

The agenda for Colorado's entrepreneurs: 2024 legislative session

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 nearly 690,000 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 critical resources and incentives 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.

Increase healthcare accessibility, affordability and transparency

Colorado has made significant strides in expanding access to affordable healthcare, but more must be done to support the state's small business ecosystem. Many Coloradans, including entrepreneurs and small business employees, are still facing unforeseen hospital bills and fees, which adds yet another layer to the burden of accessing healthcare. We are confident that Colorado can address its gap in healthcare coverage and transparency by enacting common-sense policies. Specific proposals to strengthen healthcare markets and expand health coverage include the following:

- **Ensure greater transparency in hospital pricing.** The consolidation of hospitals and healthcare systems are significantly driving the costs of healthcare, which makes it challenging for small business owners and their employees to afford. Increasing transparency and fairness in healthcare billing, while holding accountable healthcare providers and insurers, will be paramount to supporting the small business ecosystem as they continue to navigate financial hardships.
- **Extend Continuity of Care provisions.** Currently, an individual who is in the midst of a healthcare treatment can continue to see their provider for up to 90 days after losing coverage. We recommend extending Continuity of Care provisions to patients who change their coverage, many of whom are small business owners and employees.
- **Continue to support implementation of the Colorado Option.** Now in its second year, the Colorado Option is working with health insurance carriers to reduce premium rates for Coloradans. We must ensure small businesses and their employees have equitable access to the Option's standardized plans in the small group market.
- **Increase access and state funding for reproductive healthcare to support entrepreneurship.** A lack of access to reproductive healthcare jeopardizes essential economic opportunities for women, including the ability to start and grow a business. Although reproductive healthcare is still a protected right in Colorado, it is still not accessible to all. To address this concern, we recommend passing a policy proposal to ensure abortion and reproductive healthcare are protected by the Constitution of the State of Colorado. Additionally, we support ending the state's ban on using state funding for abortion care.

Expand access to equitable capital and protect small business borrowers

Access to capital is one of the major hurdles small business owners face, particularly for entrepreneurs of color, women, rural entrepreneurs and others in marginalized communities. Expanding access to equitable capital would help support entrepreneurs in starting and growing their enterprises, and help level the playing field for businesses that struggle to access capital through traditional financial institutions. To address this unequal playing field, we recommend the following proposals.

- **Create grant opportunities for new and current businesses.** We urge state lawmakers to offer and facilitate grant opportunities for business owners to fill gaps in access to capital.

- **Expand protections for small business borrowers by ensuring transparent and fair lending practices.** Currently, the federal Truth in Lending Act (TILA) requires that consumer creditors disclose critical financing information, including annual percentage rate (APR), in a clear and comparable format; however, these requirements are not extended to commercial financing. Without a federal law, state lawmakers must pass a law to ensure Colorado small business owners have access to transparent and fair financing products.
- **Continue to support Colorado’s implementation of the State Small Business Credit Initiative (SSBCI) programs.** This includes working alongside the Office of Economic Development & International Trade (OEDIT) to ensure these programs equitably target micro- and BIPOC-businesses through impactful lending and investments.

Ensure Colorado entrepreneurs and small business employees have access to essential benefits

Colorado's entrepreneurs and small business employees need a modernized benefits infrastructure that creates 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. This is why 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.

- **Continue to support outreach of the Colorado SecureSavings Program 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 is 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 the benefits launch of the paid leave family and medical leave insurance (FAMLI) program meets the needs of Colorado small businesses.** Starting January 1, 2024, small business employees and the self-employed have access to parental leave or leave to handle serious health conditions for themselves and family members.

Support public policy solutions that reduce barriers to entrepreneurship

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:

- **Reduce barriers to obtaining occupational licenses for justice-impacted entrepreneurs.** Entrepreneurs with previous criminal records face an uphill battle to get their life back on track. This limits their ability to rejoin the workforce and often leads to recidivism. This is why we support public policy solutions to streamline and reduce barriers to obtaining occupational and professional licenses by imposing shorter lookback periods for the pre-determination process when applying for licenses through the Colorado Division of Regulatory Affairs (DORA).
- **Support commercial property tax reform to support small businesses.** Currently, commercial property taxes are due in mid-January of the following year with only two payment options: full payment by April 30 or two installment payments due on February 28 and June 15. Many small business owners are also residential owners, making both commercial and residential property taxes due at the same time. We propose providing a path forward for small businesses by creating a third payment option—monthly installments. It is essential to enact provisions that will

alleviate the financial burdens on entrepreneurs, particularly during this post-pandemic world. This additional payment option would help preserve small businesses that have been in our communities for decades.

Support childcare providers in Colorado through common-sense policies

A robust community of childcare providers can support our economic recovery and get entrepreneurs and workers back to work. But both the industry and the beneficiaries are facing accessibility and affordability issues, which hampers entrepreneurship in Colorado. To address the childcare crisis in Colorado, we must:

- **Support family-friendly practices to promote equitable access to high-quality childcare.** Through the Colorado Child Care Assistance Program (CCCAP), we recommend expanding general eligibility for all childcare providers to access this program, streamlining the application process and removing unnecessary processes so that small business employees and families can receive assistance. In addition, we recommend the CCCAP create better payment structures for childcare providers and be paid based on enrollment instead of attendance. Overall, we urge CCCAP to improve their services to small employers, employees and families.
- **Facilitate childcare bilingual licensing processes.** We urge the Colorado Department of Early Childhood (CDEC) to create a bilingual licensing process to make the childcare sector more accessible to Spanish speakers who would like to become providers.
- **Work with the Colorado Department of Early Childhood (CDEC) to support the implementation and execution of their programs.** The new Colorado CDEC supports families and the early childhood industry across the state. The implementation of the Universal Preschool program will require ongoing support from partners and key stakeholders to ensure the program runs smoothly, with an equity lens in mind to support families and providers. In addition, we must find a sustainable policy solution that will fund childcare services in Colorado.