

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

March 18, 2024
Date

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB24-1157 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 4, line 11, after "**businesses**" insert "**- employee**
2 **ownership cash fund**".

3 Page 6, lines 19 and 20, strike "IN WHOLE OR IN PART" and substitute
4 "BENEFICIALLY OWNED IN WHOLE OR IN PART BY".

5 Page 7, line 6, strike "BASIS." and substitute "BASIS AND OTHERWISE
6 MEETS THE DEFINITION OF AN ALTERNATE EQUITY STRUCTURE."

7 Page 8, after line 12 insert:

8 "(IV) IN THE CASE OF A QUALIFIED BUSINESS THAT IS TAXED
9 PURSUANT TO SUBCHAPTER T OF THE INTERNAL REVENUE CODE, 26 U.S.C.
10 SEC. 1381 ET SEQ., AS AMENDED, THE TAX CREDIT IS ALLOWED EITHER TO
11 THE QUALIFIED BUSINESS OR TO THE OWNERS OF THE QUALIFIED BUSINESS
12 AS PERMITTED UNDER SUBCHAPTER T OF THE INTERNAL REVENUE CODE."

13 Page 8, line 20, after "DOLLARS." insert "THE OFFICE SHALL TRANSMIT ALL
14 FEES COLLECTED TO THE STATE TREASURER, WHO SHALL CREDIT THE
15 MONEY TO THE EMPLOYEE OWNERSHIP CASH FUND CREATED IN
16 SUBSECTION (8) OF THIS SECTION."

17 Page 11, after line 16 insert:

18 "(8) **Employee ownership cash fund.** (a) THE EMPLOYEE
19 OWNERSHIP CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND
20 CONSISTS OF MONEY FROM FEES COLLECTED AND CREDITED TO THE FUND
21 PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION AND ANY OTHER
22 MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE, TRANSFER, OR
23 REQUIRE BY LAW TO BE CREDITED TO THE FUND.

1 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
2 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
3 EMPLOYEE OWNERSHIP CASH FUND TO THE FUND.

4 (c) MONEY IN THE EMPLOYEE OWNERSHIP CASH FUND IS
5 CONTINUOUSLY APPROPRIATED TO THE OFFICE FOR THE PURPOSE OF
6 ADMINISTERING THIS SECTION.

7 (d) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED
8 AND UNENCUMBERED MONEY IN THE FUND ON DECEMBER 31, 2038, TO
9 THE GENERAL FUND."

10 Renumber succeeding subsection accordingly.

11 Page 11, after line 18 insert:

12 "SECTION 4. In Colorado Revised Statutes, 24-75-402, amend
13 (5)(ccc) and (5)(ddd); and add (5)(eee) as follows:

14 **24-75-402. Cash funds - limit on uncommitted reserves -**
15 **reduction in the amount of fees - exclusions - repeal.**
16 (5) Notwithstanding any provision of this section to the contrary, the
17 following cash funds are excluded from the limitations specified in this
18 section:

19 (ccc) The wildfire resiliency code board cash fund created in
20 section 24-33.5-1236 (8); and

21 (ddd) The closed landfill remediation grant program fund created
22 in section 30-20-124 (8); AND

23 (eee) THE EMPLOYEE OWNERSHIP CASH FUND CREATED IN SECTION
24 39-22-542.5 (8)."

25 Renumber succeeding section accordingly.

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