

1 *Be it enacted by the People of the State of Colorado:*

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3 **SECTION 1.** Title 8 of the Colorado Revised Statutes is amended BY THE ADDITION
4 OF A NEW ARTICLE to read:

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6 **8-10.5-101. DEFINITIONS.** AS USED IN THIS ARTICLE:

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8 (1) "COMPANY" MEANS ANY SOLE PROPRIETORSHIP, GENERAL PARTNERSHIP, LIMITED
9 PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY LIMITED PARTNERSHIP,
10 LIMITED PARTNERSHIP ASSOCIATION, LIMITED LIABILITY COMPANY, CORPORATION,
11 NONPROFIT CORPORATION, UNINCORPORATED NONPROFIT ASSOCIATION, PROFESSIONAL
12 CORPORATION, PROFESSIONAL SERVICE CORPORATION, PROFESSIONAL COMPANY,
13 COOPERATIVE, TRUST, OR ANY OTHER BUSINESS ENTITY, IN ANY FORM, DULY AUTHORIZED
14 TO TRANSACT BUSINESS AND CONDUCT ACTIVITIES IN THE STATE OF COLORADO THAT
15 EMPLOYS MORE THAN 50 PERSONS, EXCEPT THAT THE PROVISIONS OF THIS ARTICLE SHALL
16 NOT APPLY TO THE STATE OR ITS AGENCIES OR ENTITIES, COUNTIES, CITIES AND COUNTIES,
17 MUNICIPAL CORPORATIONS, QUASI-MUNICIPAL CORPORATIONS, SCHOOL DISTRICTS, AND
18 IRRIGATION, RESERVOIR, OR DRAINAGE CONSERVATION COMPANIES OR DISTRICTS
19 ORGANIZED AND EXISTING UNDER THE LAWS OF COLORADO.

20
21 (2) "COMPENSATION" MEANS:

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23 (A) WAGES AS DEFINED IN 26 U.S.C. § 3401(A), OR ANY SUCCESSOR STATUTE;

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25 (B) BONUSSES;

26
27 (C) DISTRIBUTIONS OF PROFITS;

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29 (D) ADVANCES;

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31 (E) DIVIDENDS;

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33 (F) THE VALUE OF SHARES OR WARRANTS ISSUED;

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35 (G) THE VALUE OF OPTIONS FOR SHARES GRANTED;

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37 (H) ANY AND ALL EQUITY-BASED PAYMENTS;

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39 (I) ANY AND ALL INSURANCE PREMIUMS PAID BY THE COMPANY FOR OR ON BEHALF OF THE
40 EXECUTIVE AND ANY DEPENDENT(S);

41
42 (J) ANY AND ALL CONTRIBUTIONS TO QUALIFIED OR NON-QUALIFIED RETIREMENT PLANS;

43
44 (K) ANY AND ALL DEFERRED COMPENSATION;

45

1 (L) THE FAIR MARKET VALUE OF ANY AND ALL FRINGE BENEFITS, INCLUDING HEALTH
2 BENEFITS, SHORT-TERM DIABILITY BENEFITS, LONG-TERM DISABILITY BENEFITS, HOUSING
3 ALLOWANCES, VEHICLE ALLOWANCES, DEPENDENT BENEFITS, AND ALL OTHER FRINGE
4 BENEFITS NOT EXPRESSLY STATED HEREIN;

5
6 (M) THE FAIR MARKET VALUE OF ANY AND ALL HOUSING, VEHICLES, TOOLS, OR EQUIPMENT
7 PROVIDED FOR BUSINESS OR PERSONAL USE.

8
9 (3) "EMPLOYEE" MEANS ANY PERSON, INCLUDING A MIGRATORY LABORER, PERFORMING
10 LABOR OR SERVICES FOR THE BENEFIT OF AN EMPLOYER IN WHICH THE EMPLOYER MAY
11 COMMAND WHEN, WHERE, AND HOW MUCH LABOR OR SERVICES SHALL BE PERFORMED.
12 FOR THE PURPOSE OF THIS ARTICLE, AN INDIVIDUAL PRIMARILY FREE FROM CONTROL AND
13 DIRECTION IN THE PERFORMANCE OF THE SERVICE, BOTH UNDER HIS OR HER CONTRACT FOR
14 THE PERFORMANCE OF THE SERVICE AND IN FACT, AND WHO IS CUSTOMARILY ENGAGED IN
15 AN INDEPENDENT TRADE, OCCUPATION, PROFESSION, OR BUSINESS RELATED TO THE
16 SERVICE PERFORMED IS NOT AN "EMPLOYEE."

17
18 (4) "EXECUTIVE" MEANS ANY SOLE PROPRIETOR, OWNER, GENERAL PARTNER, LIMITED
19 PARTNER, DIRECTOR, OFFICER, EMPLOYEE, OR INDEPENDENT CONTRACTOR.

20 **8-10.5-102. MAXIMUM COMPENSATION ALLOWABLE.** NO COMPANY SHALL PAY TO ANY
21 EXECUTIVE DURING A SINGLE TAX YEAR COMPENSATION THAT IS GREATER THAN 50 TIMES
22 THE COMPENSATION PAID BY THE COMPANY DURING THAT SAME TAX YEAR TO ITS LOWEST
23 PAID EMPLOYEE.

24 **SECTION 2. Conforming amendments.** The People hereby direct the general
25 assembly to promptly adopt during the first regular session of the 67th general assembly
26 any further conforming amendments to the Colorado Revised Statutes necessary for the
27 implementation of this initiative so that the intent of the People in approving this measure
28 is given full effect.

29
30 **SECTION 3. Effective date.** If approved by a majority of votes cast thereon, this
31 initiative shall take effect upon proclamation of the governor.

Proponents:

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