

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 22-1001

BY REPRESENTATIVE(S) Cutter and Sullivan, Bacon, Bernett, Bird, Boesenecker, Esgar, Exum, Gray, Jodeh, Lindsay, McLachlan, Mullica, Ortiz, Ricks, Roberts, Titone, Valdez A., Weissman, Woodrow, Garnett, Herod, McCluskie, Snyder, Valdez D.;
also SENATOR(S) Pettersen and Kolker, Jaquez Lewis, Winter, Zenzinger.

CONCERNING A TRANSFER FROM THE GENERAL FUND TO THE DEPARTMENT OF STATE CASH FUND TO ALLOW THE DEPARTMENT OF STATE TO REDUCE BUSINESS-RELATED FEES FOR STATE FISCAL YEAR 2022-23.

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) Many businesses in Colorado are suffering severe declines in revenue as a result of the COVID-19 pandemic and the ongoing public health emergency that Colorado has been experiencing since March of 2020;

(b) Historically, new business registrations increase during an economic decline, indicating that Coloradans often turn to creating their

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own business when they lose a job or when their employment hours are reduced;

(c) The State of Colorado should support Coloradans wishing to start or maintain their small business as the state and economy continues to recover from the economic effects of the pandemic;

(d) Ensuring money stays in the pockets of Colorado small business owners is beneficial for Colorado's economy;

(e) The secretary of state has broad authority to determine and collect fees for business filings and registrations set forth in section 24-21-104, Colorado Revised Statutes, and it is within the department of state's discretion to set and adjust the majority of business fees within the department of state so that the department's revenue approximates its expenses;

(f) Reducing business fees collected by the department of state through the use of a credit against the filing fee, such as fees for new business registrations, will provide broad-based relief to Colorado small businesses; and

(g) Transferring money from the general fund to the department of state cash fund will ensure the department has the funding necessary to maintain its programs and services in light of the decreased fee revenue.

SECTION 2. In Colorado Revised Statutes, 24-21-104, **amend** (3)(b); and **add** (3)(k) as follows:

24-21-104. Fees of secretary of state. (3) (b) The department of state shall adjust its fees so that the revenue generated from the fees approximates its direct and indirect costs, including the cost of maintenance and improvements necessary for the distribution of electronic records; except that the department may reduce its fees to generate revenue in an amount less than costs if necessary pursuant to section 24-75-402 (3). Such costs shall not include the costs paid by the amounts appropriated by the general assembly from the general fund to the department of state for elections pursuant to section 24-21-104.5. Such fees shall remain in effect for the fiscal year following the adjustment. All fees collected by ~~said~~ THE department shall be transmitted to the state treasurer, who shall credit the

same to the department of state cash fund, which fund is hereby created. All ~~moneys~~ MONEY credited to the department of state cash fund shall be used as provided in this section and shall not be deposited in or transferred to the general fund of this state or any other fund. The ~~moneys~~ MONEY credited OR TRANSFERRED to the department of state cash fund ~~shall be~~ IS available for appropriation by the general assembly to the department of state in the general appropriation bill or pursuant to section 24-9-105 (2).

(k) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER EIGHT MILLION FOUR HUNDRED THIRTY-FIVE THOUSAND DOLLARS FROM THE GENERAL FUND TO THE DEPARTMENT OF STATE CASH FUND FOR USE BY THE DEPARTMENT FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2022, TO ESTABLISH A CREDIT PROGRAM TO REDUCE CERTAIN BUSINESS FEES CALCULATED UNDER SUBSECTION (3)(b) OF THIS SECTION. THE CREDIT PROGRAM SET FORTH IN THIS SUBSECTION (3)(k) TO REDUCE CERTAIN BUSINESS FEES SHALL END ON OR BEFORE JUNE 30, 2023, UNLESS OTHERWISE EXTENDED BY THE GENERAL ASSEMBLY.

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, or safety.

Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Steve Fenberg
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO