

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0721.01 Megan McCall x4215

HOUSE BILL 22-1001

HOUSE SPONSORSHIP

Cutter and Sullivan,

SENATE SPONSORSHIP

Pettersen and Kolker,

House Committees

Business Affairs & Labor
Finance

Senate Committees

A BILL FOR AN ACT

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

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/>.)

The bill requires the state treasurer to transfer funds from the general fund to the department of state cash fund for use by the department of state for the fiscal year commencing on July 1, 2022, to

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.

reduce its business-related fees.

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

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

4 (a) Many businesses in Colorado are suffering severe declines in
5 revenue as a result of the COVID-19 pandemic and the ongoing public
6 health emergency that Colorado has been experiencing since March of
7 2020;

8 (b) Historically, new business registrations increase during an
9 economic decline, indicating that Coloradans often turn to creating their
10 own business when they lose a job or when their employment hours are
11 reduced;

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

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

17 (e) The secretary of state has broad authority to determine and
18 collect fees for business filings and registrations set forth in section
19 24-21-104, Colorado Revised Statutes, and it is within the department of
20 state's discretion to set and adjust the majority of business fees within the
21 department of state so that the department's revenue approximates its
22 expenses;

23 (f) Reducing business fees collected by the department of state
24 through the use of a credit against the filing fee, such as fees for new
25 business registrations and annual business renewals, will provide

1 broad-based relief to Colorado small businesses; and

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

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

8 **24-21-104. Fees of secretary of state.** (3) (b) The department of
9 state shall adjust its fees so that the revenue generated from the fees
10 approximates its direct and indirect costs, including the cost of
11 maintenance and improvements necessary for the distribution of
12 electronic records; except that the department may reduce its fees to
13 generate revenue in an amount less than costs if necessary pursuant to
14 section 24-75-402 (3). Such costs shall not include the costs paid by the
15 amounts appropriated by the general assembly from the general fund to
16 the department of state for elections pursuant to section 24-21-104.5.
17 Such fees shall remain in effect for the fiscal year following the
18 adjustment. All fees collected by ~~said~~ THE department shall be transmitted
19 to the state treasurer, who shall credit the same to the department of state
20 cash fund, which fund is hereby created. All ~~moneys~~ MONEY credited to
21 the department of state cash fund shall be used as provided in this section
22 and shall not be deposited in or transferred to the general fund of this
23 state or any other fund. The ~~moneys~~ MONEY credited OR TRANSFERRED to
24 the department of state cash fund ~~shall be~~ IS available for appropriation
25 by the general assembly to the department of state in the general
26 appropriation bill or pursuant to section 24-9-105 (2).

27 (k) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER

1 SIXTEEN MILLION SEVEN HUNDRED TEN THOUSAND DOLLARS FROM THE
2 GENERAL FUND TO THE DEPARTMENT OF STATE CASH FUND FOR USE BY
3 THE DEPARTMENT FOR THE FISCAL YEAR COMMENCING ON JULY 1, 2022,
4 TO ESTABLISH A CREDIT PROGRAM TO REDUCE CERTAIN BUSINESS FEES
5 CALCULATED UNDER SUBSECTION (3)(b) OF THIS SECTION.

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