

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-1003.01 Kristen Forrestal x4217

HOUSE BILL 23-1297

HOUSE SPONSORSHIP

Epps and Taggart,

SENATE SPONSORSHIP

Pelton B.,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PROHIBITING A CORPORATION FROM ISSUING A SCRIP IN
102 BEARER FORM UPON THE HOLDER SURRENDERING ENOUGH
103 SCRIP TO EQUAL A FULL SHARE.

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>.)

Statutory Revision Committee. The bill repeals the allowance for a corporation to issue a scrip in bearer form upon the holder surrendering enough scrip to equal a full share. This repeal is in conformance with federal law, which has prohibited such practice since 2021.

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

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

2 **SECTION 1.** In Colorado Revised Statutes, 7-106-104, **amend**
3 (1)(c) as follows:

4 **7-106-104. Fractional shares.** (1) A corporation may:
5 (c) Issue scrip in registered ~~or bearer~~ form entitling the holder to
6 receive a full share upon surrendering enough scrip to equal a full share.

7 **SECTION 2. Act subject to petition - effective date.** This act
8 takes effect at 12:01 a.m. on the day following the expiration of the
9 ninety-day period after final adjournment of the general assembly; except
10 that, if a referendum petition is filed pursuant to section 1 (3) of article V
11 of the state constitution against this act or an item, section, or part of this
12 act within such period, then the act, item, section, or part will not take
13 effect unless approved by the people at the general election to be held in
14 November 2024 and, in such case, will take effect on the date of the
15 official declaration of the vote thereon by the governor.