



RELIEF AND SAVINGS FOR SMALL BUSINESSES

As Colorado emerges from the worst of the global pandemic, we are poised to build back a stronger, more resilient economy. In partnership with Colorado legislators, the Polis administration has cut taxes for and is making significant investments to help our small businesses get back on their feet, create jobs, save money and is now in the process of implementing this historic legislation and getting funds out into the community to power the Colorado comeback. Governor Polis understands the innovative spirit necessary to turn an idea into a business and what it takes to help people start a small business. It's no secret that Colorado is the best place to live, work and do business. The administration is supporting our small businesses, developing our workforce across Colorado, creating jobs, and providing tax relief to help businesses and hardworking families get ahead.

How the Polis Administration is Supporting Colorado Businesses

- In his first year in office, Governor Polis delivered a tax cut for 144,000 small businesses in Colorado by cutting wasteful subsidies to big box retailers
- The tax relief package the Governor signed this year goes a long way toward leveling the playing field, to make sure that there are less special interest breaks and that we all pay lower rates. Tens of thousands of Colorado businesses won't need to file or pay the business personal property tax going forward, saving them time and money.
- The Governor signed a new law that will help Colorado's small and growing businesses save thousands of dollars annually that they can reinvest back into their businesses.
- \$186 million in relief for small businesses including those hit hard in the service and tourism industries
- \$40 to 50 million in sales tax relief for small restaurants and bars
- \$31 million toward lending institutions that cater to "historically underserved" entrepreneurs
- \$15 million in one-time grants to small businesses, with a priority for rural, women, minority and veteran-owned businesses
- \$10 million in relief for arts and culture organizations
- \$10 million in funding to incentivize and retain events in Colorado
- Over \$1.5 million to foster the growth of existing Colorado companies

The Governor's FY 2022-23 Budget includes the following investments:

- **Finding Workers - Navigational Services, Outreach, and Work-Based Learning Including Apprenticeships (\$5.0M):** CDLE's Office of the Future of Work and Adult Basic Education programs are key structures that support digital skills in partnership with entities such as school districts, adult basic education centers, nonprofits, community colleges, technical schools, and regional workforce centers. The funds will support job seekers lacking the digital skills to self-initiate their employment search or to obtain a job. The utilization of multiple contact points in each community (including through the Office

of New Americans) will enable these funds to be an opportunity multiplier to support getting jobs in complement to existing local efforts to support digital literacy and will reach a diverse group of individuals.

- **Technical Assistance for Access to Capital (\$7.0M):** Significant capital resources have been deployed by Colorado and the federal government to help small businesses rebound from the effects of the pandemic. These resources include the CLIMBER fund, Energize Colorado, and the Colorado Startup Loan fund among others. This investment in technical assistance would help ensure that more businesses across the state are able to access these funds and other resources available by providing technical assistance to businesses through community development financial institutions (CDFIs) and small business development centers (SBDCs).
- **Renovation of State Facilities in order to Provide Childcare (\$30.05M):** These one-time state funds will be used to make infrastructure investments for renovations to existing state facilities so that these facilities can be used as childcare centers for state employees and the public, thus increasing the supply of childcare for Colorado's workforce. Once the office receives these funds, it will engage potential private partners with whom the state will contract in order to manage and operate these facilities going forward. This partnership will allow for additional childcare capacity across the state without requiring additional ongoing state investments.
- **Revitalizing Main Streets (\$10M):** This program has already proven successful across the state and would deploy an additional \$10 million of funds to revitalize Colorado's main streets in order to fund long-term improvements to Colorado's multimodal infrastructure and continue efforts to adapt to the impacts of the COVID-19 pandemic. These funds are used to better winter maintenance of outdoor spaces that have been repurposed due to the pandemic, to make key improvements to shared streets and plazas permanent, and to help transportation around colleges and universities better adapt to the COVID-19 pandemic.
- **Crime Prevention through Safer Streets Grant Program (\$10.3M):** This strategy includes a "Hot Spots" study as well as a grant program where DPS and local governments evaluate and design safer streets and neighborhood models that discourage crime and revitalize community image. These efforts will help improve the environments in which businesses operate across the state.
- **Business Registrations and Sales Tax Incentives (\$21.7M):** This proposal provides relief to new and existing businesses by reducing the fees charged by the Secretary of State for new business licenses, renewal reports, and business information updates. Additionally, the sales tax compliance proposal would provide assistance to small businesses to reduce their fees and/or administrative costs related to sales and use tax compliance.
- **FAMLI Paid Family and Medical Leave Premium Relief (\$57.5M):** In 2020, Colorado became the ninth state in the U.S. to pass Paid Family and Medical Leave into law. FAMLI will provide benefits to employees beginning January 1, 2024, while the premiums will go into effect on January 1, 2023. This funding would reduce the employer paid premiums by 10 percent for the first six months, mitigating the initial impact of the new premium on businesses.

2021 Legislative Accomplishments

- HB21-1288 Colorado Startup Loan Fund: Provides over \$30 million in grants to support small businesses and fuel the growth of new business opportunities for Coloradans.
- HB 21-1285, Funding To Support Creative Arts Industries was part of the state stimulus package and provided nearly \$25 million to support artists and arts organizations
- HB 21-1265, Qualified Retailer Retain Sales Tax For Assistance. This legislation allows establishments like restaurants to retain sales tax collected in June, July, and August.
- HB 21-1263, Meeting And Events Incentive Program creates the Meeting & Events Incentive Program within the Office of Economic Development & International Trade's (OEDIT) Colorado Tourism Office (CTO) and allocates a total of \$10M.
- SB 21-241, Small Business Accelerated Growth Program creates a new program within the Office of Economic Development and International Trade, which will provide small businesses with technical assistance, including assistance with marketing, operations and finance, access to capital, exporting, search engine optimization, and more.
- HB21-1302, Energize Colorado Gap Fund which is providing \$31M in small business loans and to underserved business owners, as well as to people who may have had difficulty accessing other financial support programs such as PPP. So far, more than \$25 million in grants have been awarded and our loan program continues to fundraise.