

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REREVISIED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 19-0151.01 Bob Lackner x4350

SENATE BILL 19-103

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Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs & Labor

HOUSE
3rd Reading Unamended
March 11, 2019

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.**

HOUSE
2nd Reading Unamended
March 8, 2019

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

SENATE
3rd Reading Unamended
February 15, 2019

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

SENATE
Amended 2nd Reading
February 14, 2019

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

! 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

1 AND ADMINISTERED AT THE LOCAL LEVEL REQUIRING BUSINESSES TO
2 OBTAIN PERMITS OR LICENSES TO OPERATE, WITH THE DISTINCT
3 POSSIBILITY OF CRIMINAL OR CIVIL PENALTIES FOR NONCOMPLIANCE, MAY
4 BE USED TO ENSNARE MINORS WANTING TO OPERATE SMALL-SCALE
5 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 LICENSING AND PERMITTING LAWS ACROSS THE
18 STATE, AVOID THE INCONSISTENT APPLICATION OF LICENSING AND
19 PERMITTING LAWS DEPENDING UPON THE POLITICAL SUBDIVISION IN WHICH
20 A MINOR'S BUSINESS IS BEING OPERATED, AND GIVE EVERY MINOR
21 ENTREPRENEUR ACROSS THE STATE AN EVEN PLAYING FIELD WITHIN
22 WHICH TO GAIN PRACTICAL EXPERIENCE IN BUSINESS AND ECONOMIC
23 MATTERS AND AN OPPORTUNITY TO MAKE MONEY BY OPERATING A
24 BUSINESS ON A LIMITED BASIS THAT DOES NOT INTEND TO COMPETE WITH
25 PERMANENT, ONGOING COMMERCIAL ENTITIES OPERATED BY ADULTS.
26 TOWARD THIS END, THE GENERAL ASSEMBLY FURTHER DECLARES THAT
27 THE MATTERS DISCUSSED IN THIS SECTION ARE MATTERS OF STATEWIDE

1 CONCERN. NOTWITHSTANDING THE ENACTMENT OF THIS ARTICLE 11.3 AND
2 THE PROTECTIONS IT AFFORDS MINOR ENTREPRENEURS, THE GENERAL
3 ASSEMBLY ENCOURAGES MINOR ENTREPRENEURS TO UNDERSTAND THAT,
4 IN ORDER TO SUCCESSFULLY COMPETE AS ADULTS IN THE BUSINESS
5 WORLD, THEY WILL NEED TO FULLY COMPLY WITH THE EXISTING
6 REGULATORY AND LEGAL ENVIRONMENT.

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

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

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

17 (4) NOTHING IN THIS ARTICLE 11.3 PROHIBITS A LOCAL
18 GOVERNMENT FROM ENACTING AND ENFORCING LOCAL LAWS UNDER THE
19 LOCAL GOVERNMENT'S GENERAL POLICE POWER IN REGARD TO THE
20 MANNER IN WHICH A BUSINESS MAY BE CONDUCTED BY A MINOR WITH THE
21 EXCEPTION OF A REQUIREMENT THAT THE MINOR OBTAIN A PERMIT OR
22 LICENSE PRIOR TO ENGAGING IN THE BUSINESS.

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

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