



**STATEMENT FOR THE RECORD
BEFORE THE HOUSE BUSINESS AFFAIRS AND LABOR COMMITTEE
ON SB 22-034: BUSINESS FILING ADDRESS AND NAME FRAUD
February 24, 2022
Lindsey Vigoda, Colorado Director
Small Business Majority**

Thank you Chairman Roberts, and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower America's diverse entrepreneurs to build a thriving and equitable economy. I am here to share our support for SB 22-034, legislation that would enable business owners to file complaints and seek relief related to business identity theft through the Colorado Secretary of State.

Every year, Colorado small businesses are hurt by business identity theft. Their information, credit history and credentials are stolen to fraudulently secure capital, which profoundly affects their ability to grow and maintain their businesses. In light of the COVID-19 pandemic, many small businesses have been affected by skyrocketing numbers of business identity thefts, seeing an increase in cases from 240 annually in 2016 to 3,864 and 4,331 in 2020 and 2021, respectively. This increase in fraudulent activity in the last two years has brought small business owners to their knees, especially as they try to secure lifesaving capital to keep their businesses running during a global pandemic.

Currently, Colorado small business owners who are victims of fraudulent activities are unable to report and seek relief through clear administrative steps, and there isn't a system that can support them to clear and investigate these cases of fraud. They are often forced to spend their hard earned dollars in costly litigation to try to resolve these types of fraud, which is why it's imperative that lawmakers pass Senate Bill 22-034. Passing this legislation will allow entrepreneurs to report business identity thefts to the Colorado Secretary of State, which can then review and refer fraud complaints to the Attorney General and the appropriate agencies for further investigation. This will provide a more streamlined process for entrepreneurs to report cases of business identity theft, which will also help clear their businesses from fraudulent charges more easily, saving them time and money so they can return to running their businesses.

As we enter yet another year of the COVID-19 pandemic, I strongly encourage you to support legislation that can further support small business recovery and resiliency. If enacted, SB 22-034 can more effectively address cases of business identity fraud and successfully help victims clear their business records to secure the necessary financing for their business and their future. Their swift recovery lies in your hands.

Thank you,
Lindsey Vigoda
Colorado Director, Small Business Majority