

The Agenda for Colorado's Entrepreneurs

Small Business Majority has created a comprehensive state policy agenda to ensure entrepreneurship is at the center of a thriving and inclusive economy in Colorado. The state's 674,000 small businesses employ 1.2 million people, accounting for 99.5% of all businesses in Colorado. This is why it's critical that state lawmakers enact policies and programs to support and empower these entrepreneurs, guaranteeing they have access to capital to start and grow their business, affordable and quality healthcare and benefit programs that will make it easier for them to attract and retain talented employees.

Support COVID-19 relief for small businesses

With a current balance of \$2.6 billion in COVID-19 State Fiscal Recovery Funds that need to be allocated within the next two years, there will be a keen focus on how to best support our community of entrepreneurs in Colorado.

- **Support local and state-level relief to drive small business recovery during and after the pandemic.** In 2021, the Task Force on Economic Recovery and Relief Cash Fund met to find effective ways to spend their allocated \$697 million to stabilize our economy, so ensuring these recommendations continue to have the small business perspective is important for recovery.

Expand healthcare access and protect consumers

Colorado has made significant strides when it comes to expanding access to affordable healthcare, yet thousands remain uninsured, including many entrepreneurs and small business employees. Colorado can address its remaining uninsured rate and promote more affordability for small businesses through common-sense policies. Specific proposals to strengthen healthcare markets and expand health coverage include:

- **Support implementation of the Colorado Health Insurance Option.** In 2021, the legislature created a healthcare option program that allows businesses and their employees to purchase low-cost healthcare plans, providing significant cost savings to small business owners. While the Colorado Option is set to become effective in early 2023, lawmakers are continuing to discuss rules and regulations around the plan, which is why it's critical that the implementation process ensures small businesses receive the relief they desperately need.
- **Support successful implementation of the Prescription Drug Affordability Board (PDAB),** which will help address the rising cost of prescription drugs that is hurting small businesses' bottom lines. In 2021, the legislature passed the Prescription Drug Affordability Board (PDAB) to study and review drug prices in our state. Upholding the intent of the board in 2022 is paramount to ensure savings on prescriptions drugs and its impact on small business owners.
- **Further healthcare consumer protections through the regulation of Health Care Cost-Sharing Arrangements (HCSAs).** Currently, HCSAs are unregulated, leading to non-transparent practices that leave consumers and small businesses owners vulnerable to high healthcare costs.

Ensure Colorado entrepreneurs and small business employees have access to retirement and paid leave

Colorado's entrepreneurs and small business employees need a modernized benefits infrastructure that promotes quality jobs for those who do not work for large organizations. They also need a level playing field with larger companies that offer benefits that smaller businesses struggle to provide. Indeed, Small

Business Majority's [polling](#) found three in five Colorado small employers do not currently provide a workplace retirement savings plan, citing cost as the primary reason. We are pleased that lawmakers and voters have approved measures to implement a state-backed paid family and medical leave insurance pool and the Colorado Secure Savings Program, and we are now focused on supporting implementation of these programs in a way that prioritizes the needs of small business owners across the state.

- **Support implementation of the Colorado Secure Savings Plan** by ensuring rulemaking and implementation acknowledge the unique needs of small businesses and their employees, and work with state officials to educate business owners on the program's requirements. The plan will be funded through modest employee deductions, helping Colorado's small businesses provide access to a critical program without taking on the expense or administrative burden. It is critical that business owners and their employees fully understand the value of retirement savings, and have adequate tools to make informed financial decisions.
- **Ensure implementation of the paid leave family and medical leave insurance program meets the needs of Colorado small businesses.** This program will allow small business employees and the self-employed to access parental leave or leave to handle serious health conditions for themselves and family members. Coloradans overwhelmingly supported this initiative on the ballot in November 2020, and the small business voice will be essential in creating a benefit program that serves the needs of employees across the state, without additional administrative burdens on business owners who want to provide a healthy work environment.
- **Educate Colorado small business owners of the new laws surrounding paid sick days.** Beginning January 1, 2022, every small business owner in Colorado, regardless of size, must now provide paid sick days at the rate of one hour for every 30 hours worked, up to 48 hours per year. Educating entrepreneurs across our state about this law will be vitally important to ensure that businesses are in compliance.

Support entrepreneurship and reduce barriers to business formation

A healthy entrepreneurial ecosystem provides innovative pathways for women, people of color, youth, veterans, disabled people and immigrants to enter the mainstream American economy and build income and independence. State lawmakers can support Colorado's entrepreneurs and independent workers by implementing the following policy recommendations:

- **Conduct regular reviews of state and local business licensing requirements.** Some municipalities have duplicative rules and regulations, so lawmakers should consider streamlining these in order to ease the process of compliance for entrepreneurs while also increasing education efforts regarding business licensing and permits.
- **Support a public-private partnership through the Colorado Office of Economic Development and International Trade (OEDIT) to address the lack of childcare providers and facilities across public and private sectors.** The pandemic has disproportionately impacted women in Colorado, and many of them are leaving the workforce due to the ongoing childcare crisis. Family childcare homes are among our state's smallest and most valuable businesses as they can safely provide high quality care in a familiar setting, but often these businesses face myriad challenges including low wages and lack of benefits. With OEDIT requesting more than \$30 million to renovate existing state facilities into childcare centers, this creates a unique opportunity to increase entrepreneurship by giving providers the opportunity to partner with the state.
- **Educate and support undocumented entrepreneurs about the recent removed barriers to public opportunities.** In 2006, the legislature passed restrictive laws that placed severe restrictions on undocumented business owners and their ability to operate a successful business. Last year, the legislature passed a law to remove these barriers. There is still much work that needs to be done to educate our undocumented business community in order to promote an economy that is inclusive to any entrepreneur that has the drive to contribute to our local communities.