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STATE OF COLORADO

EXECUTIVE CHAMBERS
136 State Capitol
Denver, Colorado 80203-1792
Phone (303) 866-2471



Roy Romer
Governor

EXECUTIVE ORDER

REQUIRING THE ATTORNEY GENERAL TO INVESTIGATE AND PROSECUTE
EMPLOYERS IN COLORADO WHO FAIL TO PAY TAXES AS REQUIRED BY LAW

- WHEREAS, I have been informed about conduct of employers in Colorado who knowingly mischaracterize their employees as independent contractors;
- WHEREAS, this mischaracterization results in:
- (a) the loss of revenues by the Department of Revenue through the underpayment by employers of taxes including withholding and sales taxes; and
 - (b) the loss of revenues to the Colorado Unemployment Trust Fund, resulting from the underpayment by employers of unemployment insurance taxes in violation of the Colorado Employment Security Act and resulting in other Colorado Employers having to unfairly bear more than their share of the cost of maintaining the fund;
- WHEREAS, employees are also victimized because, when characterized as independent contractors, they do not receive typical employee benefits such as retirement and health insurance;
- WHEREAS, law abiding employers are also injured as a result of the unfair competition created by those employers whose business costs do not include the payment of these taxes;
- WHEREAS, the Colorado Attorney General has an integral relationship with the Colorado Department of Revenue and Labor and Employment in the enforcement of various taxation statutes of the State of Colorado; and
- WHEREAS, the Colorado Attorney General is of the opinion that grounds exist to file criminal and/or civil actions against certain employers who have engaged in this mischaracterization;

NOW THEREFORE, under and pursuant to the authority vested in me by section 24-31-101 (1) (a), C.R.S., I, Roy Romer, Governor of the State of Colorado, hereby require the Attorney General of the State of Colorado to investigate and prosecute any unlawful activity by employers in this state or their officers and agents, related to the above-described conduct; and, for such purposes, hereby invest the Attorney General with the necessary criminal and civil authority.



GIVEN under my hand and the Executive Seal of Colorado this 30 day of April 1987.

Roy Romer
Roy Romer, Governor

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