by Minors
6	29-11.3-101. Definitions. As used in this article 11.3, unless
7	THE CONTEXT OTHERWISE REQUIRES:
8	(1) "BUSINESS" MEANS ANY ENTERPRISE CARRIED ON FOR THE
9	PURPOSE OF GAIN OR ECONOMIC PROFIT; EXCEPT THAT THE ACT OF
10	EMPLOYEES RENDERING SERVICES TO EMPLOYERS ARE NOT INCLUDED IN
11	THIS DEFINITION.
12	(2) "LOCAL GOVERNMENT" MEANS ANY COUNTY, MUNICIPALITY,
13	OR CITY AND COUNTY.
14	(3) "MINOR" MEANS A PERSON UNDER THE AGE OF EIGHTEEN
15	YEARS.
16	(4) "Occasional basis" means a business that does not
17	OPERATE MORE THAN EIGHTY FOUR DAYS IN ANY ONE CALENDAR YEAR.
18	29-11.3-102. Restrictions on licenses or permits - businesses
19	operated by a minor - legislative declaration. (1) THE GENERAL
20	ASSEMBLY HEREBY FINDS AND DECLARES THAT:
21	(a) IN THE ABSENCE OF COMMON SENSE RELIEF, LAWS IMPOSED

AND ADMINISTERED AT THE LOCAL LEVEL REQUIRING BUSINESSES TO
 OBTAIN PERMITS OR LICENSES TO OPERATE, WITH THE DISTINCT
 POSSIBILITY OF CRIMINAL OR CIVIL PENALTIES FOR NONCOMPLIANCE, MAY
 BE USED TO ENSNARE MINORS WANTING TO OPERATE SMALL-SCALE
 BUSINESSES ON A VERY LIMITED BASIS; AND

6 (b) THESE LAWS IMPOSE INORDINATE AND HEAVY-HANDED 7 REGULATORY BURDENS ON MINOR ENTREPRENEURS WHO ARE NOT SEEKING 8 TO COMPETE WITH FULLY ESTABLISHED COMMERCIAL ENTITIES OPERATED 9 BY ADULTS, FRUSTRATE AND THWART ENTREPRENEURIAL ACTIVITY 10 MINORS HAVE UNDERTAKEN FROM THE FOUNDING OF THE REPUBLIC AS A 11 MEANS TO LEARN ABOUT BUSINESS AND ECONOMIC PRINCIPLES AND TO 12 MAKE MONEY, AND DIVERT LAW ENFORCEMENT RESOURCES OF LOCAL 13 GOVERNMENTS FROM INVESTIGATING AND PROSECUTING MORE SERIOUS 14 CRIMINAL OR CIVIL MATTERS.

15 (2) BY ENACTING THIS ARTICLE 11.3, THE GENERAL ASSEMBLY 16 INTENDS TO PROVIDE A UNIFORM BAN ON THE IMPOSITION AND 17 ADMINISTRATION OF SUCH LAWS ACROSS THE STATE, AVOID THE 18 INCONSISTENT APPLICATION OF THE LAW DEPENDING UPON THE POLITICAL 19 SUBDIVISION IN WHICH A MINOR'S BUSINESS IS BEING OPERATED, AND GIVE 20 EVERY MINOR ENTREPRENEUR ACROSS THE STATE AN EVEN PLAYING FIELD 21 WITHIN WHICH TO GAIN PRACTICAL EXPERIENCE IN BUSINESS AND 22 ECONOMIC MATTERS AND AN OPPORTUNITY TO MAKE MONEY BY 23 OPERATING A BUSINESS ON A LIMITED BASIS THAT DOES NOT INTEND TO 24 COMPETE WITH PERMANENT, ONGOING COMMERCIAL ENTITIES OPERATED 25 BY ADULTS. TOWARD THIS END, THE GENERAL ASSEMBLY FURTHER 26 DECLARES THAT THE MATTERS DISCUSSED IN THIS SECTION ARE MATTERS 27 OF STATEWIDE CONCERN. NOTWITHSTANDING THE ENACTMENT OF THIS

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ARTICLE 11.3 AND THE PROTECTIONS IT AFFORDS MINOR ENTREPRENEURS,
 THE GENERAL ASSEMBLY ENCOURAGES MINOR ENTREPRENEURS TO
 UNDERSTAND THAT, IN ORDER TO SUCCESSFULLY COMPETE AS ADULTS IN
 THE BUSINESS WORLD, THEY WILL NEED TO FULLY COMPLY WITH THE
 EXISTING REGULATORY AND LEGAL ENVIRONMENT.

6 (3) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A LOCAL
7 GOVERNMENT OR ANY AGENCY OF A LOCAL GOVERNMENT SHALL NOT
8 REQUIRE A LICENSE OR PERMIT FOR A BUSINESS THAT IS:

(a) OPERATED ON AN OCCASIONAL BASIS BY A MINOR; AND

9

10 (b) LOCATED A SUFFICIENT DISTANCE FROM A COMMERCIAL
11 ENTITY, DETERMINED BY THE LOCAL GOVERNMENT, THAT IS REQUIRED TO
12 OBTAIN A PERMIT OR LICENSE FROM THE LOCAL GOVERNMENT OR AN
13 AGENCY OF THE LOCAL GOVERNMENT TO PREVENT THE MINOR'S BUSINESS
14 FROM BECOMING A DIRECT ECONOMIC COMPETITOR OF THE COMMERCIAL
15 ENTITY.

SECTION 2. Applicability. This act applies to minors'
businesses operating on or after the effective date of this act.

SECTION 3. 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.