

Second Regular Session
Sixty-third General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. R02-1013.01 Thomas Morris

HCR02-1003

HOUSE SPONSORSHIP

Madden, Scott, and Williams T.

SENATE SPONSORSHIP

Teck,

House Committees
Business Affairs & Labor

Senate Committees

HOUSE CONCURRENT RESOLUTION 02-1003

101 **SUBMITTING TO THE REGISTERED ELECTORS OF THE STATE OF**
102 **COLORADO AN AMENDMENT TO REPEAL SECTIONS 3, 9, 10, AND**
103 **14 OF ARTICLE XV OF THE CONSTITUTION OF THE STATE OF**
104 **COLORADO, CONCERNING MODIFICATIONS TO CORPORATE LAW**
105 **TO FACILITATE CORPORATIONS' CONDUCT OF BUSINESS IN**
106 **COLORADO.**

Resolution Summary

(Note: This summary applies to this resolution as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

In reliance on existing law contained in the "Colorado Business Corporation Act":

- Repeals the general assembly's authority to revoke

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- corporate charters;
- Repeals the requirement that corporations hold a stockholder meeting before issuing stock;
- Repeals the requirement that foreign corporations keep a place of business and an authorized agent in the state; and
- Allows a domestic corporation that consolidates with a foreign corporation to become a foreign corporation.

1 *Be It Resolved by the House of Representatives of the Sixty-third*
2 *General Assembly of the State of Colorado, the Senate concurring*
3 *herein:*

4 **SECTION 1.** At the next election at which such question may be
5 submitted, there shall be submitted to the registered electors of the state
6 of Colorado, for their approval or rejection, the following amendment to
7 the constitution of the state of Colorado, to wit:

8 Sections 3, 9, 10, and 14 of article XV of the constitution of the
9 state of Colorado are repealed as follows:

10 **Section 3. Power to revoke, alter or annul charter.** ~~The general~~
11 ~~assembly shall have the power to alter, revoke or annul any charter of~~
12 ~~incorporation now existing and revocable at the adoption of this~~
13 ~~constitution, or any that may hereafter be created, whenever in their~~
14 ~~opinion it may be injurious to the citizens of the state, in such manner,~~
15 ~~however, that no injustice shall be done to the corporators.~~

16 **Section 9. Fictitious stock, bonds - increase of stock.** ~~No~~
17 ~~corporation shall issue stocks or bonds, except for labor done, service~~
18 ~~performed, or money or property actually received, and all fictitious~~
19 ~~increase of stock or indebtedness shall be void. The stock of corporations~~
20 ~~shall not be increased except in pursuance of general law, nor without the~~
21 ~~consent of the persons holding a majority of the stock, first obtained at a~~
22 ~~meeting held after at least thirty days' notice given in pursuance of law.~~

1 **Section 10. Foreign corporations - place - agent.** No foreign
2 corporation shall do any business in this state without having one or more
3 known places of business, and an authorized agent or agents in the same,
4 upon whom process may be served.

5 **Section 14. Railroad or telegraph companies - consolidating**
6 **with foreign companies.** If any railroad, telegraph, express or other
7 corporation organized under any of the laws of this state, shall
8 consolidate, by sale or otherwise, with any railroad, telegraph, express or
9 other corporation organized under any laws of any other state or territory
10 or of the United States, the same shall not thereby become a foreign
11 corporation, but the courts of this state shall retain jurisdiction over that
12 part of the corporate property within the limits of the state in all matters
13 which may arise, as if said consolidation had not taken place.

14 **SECTION 2.** Each elector voting at said election and desirous of
15 voting for or against said amendment shall cast a vote as provided by law
16 either "Yes" or "No" on the proposition: "AN AMENDMENT TO REPEAL
17 SECTIONS 3, 9, 10, AND 14 OF ARTICLE XV OF THE CONSTITUTION OF THE
18 STATE OF COLORADO, CONCERNING MODIFICATIONS TO CORPORATE LAW
19 TO FACILITATE CORPORATIONS' CONDUCT OF BUSINESS IN COLORADO."

20 **SECTION 3.** The votes cast for the adoption or rejection of said
21 amendment shall be canvassed and the result determined in the manner
22 provided by law for the canvassing of votes for representatives in
23 Congress, and if a majority of the electors voting on the question shall
24 have voted "Yes", the said amendment shall become a part of the state
25 constitution.