SENATE JOURNAL
Seventy-fifth General Assembly
STATE OF COLORADO
First Extraordinary Session

1st Legislative Day Thursday, August 21, 2025

Prayer By Senator Mullica.

Call to Order The hour of 10:00 a.m. having arrived, the Senate of the First Extraordinary Session of the 75th General Assembly of the State of Colorado, pursuant to law, was called to order by President James Rashad Coleman Sr.

Roll Call Present--35
Remote--1, Exum

Quorum The President announced a quorum present.

Pledge By Senator Zamora Wilson.

MESSAGE FROM THE GOVERNOR

D 2025 009

EXECUTIVE ORDER

Call for the First Extraordinary Session of the Seventy-Fifth General Assembly and Directing a Statewide Hiring Freeze

Pursuant to the authority vested in the Governor of the State of Colorado and, in particular, pursuant to Article IV, Section 2 and Article IV, Section 9 of the Colorado Constitution, and as recognized in Article V, Section 7, I, Jared Polis, Governor of the State of Colorado, hereby find that the following extraordinary occasions exist to convene the Seventy Fifth General Assembly to meet in special session, and to take other actions including a hiring freeze, to address the fiscal crisis caused by recent federal action.

I. Background

On July 4, 2025, President of the United States Donald Trump signed H.R. 1 into law through the reconciliation process. H.R. 1 will cause an immediate and significant negative impact to State revenue – reducing State revenue by over $1.2 billion in the current Fiscal Year, and by approximately $700 million in Fiscal Year 2027 and Fiscal Year 2028.

While the General Assembly passed and I signed a balanced budget on April 28, 2025 for Fiscal Year 2026, because of federal tax changes for the current year that were subsequently passed by Congress but retroactively applied, the State budget is no longer balanced for the current year, no longer has a surplus under the Taxpayer's Bill of Rights (TABOR), and in fact faces a significant shortfall. The Office of State Planning and Budgeting (OSPB) projects the deficit for the current fiscal year to be $783 million. Changes to State law are needed immediately to ensure the State's financial solvency and to re-balance the State budget in order to protect basic services that Coloradans rely on, including education, transportation, health care, and public safety.

The loss of revenue to the State of Colorado is largely due to increased tax deductions for corporations; OSPB estimates 70% of the revenue loss is from corporate tax cuts. Colorado's revenues are linked to federal tax policy changes more than most states due to Colorado's use of Federal Taxable Income and a characteristic known as "rolling conformity," which means that federal tax changes are automatically adopted into the State's tax code.

H.R. 1 also imposes increased expenses on the State, largely by shifting costs from the federal government to Colorado. Programs most impacted include the Supplemental Nutrition Assistance Program (SNAP) and Medicaid, due to Provider Fee reductions, newly-imposed work requirements, and additional requirements imposed on State and local governments to redetermine eligibility for Medicaid recipients more frequently. These expenses are anticipated to be between $50-$100 million in Fiscal Year 2027 and grow to nearly $1 billion by 2032. When accounting for the loss in federal funds due to H.R. 1's changes to Medicaid and SNAP, the impact on Colorado could total more than $3 billion.

State government must take a holistic view of costs and revenue impacts to the State from H.R. 1. As a result, the Governor's Office looked to tax expenditures which are demonstrably ineffective, uncommon among other states, are not meeting their legislative intent, have a low return on investment, or do not align with the pro-growth goals of Colorado tax policy. I am calling this extraordinary session to ask the Colorado General Assembly to take immediate and needed TABOR-compliant action in a number of crucial areas to address the financial challenges the State is facing due to H.R. 1, re-balance the State's budget to ensure proper financial management, and preserve, as much as possible, critical State services and benefits for Coloradans. I am also asking the General Assembly to take action related to preserving access to health services, tackling the growing cost of private health insurance on the individual market, and addressing the impending and costly implementation of artificial intelligence (AI) legislation.

At the same time as we ask the General Assembly to act, I am also ordering State agencies to take immediate action to reduce costs. This Executive Order directs State agencies to implement a hiring freeze, effective August 27, 2025, and extending through December 31, 2025.

This call for an extraordinary session of the General Assembly does not prescribe the specific form that the legislation should take; however, as required by Article IV, Section 9 and Article V, Section 7 of the Colorado Constitution, the business to be transacted at this special session shall be limited to the matters stated in Section III of this Executive Order.

II. Purpose and Need

H.R. 1's immediate impact on Colorado's budget and ability to provide essential government services is severe. The State faces an immediate, dire budget shortfall that must be addressed as soon as possible to avoid even more severe actions in the future. I urge the General Assembly to consider and pass legislation that honors the difficult budget balancing work that occurred last session and makes needed policy and programmatic changes to preserve funding for several of Colorado's most critical services while meeting our constitutional obligation to balance our State budget.

Current statute addresses the impacts when the State is facing a significant revenue shortfall; it delineates that if the State would use more than half of the reserve, the Governor must submit a plan to keep the State from using more of the reserve. Historically, the reserve was 4%. Over the past 14 years, the General Assembly has recognized the need for a stronger reserve to protect critical State services during an economic downturn. The reserve currently sits at 15%, but the statute has not been updated, meaning that the State would need to spend $1.22 billion to meet the current threshold. OSPB anticipates a 50% likelihood of a recession in the coming year. Joint Budget Committee staff estimates that in the face of a moderate recession, the State would need an 18% reserve to weather the storm for two years. The General Assembly must take action to ensure the statute reflects the changing reserve and ensure that the State remains fiscally solvent in the face of a potential recession.

H.R. 1 makes significant changes to the structure and funding of SNAP. SNAP provides needed benefits to Colorado's most vulnerable populations and a significant economic impact to the State as a whole. It provides benefits to low-income families to supplement their grocery budget so they can afford nutritious food for their health and well-being. SNAP is distributed to participants in Colorado through the Electronic Benefits Transfer (EBT) system, which sends money to benefit cards that participants can use for SNAP-approved groceries at participating retailers. Prior to the passage of H.R. 1, over $120 million in SNAP benefits provided to Coloradans each month were 100% federally funded. In addition, the federal government covered 50% of Colorado's administrative costs for SNAP.

With the changes to SNAP in H.R. 1, the federal administrative cost-sharing match will be reduced from 50% to 25%, creating a budget impact of nearly $50 million annually. Additionally, beginning in October 2025, the federal government will begin a one-year measurement period to calculate Colorado's Payment Error Rate. This Payment Error Rate will be used to determine the State's share of funds that must be contributed to SNAP, meaning the federal government will likely no longer fund 100% of Colorado's SNAP benefits. The General Assembly must take immediate action during this extraordinary session to find avenues to continue funding this crucial program that helps low-income families afford groceries.

H.R. 1 negatively impacts health care as well. The targeted cuts to Medicaid will create more health care deserts in rural Colorado and raise insurance rates for everyone. H.R. 1 prohibits a federal match for services delivered to I.R.C. § 501(c)(3) nonprofit organizations that are classified as essential community providers that are primarily engaged in family planning services, reproductive health, and related medical care; provide for abortions beyond Hyde Amendment exceptions; and received more than $800,000 in Medicaid payments in 2023. Coloradans who depend on these essential community providers, not only for reproductive health care but also to receive cost-saving preventative care and cancer screenings, will lose critical access to health care services. At the state level, we can amend State statutes to ensure Medicaid beneficiaries can continue to access care at these essential community providers. This is an immediate need and a simple fix to ensure all Coloradans have access to affordable health care, despite the federal government picking and choosing which providers can receive Medicaid payments for high-quality covered services.

In addition, Congress's failure to extend enhanced Health Insurance Premium Tax Credits, established by the American Rescue Plan Act of 2021 (ARPA) and extended by the Inflation Reduction Act of 2022 (IRA), in concert with the 2025 Marketplace Integrity and Affordability Final Rule and individual market changes set forth in H.R.1, will have a significant impact on health insurance rates in Colorado's individual health insurance market, as well as broader market impacts. July 2025 rate filings by insurance carriers with the Colorado Division of Insurance are, on average, 28% higher than 2025 rates with some requested rate increases on Colorado's Western Slope of almost 40%. While the State cannot extend federal premium tax credits, we can add funds to Colorado's Health Insurance Affordability Enterprise (HIAE) in order to mitigate the impact of these extraordinary individual health insurance requested rate increases on individuals and families across the State. Without this additional support, projected coverage losses will be devastating for families and the health care system.

As a result of H.R. 1, in addition to the areas outlined above, we must look at all cost burdens statewide and ensure our State agencies can continue to provide critical and necessary services to Coloradans. This moment requires the State to ensure efficiencies and reduce burdens wherever possible. SB24-205, "Consumer Protections for Artificial Intelligence," rightly intended to focus on unwanted bias in certain AI-driven decision-making. Unfortunately, it has become increasingly clear that the application of SB24-205 inadvertently imposes high costs on the State, local governments, and covered businesses. Across State agencies, the estimated fiscal impact for implementation of SB24-205 is near $5 million annually, which will otherwise require supplemental appropriations for this fiscal year due to the law's February 1, 2026 effective date. I was pleased to work together with the sponsor and the Attorney General on a joint letter indicating our shared commitment to ensuring this AI law works for Colorado, but these changes haven't happened yet and time is running short. Given the widespread agreement that changes need to be made and the short timeline between the start of session and the implementation date, I am asking the General Assembly to work toward solutions that reduce the fiscal and negative economic impact, and streamline the requirements of SB24-205 so that it meets the objectives of consumer protection and anti-discrimination while being simpler and less expensive to implement, and to consider providing additional time for implementation.

As the State faces budgetary pressures, it is my goal to continue to deliver critical services to Coloradans while implementing cost saving measures. In recognition of this Executive Order's request to the General Assembly to act, I am also taking executive action by ordering State agencies and departments managed by Governor-appointed executives to reduce costs by implementing a hiring freeze, effective August 27, 2025, and extending through the end of this year.

III. Proclamation

I, Jared Polis, Governor of the State of Colorado, with this proclamation find extraordinary occasions exist to convene the Seventy-Fifth General Assembly of this State and summon the members of the Seventy-Fifth General Assembly to meet in Special Session at 10:00 AM on August 21, 2025, at the State Capitol, in the City and County of Denver, and designate the following specific subjects for consideration, appropriate legislative action, and funding:

A. **Fiscal**

1. Concerning changes to C.R.S. § 24-2-102 and 24-75-201.5 regarding revenue shortfalls and insufficient revenue.

2. Concerning allowing the State to sell tax credits, including insurance premium tax credits, to certain taxpayers.

3. Concerning extending decoupling through an add back of the qualified business income deduction in C.R.S. § 39-22-104.

4. Concerning adjustments and reductions to the Home Office and Regional Home Office Rate Reduction in C.R.S. § 10-3-209.

5. Concerning expanding the foreign listed jurisdictions in C.R.S. § 39-22-303 to ensure companies are paying appropriate taxes in Colorado.

6. Concerning adjustments and reductions to the Sales Tax Vendor Fees in C.R.S. § 39-26-105.

7. Concerning decoupling through an add back of the federal Foreign-Derived Intangible Income (FDII) deduction.

B. Health Care

1. Concerning amendments to ensure access to services delivered by providers banned by H.R. 1 from federal Medicaid financing; and amendments to C.R.S. § 25.5-5-329 to ensure availability of Medicaid services to eligible individuals.

2. Concerning adjustments to the Health Insurance Affordability Enterprise (HIAE) to facilitate a reduction in premium increases and avoid health insurance coverage loss for those in the individual market and those unable to purchase health insurance through Connect for Health Colorado.

C. **Food Security**

1. Concerning adjustments to the referred measures in HB25-1274 (Healthy School Meals for All Program) regarding the uses of the Healthy School Meals for All cash fund to include Supplemental Nutrition Assistance Program costs, and related statutory provisions.

D. **Artificial Intelligence**

1. Concerning adjustments and reductions to the fiscal and implementation impacts of SB24-205 on covered businesses and State and local governments.

IV. Directives

A. In order to implement further cost control measures required to stabilize the State budget, I hereby order that all State agencies and departments managed by Governor-appointed executives institute a hiring freeze.

B. Effective on August 27, 2025, I order State agencies to cease posting for new job opportunities with start dates in 2025, notwithstanding:

1. Positions that are fully funded through TABOR-exempt funding sources are excluded; and

2. The Governor's Office shall issue a directive outlining which positions will be exempt from this hiring freeze, including those necessary to ensure public safety and the safe and continuous operations of facilities in which people are in the care and custody of the State, and to implement changes to safety net programs required by H.R. 1.

C. Additionally, I urge all other elected officials in the executive branch to implement a hiring freeze in their agencies to ensure that State government fulfills its obligations to reduce costs in our control and to further reduce the need for more disruptive cost-saving measures that will impact Coloradans.

D. This Section IV shall take effect on August 27, 2025, and remain in effect until December 31, 2025, subject to the exemptions listed in Section IV.B, unless modified or rescinded by future Executive Order of the Governor.

GIVEN under my hand and the
Executive Seal of the State of
Colorado this sixth day of August, 2025 .
(signed)
Jared Polis
Governor

On motion of Majority Leader Rodriguez, and with unanimous consent of the Senate, the President appointed Senators Jodeh, Michaelson Jenet, and Pelton, R. as members of the Committee to Notify the House of Representatives that the Senate is organized and ready for business.

A majority of all members elected to the Senate having voted in the affirmative, the motion was **adopted**.

On motion of Majority Leader Rodriguez, and with unanimous consent of the Senate, the President appointed Senators Ball, Wallace, and Frizell as members of the Committee to Notify the Governor that the Senate is organized and ready for business.

A majority of all members elected to the Senate having voted in the affirmative, the motion was **adopted**.

Senate in recess. Senate reconvened.

COMMITTEE APPOINTMENTS

July 1, 2025

Ms. Natalie Castle
Executive Director, Legislative Council
200 E. Colfax, Rm 029
Denver, CO 80203

Dear Director Castle,

Please, be advised that I am appointing myself to fill the vacancy created by the resignation of Senator Paul Lundeen on the Senate Education Committee for the 75th General Assembly. This is effective immediately.

Respectfully,
(signed)
Cleave Simpson
Senate Minority Leader

cc: The Honorable James Coleman, President of the Senate
The Honorable Robert Rodriguez, Senate Majority Leader
The Honorable Julie McCluskie, Speaker of the House of Representatives

The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
Ed DeCecco, Director of the Office of Legislative Legal Services
Esther van Mourik, Secretary of the Senate
Vanessa Reilly, Chief Clerk, House of Representatives
Rachel Kurtz-Phelan, Legislative Council Staff

August 19, 2025

Ms. Natalie Castle
Executive Director, Legislative Council
200 E. Colfax, Rm 029
Denver, CO 80203

Dear Director Castle,

Please, be advised that I am appointing Senator Lynda Zamora Wilson to the Senate State, Veterans, and Military Affairs Committee, and removing Senator Byron Pelton from said committee. This is effective immediately.

Respectfully,
(signed)
Cleave Simpson
Senate Minority Leader

cc: The Honorable James Coleman, President of the Senate
The Honorable Robert Rodriguez, Senate Majority Leader
The Honorable Julie McCluskie, Speaker of the House of Representatives
The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
Ed DeCecco, Director of the Office of Legislative Legal Services
Esther van Mourik, Secretary of the Senate
Vanessa Reilly, Chief Clerk, House of Representatives
Rachel Kurtz-Phelan, Legislative Council Staff
The Honorable Byron Pelton, Senator
The Honorable Lynda Zamora Wilson, Senator

July 16, 2025

Ms. Natalie Castle
Executive Director, Legislative Council
200 E. Colfax, Rm 029
Denver, CO 80203

Dear Director Castle,

Please, be advised that I am appointing Senator Lisa Frizell to fill the vacancy on the Legislative Council for the 75th General Assembly. This is effective immediately.

Respectfully,
(signed)
Cleave Simpson
Senate Minority Leader

cc: The Honorable James Coleman, President of the Senate
The Honorable Robert Rodriguez, Senate Majority Leader
The Honorable Julie McCluskie, Speaker of the House of Representatives
The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
Ed DeCecco, Director of the Office of Legislative Legal Services
Esther van Mourik, Secretary of the Senate

Vanessa Reilly, Chief Clerk, House of Representatives
Rachel Kurtz-Phelan, Legislative Council Staff
The Honorable Lisa Frizell, Senate Assistant Minority Leader

APPOINTMENTS TO STATUTORY COMMITTEES

Legislative Council

Pursuant to Section 2-3-301 C.R.S., the President and Minority Leader appointed Senator Frizell as a member of the Legislative Council Committee.

Majority Leader Rodriguez moved that the appointment to the Legislative Council Committee be confirmed. The motion was adopted by the following roll call vote:

YES	35	NO	0	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

INTRODUCTION OF RESOLUTIONS

The following resolution was read by title and referred to the committee indicated:

SCR25B-001 by Senator(s) Pelton B. and Frizell; also Representative(s) Gonzalez R. and Garcia Sander--Submitting to the registered electors of the state of Colorado an amendment to the Colorado constitution concerning the creation of new law that requires the state to obtain voter approval in advance for any addition to the definition of federal taxable income for purposes of determining a taxpayer's state taxable income, regardless of whether the state would gain revenue, or the extent to which the state would gain revenue, due to the addition to the definition of federal taxable income.
State, Veterans, & Military Affairs

INTRODUCTION OF BILLS -- FIRST READING

The following bills were read by title and referred to the committees indicated:

SB25B-001 by Senator(s) Amabile and Coleman; also Representative(s) McCluskie and Sirota--Concerning the processes for the governor to reduce spending when the state is unable to meet its fiscal obligations, and, in connection therewith, requiring the governor to present spending reduction plans to the joint budget committee and receive advice from the joint budget committee.
State, Veterans, & Military Affairs

SB25B-002 by Senator(s) Bridges and Daugherty; also Representative(s) Bacon and Willford--Concerning state-only funding for entities that are prohibited from receiving reimbursement from the federal centers for medicare and medicaid services due to the entity providing certain reproductive health-care services.
Health & Human Services

SB25B-003 by Senator(s) Michaelson Jenet and Wallace; also Representative(s) Garcia and Stewart K.--Concerning supporting access to healthy food for Coloradans, and, in connection therewith, amending the ballot issue language for a measure on the November 2025 ballot and modifying the permissible uses of the healthy school meals for all cash fund.
Health & Human Services

SB25B-004 by Senator(s) Rodriguez; also Representative(s) Titone and Bacon--Concerning measures effective no later than June 30, 2026, to increase transparency for algorithmic systems.
Business, Labor, & Technology

SB25B-005 by Senator(s) Roberts and Catlin, Daugherty, Hinrichsen, Marchman, Mullica, Pelton B., Pelton R., Rich, Simpson, Snyder; also Representative(s) Lukens and Martinez, Camacho, Duran, Espenoza, Garcia Sander, Hartsook, Johnson, Lieder, Pugliese, Richardson, Soper, Stewart K., Stewart R., Suckla, Taggart, Velasco, Winter T.--Concerning a reallocation of funding from the division of parks and wildlife for the reintroduction of gray wolves to the Colorado health insurance affordability enterprise, and, in connection therewith, reducing an appropriation.
State, Veterans, & Military Affairs

SB25B-006 by Senator(s) Carson; --Concerning an income tax credit for contributions to a health savings account.
State, Veterans, & Military Affairs

SB25B-007 by Senator(s) Liston; --Concerning limiting certain health-care coverage that relies on public funds, and, in connection therewith, limiting eligibility for certain state-subsidized individual health-care coverage and prohibiting state reimbursement for medical services provided to individuals who are not lawfully residing.
State, Veterans, & Military Affairs

SB25B-008 by Senator(s) Baisley; --Concerning clarifying anti-discrimination protections in interactions with artificial intelligence systems.
State, Veterans, & Military Affairs

SB25B-009 by Senator(s) Kirkmeyer and Bright; also Representative(s) Garcia Sander and Pugliese--Concerning the adjustment of certain income tax credits, and, in connection therewith, authorizing the department of revenue to sell certain income tax credits to qualified taxpayers and temporarily suspending or prorating income tax credits based on revenue estimates.
State, Veterans, & Military Affairs

Senate in recess. Senate reconvened.

COMMITTEE OF REFERENCE REPORTS

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-001** be referred to the Committee of the Whole with favorable recommendation.

Health & Human Services

After consideration on the merits, the Committee recommends that **SB25B-002** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 2, line 7, strike "COVERED SERVICES" and substitute "SERVICES COVERED UNDER TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT" AND".

Business, Labor, & Technology

After consideration on the merits, the Committee recommends that **SB25B-004** be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation.

Amend printed bill, page 2, strike line 10 and substitute:

"(1) (a) "ALGORITHMIC DECISION SYSTEM" MEANS ANY TECHNOLOGY, INCLUDING SOFTWARE OR PROGRAMS DERIVED FROM MACHINE LEARNING, STATISTICS, OTHER DATA-PROCESSING TECHNIQUES, OR ARTIFICIAL

INTELLIGENCE, THAT PROCESSES PERSONAL CHARACTERISTICS AND USES THE OUTPUT TO ASSIST, INFORM, OR REPLACE HUMAN DECISION-MAKING WITH RESPECT TO A DECISION DESCRIBED IN SECTION 6-1-1704 (1). "ALGORITHMIC DECISION SYSTEM" INCLUDES A TECHNOLOGY USED TO GENERATE A SCORE, RANKING, CLASSIFICATION, OR PREDICTION ABOUT AN INDIVIDUAL THE HUMAN REVIEWER CONSIDERS WHEN MAKING A DECISION DESCRIBED IN SECTION 6-1-1704 (1).".

Page 3, strike lines 1 through 7.

Page 4, after line 4 insert:

"(2) "ASSIST, INFORM, OR REPLACE HUMAN DECISION-MAKING" MEANS TO USE INFORMATION AS A CONTRIBUTING FACTOR IN A DECISION DESCRIBED IN SECTION 6-1-1704 (1).".

Renumber succeeding subsections accordingly.

Page 4, line 17, strike "SYSTEM." and substitute "SYSTEM IN A DECISION DESCRIBED IN SECTION 6-1-1704 (1).".

Page 5, line 4, strike "(17);" and substitute "(17)(a), BUT WITHOUT REGARD TO THE REQUIREMENTS OF SECTION 6-1-1303 (17)(b);".
Page 5, line 21, strike "**systems.**" and substitute "**systems - exemption.**".

Page 6, after line 10 insert:

"(2) THIS PART 17 DOES NOT APPLY TO A DEVELOPER IF THE DEVELOPER:
(a) DISTRIBUTES ALL COMPONENTS OF AN ALGORITHMIC DECISION SYSTEM DEVELOPED BY THE DEVELOPER PURSUANT TO TERMS ALLOWING A RECIPIENT TO FREELY ACCESS, USE, STUDY, MODIFY, AND SHARE THE COMPONENTS OR MODIFIED VERSIONS OF THE COMPONENTS; OR
(b) PARTICIPATES IN THE DEVELOPMENT OR DISTRIBUTION OF AN ALGORITHMIC DECISION SYSTEM IN WHICH ALL COMPONENTS OF THE ALGORITHMIC DECISION SYSTEM DEVELOPED BY THE DEVELOPER ARE DISTRIBUTED PURSUANT TO TERMS ALLOWING A RECIPIENT TO FREELY ACCESS, USE, STUDY, MODIFY, AND SHARE THE COMPONENTS OR MODIFIED VERSIONS OF THE COMPONENTS.".

Page 6, line 12, strike "**systems.**" and substitute "**systems - exemption - definition.**".

Page 8, after line 7 insert:
"(3) (a) AS USED IN THIS SECTION, "FINANCIAL OR LENDING SERVICE" MEANS A FINANCIAL OR LENDING SERVICE FOR CONSUMER OR HOUSEHOLD PURPOSES WITH RESPECT TO THE OPENING OR CLOSING OF BANKING, CREDIT UNION, CREDIT CARD, OR OTHER ACCOUNTS, OR THE INTEREST RATES, PAYMENT SCHEDULES, MINIMUM PAYMENT AMOUNTS, AND OTHER MATERIAL TERMS AND CONDITIONS OF SUCH ACCOUNTS, BUT EXCLUDING:
(I) INDIVIDUAL BANKING OR CREDIT UNION ACCOUNT TRANSACTIONS, INCLUDING ROUTINE CHECKING ACCOUNTS, SAVINGS ACCOUNTS, AND DEBIT AND CREDIT CARD TRANSACTIONS;
(II) SECURITIES TRANSACTIONS AND ACCOUNTS, AS THE TERM "SECURITY" IS DEFINED IN SECTION 11-51-201 (17);
(III) DERIVATIVES TRANSACTIONS AND ACCOUNTS, AS THE TERM "DERIVATIVES TRANSACTION" IS DEFINED IN 17 CFR 270.18f-4, AS THAT SECTION EXISTED ON JULY 1, 2025; AND
(IV) SERVICES PROVIDED TO AN INDIVIDUAL ACTING IN THEIR CAPACITY AS AN "ACCREDITED INVESTOR", AS DEFINED IN 17 CFR 230.501, AS THAT SECTION EXISTED ON JULY 1, 2025.
(b) THIS SECTION DOES NOT APPLY TO A SYSTEM OR TOOL TO THE EXTENT IT IS AN ANTI-FRAUD SYSTEM OR TOOL USED BY AN INSTITUTION INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR NATIONAL CREDIT UNION ADMINISTRATION IN ACCORDANCE WITH 15 U.S.C. SEC. 6801 TO PREVENT, DETECT, OR RESPOND TO UNLAWFUL AND MALICIOUS CONDUCT OR TO COMPLY WITH FEDERAL OR STATE LAW FOR CREDIT DECISIONS.
(c) A DEPLOYER THAT IS AN INSTITUTION INSURED BY THE FEDERAL

DEPOSIT INSURANCE CORPORATION OR NATIONAL CREDIT UNION ADMINISTRATION SATISFIES THE REQUIREMENTS OF SUBSECTION (2)(b) OF THIS SECTION BY PROVIDING AN INDIVIDUAL WITH:

(I) SEPARATE NOTICES FOR EACH DECISION; OR

(II) A COMBINED NOTICE PROVIDING THE REQUIRED INFORMATION FOR EACH DECISION CONCERNING THE INDIVIDUAL WITHIN THE PRECEDING THIRTY DAYS.".

Page 8, after line 7 insert:

"(4) SUBSECTIONS (2)(b)(II) AND (2)(b)(III) OF THIS SECTION AND SECTION 6-1-1705 DO NOT APPLY TO A DEPLOYER IF:

(a) THE DEPLOYER IS A PUBLIC ENTITY;

(b) THE INFORMATION SUBJECT TO THE DISCLOSURES REQUIRED BY SUBSECTIONS (2)(b)(II) AND (2)(b)(III) OF THIS SECTION AND SECTION 6-1-1705 IS AVAILABLE THROUGH A REQUEST FOR RECORDS PURSUANT TO THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE 24; AND

(c) THE DEPLOYER PROVIDES THE INDIVIDUAL WITH INSTRUCTIONS ON HOW TO FILE A REQUEST FOR RECORDS PURSUANT TO THE "COLORADO OPEN RECORDS ACT" WITH THE PUBLIC ENTITY REGARDING WHAT PERSONAL CHARACTERISTICS ABOUT THE INDIVIDUAL WERE USED IN THE DECISION.".

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-005** be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation.

Amend printed bill, page 2, strike lines 9 through 19.

Page 3, strike lines 1 through 7 and substitute:

"(b) Now, with ongoing inflationary pressure, a substantial reduction in".

Reletter succeeding paragraphs accordingly.

Page 3, lines 15 and 16, strike "has been objectively successful:" and substitute "is on a trajectory to establish a sustainable population of wolves in Colorado:".

Page 3, line 19, strike "over 30 wolves" and substitute "21 collared adult wolves, at least one known uncollared adult wolf, and an estimated 9 or more pups from 4 breeding pairs".

Page 3, strike lines 21 through 23 and substitute "are confirmed.".

Page 3, strike lines 26 and 27.

Page 4, line 1, strike "undermines the state's ability" and substitute "other sources of funding outside of the general fund should be used instead to procure new wolves from other states or other countries, to enable the state".

Page 4, line 2, after "spend" insert "general fund".

Page 4, line 5, after "support" insert "the wolf reintroduction and management plan, including support for".

Page 5, line 12, strike "session" and substitute "session,".

Page 5, strike line 13 and substitute "to redirect general funds from the".

Page 5, line 17, after "for" insert "the implementation of the wolf reintroduction and management plan, including".

Page 6, strike lines 15 and 16 and substitute "WOLVES. THE DIVISION MAY".

Health & Human Services

After consideration on the merits, the Committee recommends that **SB25B-003** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 4, line 26, strike "tax" and substitute "~~tax~~ TAXABLE".

Page 5, line 25, after "(3)(a)(IV);" insert "**amend** (3)(a)(II) and (3)(a)(III);".

Page 6, after line 26, insert:

"(II) BEGINNING JULY 1, 2026, awarding local food purchasing grants pursuant to section 22-82.9-205;

(III) BEGINNING JULY 1, 2026, distributing money to a participating school food authority to increase wages or provide stipends for individuals whom the participating school food authority employs to directly prepare and serve food for school meals pursuant to section 22-82.9-206 (1);".

Page 6, line 27, strike "Awarding" and substitute "BEGINNING JULY 1, 2026, awarding".

Page 7, line 2, strike "IMPLEMENTING" and substitute "BEGINNING JULY 1, 2026, IMPLEMENTING".

Page 7, line 21, strike "doing so" and substitute "~~doing so~~ AWARDING MONEY PURSUANT TO THIS SUBSECTION (3)(g)".

Page 8, after line 7 insert:

"(j) NOTWITHSTANDING ANY LAW TO THE CONTRARY, MONEY IN THE FUND SHALL ONLY BE EXPENDED FROM THE FUND IN ACCORDANCE WITH SUBSECTIONS (3)(c) THROUGH (3)(i) OF THIS SECTION ON OR AFTER JULY 1, 2026.".

Page 8, line 11, after "(3)(g)," insert"(3)(a)(II), (3)(a)(III), and (3)(a)(IV)".

Page 8, line 17, after "(3)(g)," insert "(3)(a)(II), (3)(a)(III), and (3)(a)(IV)".

Strike "and (3)(a)(VIII)" and substitute "(3)(a)(VIII), and (3)(j)" on: **Page 5,** line 25; and **Page 8,** line 12 and lines 17 and 18.

Strike "PROVIDING" and substitute "BEGINNING JULY 1, 2026, PROVIDING" on: **Page 7,** lines 4 and 6.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-006** be postponed indefinitely.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-007** be postponed indefinitely.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-008** be postponed indefinitely.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SCR25B-001** be postponed indefinitely.

State, Veterans, & Military Affairs

After consideration on the merits, the Committee recommends that **SB25B-009** be postponed indefinitely.

Senate in recess. Senate reconvened.

Call of the Senate. Call raised.

COMMITTEE OF REFERENCE REPORTS

Appro-priations

After consideration on the merits, the Committee recommends that **SB25B-005** be referred to the Committee of the Whole with favorable recommendation.

On motion of Majority Leader Rodriguez, SB25B-003, SB25B-002, SB25B-005, and SB25B-001 were made Special Orders at 6:07 p.m.

Committee of the Whole

The hour of 6:07 p.m. having arrived, Senator Gonzales moved that the Senate resolve itself into the Committee of the Whole for consideration of Special Orders -- Second Reading of Bills, and Senator Gonzales was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

SB25B-003 by Senator(s) Michaelson Jenet and Wallace; also Representative(s) Garcia and Stewart K.--Concerning supporting access to healthy food for Coloradans, and, in connection therewith, amending the ballot issue language for a measure on the November 2025 ballot and modifying the permissible uses of the healthy school meals for all cash fund.

Amendment No. 1, Health & Human Services Committee Amendment.
(Printed in Senate Journal, August 21, page(s) 11 and placed in members' bill files.)

As amended, ordered engrossed and placed on the calendar for third reading and final passage.

SB25B-002 by Senator(s) Bridges and Daugherty; also Representative(s) Bacon and Willford--Concerning state-only funding for entities that are prohibited from receiving reimbursement from the federal centers for medicare and medicaid services due to the entity providing certain reproductive health-care services.

Amendment No. 1, Health & Human Services Committee Amendment.
(Printed in Senate Journal, August 21, page(s) 8 and placed in members' bill files.)

As amended, ordered engrossed and placed on the calendar for third reading and final passage.

(For further action, see amendments to the report of the Committee of the Whole.)

SB25B-005 by Senator(s) Roberts and Catlin, Daugherty, Hinrichsen, Marchman, Mullica, Pelton B., Pelton R., Rich, Simpson, Snyder; also Representative(s) Lukens and Martinez, Camacho, Duran, Espenoza, Garcia Sander, Hartsook, Johnson, Lieder, Pugliese, Richardson, Soper, Stewart K., Stewart R., Suckla, Taggart, Velasco, Winter T.--Concerning a reallocation of funding from the division of parks and wildlife for the reintroduction of gray wolves to the Colorado health insurance affordability enterprise, and, in connection therewith, reducing an appropriation.

Amendment No. 1, State, Veterans & Military Affairs Committee Amendment.
(Printed in Senate Journal, August 21, page(s) 10 and placed in members' bill files.)

As amended, ordered engrossed and placed on the calendar for third reading and final passage.

SB25B-001 by Senator(s) Amabile and Coleman; also Representative(s) McCluskie and Sirota--Concerning the processes for the governor to reduce spending when the state is unable to meet its fiscal obligations, and, in connection therewith, requiring the governor to present spending reduction plans to the joint budget committee and receive advice from the joint budget committee.

Ordered engrossed and placed on the calendar for third reading and final passage.

AMENDMENTS TO THE REPORT OF THE COMMITTEE OF THE WHOLE

SB25B-002 by Senator(s) Bridges and Daugherty; also Representative(s) Bacon and Willford--Concerning state-only funding for entities that are prohibited from receiving reimbursement from the federal centers for medicare and medicaid services due to the entity providing certain reproductive health-care services.

Senator Zamora Wilson moved to amend the Report of the Committee of the Whole to show that the following Zamora Wilson floor amendment, (L.003) to SB25B-002, did pass.

Amend printed bill, page 2, after line 8 insert:

"(2) THE STATE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE A DESCRIPTION OF EACH CLAIM THAT A PROHIBITED ENTITY IS REIMBURSED FOR PURSUANT TO THIS SECTION.".

Renumber succeeding subsections accordingly.

Less than a majority of all members elected to the Senate having voted in the affirmative, the amendment to the report of the Committee of the Whole was **lost** on the following roll call vote:

YES	12	NO	23	EXCUSED	0	ABSENT	0
Amabile	N	Daugherty	N	Liston	Y	Simpson	Y
Baisley	Y	Exum	N	Marchman	N	Snyder	N
Ball	N	Frizell	Y	Michaelson	N	Sullivan	N
Bridges	N	Gonzales J.	N	Mullica	N	Wallace	N
Bright	Y	Hinrichsen	N	Pelton B.	Y	Weissman	N
Carson	Y	Jodeh	N	Pelton R.	Y	Winter F.	N
Catlin	Y	Kipp	N	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	N	President	N
Danielson	N	Kolker	N	Rodriguez	N		

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Gonzales, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	35	NO	0	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: SB25B-003 as amended, SB25B-002 as amended, SB25B-005 as amended, SB25B-001.

On motion of Majority Leader Rodriguez, the Senate adjourned until 9:00 a.m., Friday, August 22, 2025.

Approved:

James Rashad Coleman, Sr.
President of the Senate

Attest:

Esther van Mourik
Secretary of the Senate

SENATE JOURNAL
Seventy-fifth General Assembly
STATE OF COLORADO
First Extraordinary Session

2nd Legislative Day Friday, August 22, 2025

Prayer By Senator Frizell.

Call to Order By the President at 9:00 a.m.

Roll Call Present--33
Excused--2, Marchman, Winter
Present later---2, Marchman, Winter
Remote--1, Exum

Quorum The President announced a quorum present.

Pledge By Senator Zamora Wilson.

Approval of the Journal On motion of Senator Ball, the Journal of Thursday, August 21, 2025, was approved as corrected by the Secretary.

SENATE SERVICES REPORT

Correctly Printed: SB25B-001, 002, 003, 004, 005, 006, 007, 008, and 009; SCR25B-001.
Correctly Engrossed: SB25B-001, 002, 003, and 005.

At the order of the President, Senators Marchman and Winter were added to the current roll call.

THIRD READING OF BILLS -- FINAL PASSAGE

On third reading, the titles of the following bills were publicly read, the reading at length having been dispensed with by unanimous consent:

SB25B-003 by Senator(s) Michaelson Jenet and Wallace; also Representative(s) Garcia and Stewart K.--Concerning supporting access to healthy food for Coloradans, and, in connection therewith, amending the ballot issue language for a measure on the November 2025 ballot and modifying the permissible uses of the healthy school meals for all cash fund.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Amabile, Ball, Bridges, Coleman, Cutter, Danielson, Daugherty, Exum, Gonzales J., Hinrichsen, Jodeh, Kipp, Kolker, Marchman, Mullica, Roberts, Rodriguez, Snyder, Sullivan, Weissman, and Winter F.

SB25B-002 by Senator(s) Bridges and Daugherty; also Representative(s) Bacon and Willford--Concerning state-only funding for entities that are prohibited from receiving reimbursement from the federal centers for medicare and medicaid services due to the entity providing certain reproductive health-care services.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Amabile, Ball, Coleman, Cutter, Danielson, Gonzales J., Hinrichsen, Jodeh, Kipp, Kolker, Marchman, Michaelson Jenet, Mullica, Roberts, Rodriguez, Snyder, Sullivan, Wallace, Weissman, and Winter F.

SB25B-005 by Senator(s) Roberts and Catlin, Daugherty, Hinrichsen, Marchman, Mullica, Pelton B., Pelton R., Rich, Simpson, Snyder; also Representative(s) Lukens and Martinez, Camacho, Duran, Espenoza, Garcia Sander, Hartsook, Johnson, Lieder, Pugliese, Richardson, Soper, Stewart K., Stewart R., Suckla, Taggart, Velasco, Winter T.--Concerning a reallocation of funding from the division of parks and wildlife for the reintroduction of gray wolves to the Colorado health insurance affordability enterprise, and, in connection therewith, reducing an appropriation.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	32	NO	3	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	N
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	N
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Bright, Exum, Frizell, Kirkmeyer, and Liston.

SB25B-001 by Senator(s) Amabile and Coleman; also Representative(s) McCluskie and Sirota--Concerning the processes for the governor to reduce spending when the state is unable to meet its fiscal obligations, and, in connection therewith, requiring the governor to present spending reduction plans to the joint budget committee and receive advice from the joint budget committee.

A majority of those elected to the Senate having voted in the affirmative, Senator Amabile Coleman was given permission to offer a third reading amendment.

Third Reading Amendment No. 1(L.004), by Senator Amabile.

Amend engrossed bill, page 5, line 9, strike "TWO PERCENT" and substitute "THREE PERCENT".

Page 5, line 15, strike "TWO PERCENT" and substitute "THREE PERCENT".

The amendment was **passed** on the following roll call vote:

YES	35	NO	0	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The question being "Shall the bill, as amended, pass?", the roll call was taken with the following result:

YES	19	NO	16	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	N	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	N	Kolker	N	Rodriguez	N		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Bridges.

Senate in recess. Senate reconvened.

On motion of Majority Leader Rodriguez, the Senate adjourned until 10:00 a.m., Saturday, August 23, 2025.

Approved:

James Rashad Coleman, Sr.
President of the Senate

Attest:

Esther van Mourik
Secretary of the Senate

SENATE JOURNAL
Seventy-fifth General Assembly
STATE OF COLORADO
First Extraordinary Session

3rd Legislative Day Saturday, August 23, 2025

Prayer — By Senator Jodeh.

Call to Order — By the President at 10:00 a.m.

Roll Call — Present--26
Excused--9, Daugherty, Exum, Hinrichsen, Kirkmeyer, Liston, Marchman, Mullica, Roberts, Rodriguez
Present later---9, Daugherty, Exum, Hinrichsen, Kirkmeyer, Liston, Marchman, Mullica, Roberts, Rodriguez
Remote--1, Exum

Quorum — The President announced a quorum present.

Pledge — By Senator Zamora Wilson.

Approval of the Journal — On motion of Senator Ball, the Journal of Friday, August 22, 2025, was approved as corrected by the Secretary.

At the order of the President, Senators Exum, Liston, and Rodriguez were added to the current roll call.

SENATE SERVICES REPORT

Correctly Reengrossed: SB25B-001, 002, 003, and 005.

MESSAGE FROM THE HOUSE

August 23, 2025
Mr. President:

The House has passed on Third Reading and transmitted to the Revisor of Statutes: HB25B-1001.

MESSAGE FROM THE REVISOR OF STATUTES

August 23, 2025
We herewith transmit:

Without comment, HB25B-1001.

INTRODUCTION OF BILLS -- FIRST READING

The following bill was read by title and referred to the committee indicated:

HB25B-1001 by Representative(s) Sirota; also Senator(s) Hinrichsen and Cutter--Concerning the requirement for certain taxpayers to add back an amount equal to their federal deduction for qualified business income allowed under section 199A of the federal"Internal Revenue Code of 1986" for purposes of determining their state taxable income.
Appropriations

Senate in recess. Senate reconvened.

At the order of the President, Senators Daugherty, Hinrichsen, Kirkmeyer, Marchman, Mullica, and Roberts were added to the current roll call.

MESSAGE FROM THE HOUSE

Saturday, August 23, 2025
Mr. President:

The House has passed on Third Reading and transmitted to the Revisor of Statutes: HB25B-1002 and HB25B-1003, amended as printed in House Journal, August 22, 2025.

MESSAGE FROM THE REVISOR OF STATUTES

August 23, 2025
We herewith transmit:

Without comment, as amended, HB25B-1002 and 1003.

INTRODUCTION OF BILLS -- FIRST READING

The following bills were read by title and referred to the committees indicated:

HB25B-1002 by Representative(s) Zokaie and Marshall; also Senator(s) Ball--Concerning corporate income taxation related to foreign jurisdictions.
Appropriations

HB25B-1003 by Representative(s) Mabrey and Boesenecker; also Senator(s) Weissman and Gonzales J.--Concerning adjustments to the insurance premium tax rate tax expenditure for a home office or regional home office.
Appropriations

COMMITTEE APPOINTMENTS

August 23, 2025

Mrs. Natalie Castle
Executive Director
Office of Legislative Council
200 E. Colfax Ave., Room 029
Denver, CO 80203

Mrs. Natalie Castle:

For the remainder of the 2025 1st Extraordinary Session, Senate Appropriations Committee membership will consist of Senator Judy Amabile (Chair), Senator Julie Gonzales (Vice Chair), Senator Chris Kolker, Senator Mike Weissman, and Senator Katie Wallace. The committee's ratio will be shifted to 5-to-2 majority members to minority members. This change is effective immediately.

Best,
(signed)
Robert Rodriguez
Senate Majority Leader

Cc: The Honorable James Coleman, Senate President
The Honorable Cleave Simpson, Senate Minority Leader
The Honorable Julie McCluskie, House Speaker
The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
The Honorable Judy Amabile
The Honorable Jeff Bridges
Esther Van Mourik, Senate Secretary
Vanessa Reilly, Chief Clerk of the House of Representatives
Ed DeCecco, Director of the Office of Legislative Legal Services
Rachel Kurtz-Phelan, Legislative Council
Andrea Uhl, Joint Budget Committee
Jon Catlett, Joint Budget Committee

August 23, 2025

Ms. Natalie Castle
Executive Director, Legislative Council
200 E. Colfax, Rm 029
Denver, CO 80203

Dear Director Castle,

Please, be advised that I am removing Senator Larry Liston from the Senate Appropriations Committee. This is only effective for the duration of the First Extraordinary Session of 2025.

(signed)
Cleave Simpson
Senate Minority Leader

cc:
The Honorable James Coleman, President of the Senate
The Honorable Robert Rodriguez, Senate Majority Leader
The Honorable Julie McCluskie, Speaker of the House of Representatives
The Honorable Monica Duran, House Majority Leader
The Honorable Rose Pugliese, House Minority Leader
Ed DeCecco, Director of the Office of Legislative Legal Services
Esther van Mourik, Secretary of the Senate
Vanessa Reilly, Chief Clerk, House of Representatives
Rachel Kurtz-Phelan, Legislative Council Staff
The Honorable Byron Pelton, Senator
The Honorable Lynda Zamora Wilson, Senator

Senate in recess. Senate reconvened.

COMMITTEE OF REFERENCE REPORTS

Appropriations — After consideration on the merits, the Committee recommends that **HB25B-1001** be referred to the Committee of the Whole with favorable recommendation.

Appropriations — After consideration on the merits, the Committee recommends that **HB25B-1002** be referred to the Committee of the Whole with favorable recommendation.

Appropriations — After consideration on the merits, the Committee recommends that **HB25B-1003** be referred to the Committee of the Whole with favorable recommendation.

MESSAGE FROM THE HOUSE

August 23, 2025
Mr. President:

The House has passed on Third Reading and transmitted to the Revisor of Statutes: HB25B-1004, HB25B-1005, and HB25-1006, amended as printed in House Journal, August 22, 2025.

MESSAGE FROM THE REVISOR OF STATUTES

August 23, 2025
We herewith transmit:

Without comment, as amended, HB25B-1004, 1005, and 1006.

INTRODUCTION OF BILLS -- FIRST READING

The following bills were read by title and referred to the committees indicated:

HB25B-1004 by Representative(s) Stewart R. and Camacho; also Senator(s) Marchman and Snyder--Concerning requiring the department of the treasury to sell tax credits to qualified taxpayers, and, in connection therewith, transferring the proceeds to the general fund and making an appropriation.
Appropriations

HB25B-1005 by Representative(s) Woodrow and McCormick; also Senator(s) Kipp and Winter F.--Concerning the elimination of the sales tax vendor fee that retailers are authorized to retain in connection with collecting and remitting state sales tax, and, in connection therewith, making an appropriation.
Appropriations

HB25B-1006 by Representative(s) Brown and Gilchrist, McCluskie; also Senator(s) Jodeh and Mullica, Roberts--Concerning modifications to the Colorado health insurance affordability enterprise to address the affordability of health insurance in the individual market using nonappropriated funding sources.
Finance

On motion of Assistant Majority Leader Cutter, HB25B-1002 and HB25B-1003 were made Special Orders at 8:03 p.m.

Committee of the Whole

The hour of 8:03 p.m. having arrived, Senator Bridges moved that the Senate resolve itself into the Committee of the Whole for consideration of Special Orders -- Second Reading of Bills, and Senator Bridges was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

HB25B-1002 by Representative(s) Zokaie and Marshall; also Senator(s) Ball--Concerning corporate income taxation related to foreign jurisdictions.

Ordered revised and placed on the calendar for third reading and final passage.

HB25B-1003 by Representative(s) Mabrey and Boesenecker; also Senator(s) Weissman and Gonzales J.--Concerning adjustments to the insurance premium tax rate tax expenditure for a home office or regional home office.

Laid over until Sunday, August 24, retaining its place on the calendar.

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Bridges, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: HB25B-1002.
Laid over until Sunday, August 24: HB25B-1003.

On motion of Assistant Majority Leader Cutter, the Senate adjourned until 12:00 p.m., Sunday, August 24, 2025.

Approved:

James Rashad Coleman, Sr.
President of the Senate

Attest:

Esther van Mourik
Secretary of the Senate

SENATE JOURNAL
Seventy-fifth General Assembly
STATE OF COLORADO
First Extraordinary Session

4th Legislative Day Sunday, August 24, 2025

Prayer — By Senator Bright.

Call to Order — By the President at 12:00 p.m.

Roll Call — Present--29
Excused--6, Danielson, Gonzales, Kolker, Pelton, R., Rodriguez, Sullivan
Present later--6, Danielson, Gonzales, Kolker, Pelton, R., Rodriguez, Sullivan
Remote--1, Exum

Quorum — The President announced a quorum present.

Pledge — By Senator Zamora Wilson.

Approval of the Journal — On motion of Senator Ball, the Journal of Saturday, August 23, 2025, was approved as corrected by the Secretary.

SENATE SERVICES REPORT

Correctly Revised: HB25B-1002

At the order of the President, Senators Danielson, Gonzales, Kolker, Pelton, R., Rodriguez, and Sullivan were added to the current roll call.

COMMITTEE OF REFERENCE REPORTS

Finance — After consideration on the merits, the Committee recommends that **HB25B-1006** be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation.

Amend reengrossed bill, page 2, line 3, strike "and (16)".

Page 3, strike lines 1 through 4.

Page 4, line 12, strike "**add**" and substitute "**amend** (1)(g) and (1)(h); and **add** (1)(i) and".

Page 4, strike lines 14 through 27.

Page 5, strike lines 1 through 13 and substitute:

"**10-16-1206. Health insurance affordability cash fund - creation.** (1) There is created in the state treasury the health insurance affordability cash fund. The fund consists of:

(g) The federal share of the medical assistance payments received pursuant to section 25.5-4-503 (2); ~~and~~

(h) Gifts, grants, or donations received from private or public sources; AND

(i) ANY OTHER MONEY THAT MAY BE APPROPRIATED OR TRANSFERRED TO THE FUND.

(1.5) (a) THE FUND ALSO CONSISTS OF ONE HUNDRED MILLION DOLLARS FROM THE FOLLOWING SOURCES, WHICH THE ENTERPRISE SHALL ALLOCATE IN ACCORDANCE WITH SECTION 10-16-1205 (2)(e):

(I) UP TO ONE HUNDRED MILLION DOLLARS FROM TAX CREDIT SALE PROCEEDS CREDITED TO THE FUND PURSUANT TO SECTION 24-36-406; AND

(II) (A) IF THE TOTAL AMOUNT OF TAX CREDIT SALE PROCEEDS AVAILABLE FOR DEPOSIT IN THE FUND IS LESS THAN ONE HUNDRED MILLION DOLLARS, AN AMOUNT DETERMINED AND TRANSFERRED, IN ACCORDANCE WITH SUBSECTION (1.5)(a)(II)(B) OF THIS SECTION, FROM THE GENERAL FUND TO THE FUND;

(B) THE STATE TREASURER SHALL DETERMINE THE AMOUNT OF THE TRANSFER FROM THE GENERAL FUND TO THE FUND BY CALCULATING THE DIFFERENCE BETWEEN ONE HUNDRED MILLION DOLLARS AND THE AMOUNT OF TAX CREDIT SALE PROCEEDS CREDITED TO THE FUND PURSUANT TO SECTION 24-36-406 AND, WITHIN TEN DAYS AFTER MAKING THE DETERMINATION, SHALL TRANSFER THAT AMOUNT FROM THE GENERAL FUND TO THE FUND.".

Page 13, strike lines 5 through 27.

Strike page 14.

Page 15, strike lines 1 through 19 and substitute:

"**SECTION 6.** In Colorado Revised Statutes, 24-36-401 **as added by House Bill 25B-1004, amend** (2) as follows:

24-36-401. Legislative declaration - tax preference performance statement. (2) (a) In accordance with section 39-21-304 (1), which requires each bill that creates a new tax expenditure to include a tax preference performance statement as part of a statutory legislative declaration, the general assembly further finds and declares that the general purposes of the tax credits provided for in this part 4 are to induce certain designated behavior by taxpayers and provide a reduction in insurance premium tax liability for certain businesses. Specifically, this tax expenditure is intended to induce insurance companies to purchase tax credits that will reduce their future insurance premium tax liability in order to generate money for the HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1) AND THE general fund.

(b) The general assembly and the state auditor shall measure the effectiveness of the tax credits in achieving the purposes specified in subsection (2)(a) of this section based on the number and value of the credits claimed and the total amount of ~~general fund~~ money generated FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND AND THE GENERAL FUND. The division of insurance shall provide the state auditor with information regarding the total amount of credits claimed and the ~~general fund~~ AMOUNT OF money generated FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND AND THE GENERAL FUND.

SECTION 7. In Colorado Revised Statutes, 24-36-402 **as added by House Bill 25B-1004, amend** (6) as follows:

24-36-402. Definitions. As used in this part 4, unless the context otherwise requires:

(6) "Tax credit sale proceeds" or "sale proceeds" means the money or other liquid asset acceptable to the state treasurer that a qualified taxpayer pays to the department that is deposited ~~in the tax credit sale proceeds cash fund created in section 24-36-405 (1)~~ AS SPECIFIED IN SECTION 24-36-406.

SECTION 8. In Colorado Revised Statutes, 24-36-403 **as added by House Bill 25B-1004, amend** (2)(a)(I) and (8) as follows:

24-36-403. Insurance premium tax credits - purchase - authorization to issue - terms - report. (2) (a) (I) (A) The department is authorized to issue tax credit certificates to qualified taxpayers pursuant to this part 4 and part 5 of this article 36 equal to the lesser of a total face value of up to one hundred twenty-five million dollars and any reasonable and necessary administrative, monitoring, and closing costs using sale proceeds or total ~~sales~~ SALE proceeds of up to one hundred million dollars.

(B) IN ADDITION TO THE TAX CREDIT CERTIFICATES AUTHORIZED IN SUBSECTION (2)(a)(I)(A) OF THIS SECTION, THE DEPARTMENT IS AUTHORIZED TO ISSUE TAX CREDIT CERTIFICATES TO QUALIFIED TAXPAYERS PURSUANT TO THIS PART 4 AND PART 5 OF THIS ARTICLE 36 EQUAL TO THE LESSER OF A TOTAL FACE VALUE OF UP TO ONE HUNDRED TWENTY-FIVE MILLION DOLLARS AND ANY

REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING SALE PROCEEDS OR TOTAL SALE PROCEEDS OF UP TO ONE HUNDRED MILLION DOLLARS. THIS SUBSECTION (2)(a)(I) TAKES EFFECT ON JANUARY 1, 2026, ONLY IF THE CONDITION SPECIFIED IN SECTION 10-16-1209 (1) OCCURS.

(8) The tax credit sale proceeds provided by a qualified taxpayer in return for a tax credit certificate must be deposited ~~in the general fund~~ AS SPECIFIED IN SECTION 24-36-406.

SECTION 9. In Colorado Revised Statutes, **amend as added by House Bill 25B-1004** 24-36-406 as follows:

24-36-406. Distribution of sale proceeds. (1) EXCEPT AS PROVIDED IN SUBSECTION (2) OF THIS SECTION, each month, the state treasurer shall credit the money generated by the sale proceeds pursuant to parts 4 and 5 of this article 36 to the tax credit sale proceeds cash fund. The department shall transfer the money to the general fund less any amounts used for the expenses described in section 24-36-405 (4).

(2) (a) EACH MONTH, THE STATE TREASURER SHALL CREDIT THE MONEY GENERATED BY THE SALE PROCEEDS PURSUANT TO PARTS 4 AND 5 OF THIS ARTICLE 36 AS FOLLOWS:

(I) AN AMOUNT EQUAL TO THE MONTHLY EXPENSES DESCRIBED IN SECTION 24-36-405 (4) TO THE TAX CREDIT SALE PROCEEDS CASH FUND;

(II) THE REMAINDER TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1); EXCEPT THAT THE AMOUNT CREDITED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND SHALL NOT EXCEED ONE HUNDRED MILLION DOLLARS; AND

(III) AFTER THE AMOUNT SPECIFIED IN SUBSECTION (2)(a)(II) OF THIS SECTION HAS BEEN CREDITED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND, THEN THE REMAINDER TO THE TAX CREDIT SALE PROCEEDS CASH FUND.

(b) THE DEPARTMENT SHALL TRANSFER THE MONEY IN THE TAX CREDIT SALE PROCEEDS CASH FUND, LESS ANY AMOUNTS USED FOR THE EXPENSES DESCRIBED IN SECTION 24-36-405 (4), TO THE GENERAL FUND.

(c) (I) THIS SUBSECTION (2) WILL TAKE EFFECT ONLY IF, BY DECEMBER 31, 2025, THE UNITED STATES CONGRESS DOES NOT ENACT AND THE PRESIDENT DOES NOT SIGN FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR. THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (2)(c)(I) HAS OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. IF THE CONDITION SPECIFIED IN THIS SUBSECTION (2)(c)(I) OCCURS, THIS SUBSECTION (2) TAKES EFFECT ON JANUARY 1, 2026.

(II) THIS SUBSECTION (2) WILL BE REPEALED IF, ON OR BEFORE DECEMBER 31, 2025, THE UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR WITH AT LEAST THE SAME ELIGIBILITY AND IN THE SAME AMOUNT AS AUTHORIZED BY THE AMENDMENTS TO THE PREMIUM TAX CREDIT IN THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AND THE FEDERAL "INFLATION REDUCTION ACT OF 2022", PUB.L. 117-169, 136 STAT. 1818 (2022). THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (2)(c)(II) HAS OCCURRED AND OF THE DATE ON WHICH THE CONDITION OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. THIS SUBSECTION (2) IS REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE THAT THE CONDITION SPECIFIED IN THIS SUBSECTION (2)(c)(II) OCCURRED OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

SECTION 10. In Colorado Revised Statutes, 24-36-501 **as added by House Bill 25B-1004, amend** (2) as follows:

24-36-501. Legislative declaration - tax preference performance statement. (2) (a) In accordance with section 39-21-304 (1), which requires each bill that creates a new tax expenditure to include a tax preference performance statement as part of a statutory legislative declaration, the general assembly further finds and declares that the general purposes of the tax credits provided for in this part 5 are to induce certain designated behavior by taxpayers and provide a reduction in income tax liability for certain businesses. Specifically, this tax expenditure is intended to induce C corporations to purchase tax credits that will reduce their future income tax liability in order to

generate money for THE HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1) AND the general fund.

(b) The general assembly and the state auditor shall measure the effectiveness of the tax credits in achieving the purposes specified in subsection (2)(a) of this section based on the number and value of the credits claimed and the total amount of ~~general fund~~ money generated FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND AND THE GENERAL FUND. The department of revenue shall provide the state auditor with information regarding the total amount of credits claimed and the ~~general fund~~ AMOUNT OF money generated FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND AND THE GENERAL FUND.

SECTION 11. In Colorado Revised Statutes, 24-36-502 **as added by House Bill 25B-1004, amend** (6) as follows:

24-36-502. Definitions. As used in this part 5, unless the context otherwise requires:

(6) "Tax credit sale proceeds" or "sale proceeds" means the money or other liquid asset acceptable to the state treasurer that a qualified taxpayer pays to the department that is deposited ~~in the general fund~~ AS SPECIFIED IN SECTION 24-36-406.

SECTION 12. In Colorado Revised Statutes, 24-36-503 **as added by House Bill 25B-1004, amend** (2)(a) and (8) as follows:

24-36-503. Corporate tax credits - purchase - authorization to issue - terms - report. (2) (a) (I) The department is authorized to issue tax credit certificates to qualified taxpayers pursuant to this part 5 and part 4 of this article 36 equal to the lesser of a total face value of up to one hundred twenty-five million dollars and any reasonable and necessary administrative, monitoring, and closing costs using ~~sales~~ SALE proceeds or total ~~sales~~ SALE proceeds of up to one hundred million dollars.

(II) (A) IN ADDITION TO THE TAX CREDIT CERTIFICATES AUTHORIZED IN SUBSECTION (2)(a)(I) OF THIS SECTION, THE DEPARTMENT IS AUTHORIZED TO ISSUE TAX CREDIT CERTIFICATES TO QUALIFIED TAXPAYERS PURSUANT TO THIS PART 5 AND PART 4 OF THIS ARTICLE 36 EQUAL TO THE LESSER OF A TOTAL FACE VALUE OF UP TO ONE HUNDRED TWENTY-FIVE MILLION DOLLARS AND ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING SALE PROCEEDS OR TOTAL SALE PROCEEDS OF UP TO ONE HUNDRED MILLION DOLLARS.

(B) THIS SUBSECTION (2)(a)(II) TAKES EFFECT ON JANUARY 1, 2026, ONLY IF THE CONDITION SPECIFIED IN SECTION 10-16-1209 (1) OCCURS.

(8) The tax credit sale proceeds provided by a qualified taxpayer in return for a tax credit certificate must be deposited ~~in the general fund~~ AS SPECIFIED IN SECTION 24-36-406.

SECTION 13. In Colorado Revised Statutes, **add** parts 4 and 5 to article 36 of title 24 as follows:

PART 4

SALE OF INSURANCE PREMIUM TAX CREDITS

24-36-401. Legislative declaration - tax preference performance statement. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) THE INSURANCE PREMIUM TAX CREDITS AUTHORIZED BY THIS PART 4 ARE NOT REFUNDABLE AND DO NOT IMPOSE AN OBLIGATION OF PAYMENT IN ANY FUTURE YEAR ON THE STATE;

(b) THE USE OF PROCEEDS FROM THE SALE OF INSURANCE PREMIUM TAX CREDITS DOES NOT REQUIRE THE STATE TO BORROW MONEY, EXTEND OR PLEDGE THE STATE'S CREDIT, OR OBLIGATE THE STATE TO MAKE FUTURE PAYMENTS FROM STATE REVENUE;

(c) THE SALE AND USE OF THE TAX CREDITS SHALL NOT BE DEEMED OR CONSTRUED AS CREATING INDEBTEDNESS OR ANY OTHER FINANCIAL OBLIGATION WHATSOEVER WITHIN THE MEANING OF ANY PROVISION OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS OR OTHER FINANCIAL OBLIGATION BY THE STATE;

(d) THE TAX CREDITS ALLOW AN INSURANCE COMPANY WITH AN INSURANCE PREMIUM TAX LIABILITY TO PREPAY ITS TAX LIABILITY FOR FUTURE YEARS, WHICH DOES NOT CONSTITUTE A TAX POLICY CHANGE UNDER SECTION 20 (4)(a) OF ARTICLE X OF THE STATE CONSTITUTION; AND

(e) ANY PROCEEDS FROM THE SALE OF THE TAX CREDITS WILL BE OFFSET BY DECREASES IN FUTURE REVENUE RESULTING FROM THE BUYER'S USE OF THE TAX CREDITS AND THEREFORE WILL NOT CAUSE A NET TAX REVENUE GAIN

UNDER SECTION 20 (4)(a) OF ARTICLE X OF THE STATE CONSTITUTION.

(2) (a) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT THE GENERAL PURPOSES OF THE TAX CREDITS PROVIDED FOR IN THIS PART 4 ARE TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS AND PROVIDE A REDUCTION IN INSURANCE PREMIUM TAX LIABILITY FOR CERTAIN BUSINESSES. SPECIFICALLY, THIS TAX EXPENDITURE IS INTENDED TO INDUCE INSURANCE COMPANIES TO PURCHASE TAX CREDITS THAT WILL REDUCE THEIR FUTURE INSURANCE PREMIUM TAX LIABILITY IN ORDER TO GENERATE MONEY FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND.

(b) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL MEASURE THE EFFECTIVENESS OF THE TAX CREDITS IN ACHIEVING THE PURPOSES SPECIFIED IN SUBSECTION (2)(a) OF THIS SECTION BASED ON THE NUMBER AND VALUE OF THE CREDITS CLAIMED AND THE TOTAL AMOUNT OF MONEY GENERATED AND ALLOCATED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND. THE DIVISION OF INSURANCE SHALL PROVIDE THE STATE AUDITOR WITH INFORMATION REGARDING THE TOTAL AMOUNT OF CREDITS CLAIMED AND THE MONEY ALLOCATED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND.

24-36-402. Definitions. AS USED IN THIS PART 4, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF THE TREASURY.

(2) "DIVISION OF INSURANCE" MEANS THE DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES CREATED IN SECTION 10-1-103.

(3) "HEALTH INSURANCE AFFORDABILITY CASH FUND" MEANS THE HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1).

(4) "PREMIUM TAX LIABILITY" MEANS THE LIABILITY IMPOSED BY SECTION 10-3-209 OR 10-6-128, OR, IN THE CASE OF A REPEAL OR REDUCTION BY THE STATE OF THE LIABILITY IMPOSED BY SECTION 10-3-209 OR 10-6-128, ANY OTHER TAX LIABILITY IMPOSED UPON AN INSURANCE COMPANY BY THE STATE.

(5) "QUALIFIED TAXPAYER" MEANS AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO THAT HAS PREMIUM TAX LIABILITY OWING TO THE STATE AND THAT PURCHASES A TAX CREDIT UNDER THIS PART 4. "QUALIFIED TAXPAYER" ALSO INCLUDES AN INSURANCE COMPANY THAT RECEIVES OR ASSUMES A TAX CREDIT TRANSFERRED IN ACCORDANCE WITH SECTION 24-36-403 (7)(e) OR 24-36-404 (5).

(6) "TAX CREDIT" MEANS THE TAX CREDIT CREATED IN SECTION 24-36-403.

(7) "TAX CREDIT SALE PROCEEDS" OR "SALE PROCEEDS" MEANS THE MONEY OR OTHER LIQUID ASSET ACCEPTABLE TO THE STATE TREASURER THAT A QUALIFIED TAXPAYER PAYS TO THE DEPARTMENT THAT IS DEPOSITED AS SPECIFIED IN SECTION 24-36-406.

24-36-403. Insurance premium tax credits - purchase - authorization to issue - terms - report. (1) A QUALIFIED TAXPAYER MAY PURCHASE INSURANCE PREMIUM TAX CREDITS FROM THE DEPARTMENT IN ACCORDANCE WITH THIS SECTION AND MAY APPLY THE TAX CREDITS AGAINST ITS PREMIUM TAX LIABILITY IN ACCORDANCE WITH SECTION 24-36-404.

(2) (a) THE DEPARTMENT IS AUTHORIZED TO ISSUE TAX CREDIT CERTIFICATES TO QUALIFIED TAXPAYERS PURSUANT TO THIS PART 4 AND PART 5 OF THIS ARTICLE 36 EQUAL TO THE LESSER OF A TOTAL FACE VALUE OF UP TO ONE HUNDRED TWENTY-FIVE MILLION DOLLARS AND ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING SALE PROCEEDS OR TOTAL SALE PROCEEDS OF UP TO ONE HUNDRED MILLION DOLLARS.

(b) THE DEPARTMENT MAY CONTRACT WITH AN INDEPENDENT THIRD PARTY TO CONDUCT OR CONSULT ON A BIDDING PROCESS AMONG QUALIFIED TAXPAYERS TO PURCHASE THE TAX CREDITS.

(c) THE DEPARTMENT SHALL CONSULT WITH INSURANCE COMPANIES IN ADVANCE OF ISSUING ANY TAX CREDITS IN ACCORDANCE WITH THIS SECTION.

(3) AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO SEEKING TO PURCHASE TAX CREDITS MUST APPLY TO THE DEPARTMENT IN THE MANNER PRESCRIBED BY THE DEPARTMENT.

(4) USING PROCEDURES ADOPTED BY THE DEPARTMENT OR, IF APPLICABLE, BY AN INDEPENDENT THIRD PARTY, EACH INSURANCE COMPANY THAT SUBMITS AN APPLICATION SHALL MAKE A TIMELY AND IRREVOCABLE OFFER, CONTINGENT ONLY ON THE DEPARTMENT'S ISSUANCE TO THE INSURANCE

COMPANY OF THE TAX CREDIT CERTIFICATES, TO MAKE A SPECIFIED PURCHASE PAYMENT AMOUNT TO THE DEPARTMENT ON DATES SPECIFIED BY THE DEPARTMENT, WHICH MUST NOT BURDEN ANY SINGLE TAX YEAR. THE OFFER MUST INCLUDE:

(a) THE REQUESTED AMOUNT OF TAX CREDITS, WHICH MUST NOT BE LESS THAN ANY MINIMUM AMOUNT ESTABLISHED IN PROCEDURES BY THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT THIRD PARTY;

(b) THE QUALIFIED TAXPAYER'S PROPOSED TAX CREDIT PURCHASE AMOUNT FOR EACH TAX CREDIT DOLLAR REQUESTED. THE MINIMUM PROPOSED TAX CREDIT PURCHASE AMOUNT MUST BE THE GREATER OF EITHER:

(I) THE PERCENTAGE OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS THAT THE DEPARTMENT AND, IF APPLICABLE, THE INDEPENDENT THIRD PARTY DETERMINES TO BE CONSISTENT WITH MARKET CONDITIONS AS OF THE OFFER DATE; OR

(II) EIGHTY PERCENT OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS; AND

(c) ANY OTHER INFORMATION THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT THIRD PARTY REQUIRES.

(5) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO EACH INSURANCE COMPANY THAT SUBMITS AN APPLICATION INDICATING WHETHER THE INSURANCE COMPANY HAS BEEN APPROVED AS A PURCHASER OF TAX CREDITS AND, IF SO, THE AMOUNT OF TAX CREDITS ALLOCATED AND THE DATE BY WHICH PAYMENT OF THE TAX CREDIT SALE PROCEEDS MUST BE MADE.

(6) ON RECEIPT OF PAYMENT OF THE SALE PROCEEDS, THE DEPARTMENT SHALL ISSUE TO EACH QUALIFIED TAXPAYER A TAX CREDIT CERTIFICATE. THE TAX CREDIT CERTIFICATE MUST STATE:

(a) THE TOTAL AMOUNT OF PREMIUM TAX CREDITS THAT THE QUALIFIED TAXPAYER MAY CLAIM;

(b) THE AMOUNT THAT THE QUALIFIED TAXPAYER HAS PAID OR AGREED TO PAY IN RETURN FOR THE ISSUANCE OF THE TAX CREDIT CERTIFICATES AND THE DATE OF THE PAYMENT;

(c) THE DATES ON WHICH THE TAX CREDITS WILL BE AVAILABLE FOR USE BY THE QUALIFIED TAXPAYER;

(d) ANY PENALTIES OR OTHER REMEDIES FOR NONCOMPLIANCE;

(e) THE PROCEDURES TO BE USED FOR TRANSFERRING OR ASSUMING THE TAX CREDITS IN ACCORDANCE WITH SUBSECTION (7)(e) OF THIS SECTION OR SECTION 24-36-404 (5);

(f) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE; AND

(g) ANY OTHER REQUIREMENTS DEEMED NECESSARY BY THE DEPARTMENT AS A CONDITION OF ISSUING THE TAX CREDIT CERTIFICATE.

(7) (a) THE DEPARTMENT SHALL NOT ISSUE A TAX CREDIT CERTIFICATE TO ANY QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES.

(b) A QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES IS SUBJECT TO A PENALTY EQUAL TO TEN PERCENT OF THE AMOUNT OF THE PURCHASE PRICE THAT REMAINS UNPAID. THE PENALTY MUST BE PAID TO THE DEPARTMENT WITHIN THIRTY DAYS AFTER DEMAND.

(c) THE DEPARTMENT MAY OFFER TO REALLOCATE THE DEFAULTED TAX CREDITS AMONG OTHER QUALIFIED TAXPAYERS, SO THAT THE RESULT AFTER REALLOCATION IS THE SAME AS IF THE INITIAL ALLOCATION HAD BEEN PERFORMED WITHOUT CONSIDERING THE TAX CREDIT ALLOCATION TO THE DEFAULTING QUALIFIED TAXPAYER.

(d) IF THE REALLOCATION OF TAX CREDITS UNDER SUBSECTION (7)(c) OF THIS SECTION RESULTS IN THE PAYMENT BY ANOTHER QUALIFIED TAXPAYER OF THE AMOUNT OF TAX CREDIT SALE PROCEEDS NOT PAID BY THE DEFAULTING QUALIFIED TAXPAYER, THE DEPARTMENT MAY WAIVE THE PENALTY IMPOSED UNDER SUBSECTION (7)(b) OF THIS SECTION.

(e) A QUALIFIED TAXPAYER THAT FAILS TO PAY THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME SPECIFIED MAY AVOID THE IMPOSITION OF THE PENALTY BY TRANSFERRING THE ALLOCATION OF TAX CREDITS TO A NEW OR EXISTING QUALIFIED TAXPAYER WITHIN THIRTY DAYS AFTER THE DUE DATE OF THE DEFAULTED INSTALLMENT. ANY TRANSFEREE OF AN ALLOCATION OF TAX CREDITS OF A DEFAULTING QUALIFIED TAXPAYER UNDER THIS SUBSECTION (7) SHALL AGREE TO PAY THE TAX CREDIT SALE PROCEEDS WITHIN FIVE DAYS AFTER THE DATE OF THE TRANSFER.

(8) THE TAX CREDIT SALE PROCEEDS PROVIDED BY A QUALIFIED

TAXPAYER IN RETURN FOR A TAX CREDIT CERTIFICATE ISSUED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION MUST BE DEPOSITED AS SPECIFIED IN SECTION 24-36-406.

(9) (a) THE DEPARTMENT SHALL PROVIDE, WITHIN THIRTY DAYS AFTER THE CLOSE OF THE FISCAL YEAR, A DATA FILE TO THE DIVISION OF INSURANCE AND THE DEPARTMENT OF REVENUE FOR EACH FISCAL YEAR IN WHICH IT ISSUES TAX CREDIT CERTIFICATES PURSUANT TO THIS PART 4. THE DATA FILE MUST INCLUDE:

(I) THE NAME AND IDENTIFYING NUMBER ISSUED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, OR ANY SUCCESSOR ORGANIZATION, OF EACH QUALIFIED TAXPAYER TO WHICH THE DEPARTMENT ISSUED A TAX CREDIT CERTIFICATE;

(II) THE TOTAL AMOUNT OF THE TAX CREDIT ALLOCATED TO THE QUALIFIED TAXPAYER; AND

(III) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE ISSUED TO THE QUALIFIED TAXPAYER.

(b) THE DEPARTMENT SHALL MAINTAIN RECORDS OF EACH TAX CREDIT CERTIFICATE ISSUED, TRANSFERRED, OR ASSUMED THAT ARE SUFFICIENT TO ALLOW THE DEPARTMENT OF REVENUE OR THE DIVISION OF INSURANCE TO VERIFY THE ISSUANCE AND OWNERSHIP OF THE CREDIT. THE DEPARTMENT SHALL PROVIDE THE RECORDS TO THE OFFICE OF THE STATE AUDITOR UPON REQUEST SO THAT THE STATE AUDITOR CAN EVALUATE THE EFFECTIVENESS OF THE TAX CREDITS IN ACCORDANCE WITH SECTIONS 24-36-401 (2)(b) AND 39-21-305.

(10) THE DEPARTMENT MAY PAY AN INDEPENDENT THIRD PARTY AND ANY CONSULTANTS REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING THE PROCEEDS FROM THE SALE OF TAX CREDITS.

24-36-404. Use of insurance premium tax credits - carry over. (1) FOR A TAX CREDIT CERTIFICATE ISSUED IN FISCAL YEAR 2025-26, THE DEPARTMENT, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, PRIOR TO THE SALE, MAY DETERMINE THE CALENDAR YEARS IN WHICH THE QUALIFIED TAXPAYER MAY CLAIM THE QUALIFIED TAXPAYER'S TAX CREDIT AGAINST THE QUALIFIED TAXPAYER'S PREMIUM TAX LIABILITY.

(2) THE TOTAL CREDIT TO BE APPLIED BY A QUALIFIED TAXPAYER IN ANY ONE YEAR MUST NOT EXCEED THE PREMIUM TAX LIABILITY OF THE QUALIFIED TAXPAYER FOR THE TAXABLE YEAR. IF THE QUALIFIED TAXPAYER CANNOT USE THE ENTIRE AMOUNT OF THE TAX CREDIT FOR THE TAXABLE YEAR IN WHICH THE TAXPAYER IS ELIGIBLE FOR THE CREDIT, THE EXCESS MAY BE CARRIED OVER TO SUCCEEDING TAXABLE YEARS AND USED AS A CREDIT AGAINST THE PREMIUM TAX LIABILITY OF THE TAXPAYER FOR THOSE TAXABLE YEARS; EXCEPT THAT THE CREDIT MAY NOT BE CARRIED OVER TO ANY TAXABLE YEAR THAT BEGINS AFTER DECEMBER 31, 2033. ANY AMOUNT OF THE CREDIT THAT IS NOT TIMELY CLAIMED EXPIRES AND IS NOT REFUNDABLE.

(3) A QUALIFIED TAXPAYER CLAIMING A CREDIT UNDER THIS PART 4 SHALL SUBMIT THE TAX CREDIT CERTIFICATE WITH ITS TAX RETURN.

(4) A QUALIFIED TAXPAYER CLAIMING A TAX CREDIT UNDER THIS PART 4 SHALL NOT BE REQUIRED TO PAY ANY ADDITIONAL OR RETALIATORY TAX AS A RESULT OF CLAIMING THE CREDIT.

(5) IF A QUALIFIED TAXPAYER HOLDING AN UNCLAIMED TAX CREDIT IS PART OF A MERGER, ACQUISITION, OR LINE OF BUSINESS DIVESTITURE TRANSACTION, THE TAX CREDIT MAY BE TRANSFERRED TO AND ASSUMED BY THE RESULTING ENTITY IF THE RESULTING ENTITY IS AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO THAT HAS PREMIUM TAX LIABILITY. THE QUALIFIED TAXPAYER THAT ORIGINALLY PURCHASED THE CREDIT AND THE RESULTING ENTITY SHALL NOTIFY THE DEPARTMENT IN WRITING OF THE TRANSFER OR ASSUMPTION OF THE CREDIT IN ACCORDANCE WITH PROCEDURES ADOPTED BY THE DEPARTMENT. THE TRANSFER OR ASSUMPTION OF THE TAX CREDIT DOES NOT AFFECT THE TIME SCHEDULE FOR CLAIMING THE TAX CREDIT AS PROVIDED IN THIS SECTION.

(6) THE DEPARTMENT SHALL PROVIDE A REPORT TO THE DIVISION OF INSURANCE FOR EACH FISCAL YEAR IN WHICH IT ISSUES TAX CREDIT CERTIFICATES PURSUANT TO THIS PART 4 WITHIN THIRTY DAYS AFTER THE CLOSE OF THE FISCAL YEAR. THE REPORT MUST INCLUDE:

(a) THE NAME AND IDENTIFYING NUMBER ISSUED BY THE NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS, OR ANY SUCCESSOR ORGANIZATION, OF EACH QUALIFIED TAXPAYER TO WHICH THE DEPARTMENT

ISSUED A TAX CREDIT CERTIFICATE;

(b) THE TOTAL AMOUNT OF THE TAX CREDIT ALLOCATED TO THE QUALIFIED TAXPAYER; AND

(c) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE ISSUED, TRANSFERRED, OR ASSUMED THAT IS SUFFICIENT TO ALLOW THE DIVISION OF INSURANCE TO VERIFY THE ISSUANCE AND OWNERSHIP OF THE TAX CREDIT.

24-36-405. Tax credit sale proceeds cash fund - creation. (1) THE TAX CREDIT SALE PROCEEDS CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY GENERATED BY SALE PROCEEDS CREDITED TO THE FUND PURSUANT TO SECTION 24-36-406 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

(2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE TAX CREDIT SALE PROCEEDS CASH FUND TO THE FUND.

(3) THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE TAX CREDIT SALE PROCEEDS CASH FUND AT THE END OF A FISCAL YEAR TO THE GENERAL FUND.

(4) (a) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY FROM THE FUND FOR ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS ASSOCIATED WITH IMPLEMENTING AND ADMINISTERING PARTS 4 AND 5 OF THIS ARTICLE 36.

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT OF REVENUE MAY EXPEND MONEY FROM THE FUND FOR DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING AND ADMINISTERING PARTS 4 AND 5 OF THIS ARTICLE 36.

24-36-406. Distribution of sale proceeds. (1) EACH MONTH, THE STATE TREASURER SHALL CREDIT THE MONEY GENERATED BY THE SALE PROCEEDS PURSUANT TO PARTS 4 AND 5 OF THIS ARTICLE 36 AS FOLLOWS:

(a) AN AMOUNT EQUAL TO THE MONTHLY EXPENSES DESCRIBED IN SECTION 24-36-405 (4) TO THE TAX CREDIT SALE PROCEEDS CASH FUND;

(b) THE REMAINDER TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND; EXCEPT THAT THE AMOUNT CREDITED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND SHALL NOT EXCEED ONE HUNDRED MILLION DOLLARS; AND

(c) AFTER THE AMOUNT SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION HAS BEEN CREDITED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND, THEN THE REMAINDER TO THE TAX CREDIT SALE PROCEEDS CASH FUND.

(2) THE DEPARTMENT SHALL TRANSFER THE MONEY IN THE TAX CREDIT SALE PROCEEDS CASH FUND, LESS ANY AMOUNTS USED FOR THE EXPENSES DESCRIBED IN SECTION 24-36-405 (4), TO THE GENERAL FUND.

24-36-407. Part contingent on condition - repeal of part - notice to the revisor. (1) THIS PART 4 WILL TAKE EFFECT ONLY IF, BY DECEMBER 31, 2025, THE UNITED STATES CONGRESS DOES NOT ENACT AND THE PRESIDENT DOES NOT SIGN FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR. THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (1) HAS OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. IF THE CONDITION SPECIFIED IN THIS SUBSECTION (1) OCCURS, THIS PART 4 TAKES EFFECT ON JANUARY 1, 2026.

(2) THIS PART 4 WILL BE REPEALED IF, ON OR BEFORE DECEMBER 31, 2025, THE UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR WITH AT LEAST THE SAME ELIGIBILITY AND IN THE SAME AMOUNT AS AUTHORIZED BY THE AMENDMENTS TO THE PREMIUM TAX CREDIT IN THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AND THE FEDERAL "INFLATION REDUCTION ACT OF 2022", PUB.L. 117-169, 136 STAT. 1818 (2022). THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (2) HAS OCCURRED AND OF THE DATE ON WHICH THE CONDITION OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. THIS PART 4 IS REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE THAT THE CONDITION SPECIFIED IN THIS SUBSECTION (2) OCCURRED OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

(3) THIS PART 4 IS REPEALED, EFFECTIVE DECEMBER 31, 2040.

PART 5
SALE OF CORPORATE TAX CREDITS

24-36-501. Legislative declaration - tax preference performance statement. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) THE CORPORATE TAX CREDITS AUTHORIZED BY THIS PART 5 ARE NOT REFUNDABLE AND DO NOT IMPOSE AN OBLIGATION OF PAYMENT IN ANY FUTURE YEAR ON THE STATE;

(b) THE USE OF PROCEEDS FROM THE SALE OF CORPORATE TAX CREDITS DOES NOT REQUIRE THE STATE TO BORROW MONEY, EXTEND OR PLEDGE THE STATE'S CREDIT, OR OBLIGATE THE STATE TO MAKE FUTURE PAYMENTS FROM STATE REVENUE;

(c) THE SALE AND USE OF THE CORPORATE TAX CREDITS SHALL NOT BE DEEMED OR CONSTRUED AS CREATING INDEBTEDNESS OR ANY OTHER FINANCIAL OBLIGATION WHATSOEVER WITHIN THE MEANING OF ANY PROVISION OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS OR OTHER FINANCIAL OBLIGATION BY THE STATE;

(d) THE TAX CREDITS ALLOW A CORPORATION WITH AN INCOME TAX LIABILITY TO PREPAY ITS TAX LIABILITY FOR FUTURE YEARS, WHICH DOES NOT CONSTITUTE A TAX POLICY CHANGE UNDER SECTION 20 (4)(a) OF ARTICLE X OF THE STATE CONSTITUTION; AND

(e) ANY PROCEEDS FROM THE SALE OF THE TAX CREDITS WILL BE OFFSET BY DECREASES IN FUTURE REVENUE RESULTING FROM THE BUYER'S USE OF THE TAX CREDITS AND THEREFORE WILL NOT CAUSE A NET TAX REVENUE GAIN UNDER SECTION 20 (4)(a) OF ARTICLE X OF THE STATE CONSTITUTION.

(2) (a) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT THE GENERAL PURPOSES OF THE TAX CREDITS PROVIDED FOR IN THIS PART 5 ARE TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS AND PROVIDE A REDUCTION IN INCOME TAX LIABILITY FOR CERTAIN BUSINESSES. SPECIFICALLY, THIS TAX EXPENDITURE IS INTENDED TO INDUCE C CORPORATIONS TO PURCHASE TAX CREDITS THAT WILL REDUCE THEIR FUTURE INCOME TAX LIABILITY IN ORDER TO GENERATE MONEY FOR THE HEALTH INSURANCE AFFORDABILITY CASH FUND.

(b) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL MEASURE THE EFFECTIVENESS OF THE TAX CREDITS IN ACHIEVING THE PURPOSES SPECIFIED IN SUBSECTION (2)(a) OF THIS SECTION BASED ON THE NUMBER AND VALUE OF THE CREDITS CLAIMED AND THE TOTAL AMOUNT OF MONEY GENERATED AND ALLOCATED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND. THE DEPARTMENT OF REVENUE SHALL PROVIDE THE STATE AUDITOR WITH INFORMATION REGARDING THE TOTAL AMOUNT OF CREDITS CLAIMED AND THE MONEY ALLOCATED TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND.

24-36-502. Definitions. AS USED IN THIS PART 5, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "C CORPORATION" HAS THE SAME MEANING AS IN SECTION 39-22-103 (2.5).

(2) "DEPARTMENT" MEANS THE DEPARTMENT OF THE TREASURY.

(3) "HEALTH INSURANCE AFFORDABILITY CASH FUND" MEANS THE HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1).

(4) "INCOME TAX LIABILITY" MEANS THE LIABILITY IMPOSED BY SECTION 39-22-301.

(5) "QUALIFIED TAXPAYER" MEANS A C CORPORATION AUTHORIZED TO DO BUSINESS IN COLORADO THAT HAS OR WILL HAVE AN INCOME TAX LIABILITY OWING TO THE STATE. "QUALIFIED TAXPAYER" ALSO INCLUDES A C CORPORATION THAT RECEIVES OR ASSUMES A TAX CREDIT TRANSFERRED IN ACCORDANCE WITH SECTION 26-36-503 (7)(e).

(6) "TAX CREDIT" MEANS THE TAX CREDIT CREATED IN SECTION 24-36-503.

(7) "TAX CREDIT SALE PROCEEDS" OR "SALE PROCEEDS" MEANS THE MONEY OR OTHER LIQUID ASSET ACCEPTABLE TO THE STATE TREASURER THAT A QUALIFIED TAXPAYER PAYS TO THE DEPARTMENT THAT IS CREDITED AS SPECIFIED IN SECTION 24-36-406.

24-36-503. Corporate tax credits - purchase - authorization to issue - terms - report. (1) A QUALIFIED TAXPAYER MAY PURCHASE INCOME TAX

CREDITS FROM THE DEPARTMENT IN ACCORDANCE WITH THIS SECTION AND MAY APPLY THE TAX CREDITS AGAINST ITS INCOME TAX LIABILITY IN ACCORDANCE WITH SECTION 24-36-504.

(2) (a) THE DEPARTMENT IS AUTHORIZED TO ISSUE TAX CREDIT CERTIFICATES TO QUALIFIED TAXPAYERS PURSUANT TO THIS PART 5 AND PART 4 OF THIS ARTICLE 36 EQUAL TO THE LESSER OF A TOTAL FACE VALUE OF UP TO ONE HUNDRED TWENTY-FIVE MILLION DOLLARS AND ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING SALES PROCEEDS OR TOTAL SALES PROCEEDS OF UP TO ONE HUNDRED MILLION DOLLARS.

(b) THE DEPARTMENT MAY CONTRACT WITH AN INDEPENDENT THIRD PARTY TO CONDUCT OR CONSULT ON A BIDDING PROCESS AMONG QUALIFIED TAXPAYERS TO PURCHASE THE TAX CREDITS.

(c) THE DEPARTMENT SHALL CONSULT WITH C CORPORATIONS IN ADVANCE OF ISSUING ANY TAX CREDITS IN ACCORDANCE WITH THIS SECTION.

(3) A C CORPORATION AUTHORIZED TO DO BUSINESS IN COLORADO SEEKING TO PURCHASE TAX CREDITS MUST APPLY TO THE DEPARTMENT IN THE MANNER PRESCRIBED BY THE DEPARTMENT.

(4) USING PROCEDURES ADOPTED BY THE DEPARTMENT OR, IF APPLICABLE, BY AN INDEPENDENT THIRD PARTY, EACH C CORPORATION THAT SUBMITS AN APPLICATION SHALL MAKE A TIMELY AND IRREVOCABLE OFFER, CONTINGENT ONLY ON THE DEPARTMENT'S ISSUANCE TO THE C CORPORATION OF THE TAX CREDIT CERTIFICATES, TO MAKE A SPECIFIED PURCHASE PAYMENT AMOUNT TO THE DEPARTMENT ON DATES SPECIFIED BY THE DEPARTMENT, WHICH MUST NOT BURDEN ANY SINGLE TAX YEAR. THE OFFER MUST INCLUDE:

(a) THE REQUESTED AMOUNT OF TAX CREDITS, WHICH MUST NOT BE LESS THAN ANY MINIMUM AMOUNT ESTABLISHED IN PROCEDURES BY THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT THIRD PARTY;

(b) THE QUALIFIED TAXPAYER'S PROPOSED TAX CREDIT PURCHASE AMOUNT FOR EACH TAX CREDIT DOLLAR REQUESTED. THE MINIMUM PROPOSED TAX CREDIT PURCHASE AMOUNT MUST BE THE GREATER OF EITHER:

(I) THE PERCENTAGE OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS THAT THE DEPARTMENT AND, IF APPLICABLE, THE INDEPENDENT THIRD PARTY DETERMINES TO BE CONSISTENT WITH MARKET CONDITIONS AS OF THE OFFER DATE; OR

(II) EIGHTY PERCENT OF THE REQUESTED DOLLAR AMOUNT OF TAX CREDITS; AND

(c) ANY OTHER INFORMATION THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT THIRD PARTY REQUIRES.

(5) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO EACH C CORPORATION THAT SUBMITS AN APPLICATION INDICATING WHETHER THE C CORPORATION HAS BEEN APPROVED AS A PURCHASER OF TAX CREDITS AND, IF SO, THE AMOUNT OF TAX CREDITS ALLOCATED AND THE DATE BY WHICH PAYMENT OF THE TAX CREDIT SALE PROCEEDS MUST BE MADE.

(6) ON RECEIPT OF PAYMENT OF THE SALE PROCEEDS, THE DEPARTMENT SHALL ISSUE TO EACH QUALIFIED TAXPAYER A TAX CREDIT CERTIFICATE. THE TAX CREDIT CERTIFICATE MUST STATE:

(a) THE TOTAL AMOUNT OF INCOME TAX CREDITS THAT THE QUALIFIED TAXPAYER MAY CLAIM;

(b) THE AMOUNT THAT THE QUALIFIED TAXPAYER HAS PAID FOR THE ISSUANCE OF THE TAX CREDIT CERTIFICATES AND THE DATE OF THE PAYMENT;

(c) THE DATES ON WHICH THE TAX CREDITS WILL BE AVAILABLE FOR USE BY THE QUALIFIED TAXPAYER;

(d) ANY PENALTIES OR OTHER REMEDIES FOR NONCOMPLIANCE;

(e) THE PROCEDURES TO BE USED FOR TRANSFERRING OR ASSUMING THE TAX CREDITS IN ACCORDANCE WITH SUBSECTION (7)(e) OF THIS SECTION;

(f) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE; AND

(g) ANY OTHER REQUIREMENTS DEEMED NECESSARY BY THE DEPARTMENT AS A CONDITION OF ISSUING THE TAX CREDIT CERTIFICATE.

(7) (a) THE DEPARTMENT SHALL NOT ISSUE A TAX CREDIT CERTIFICATE TO ANY QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES.

(b) A QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES IS SUBJECT TO A PENALTY EQUAL TO TEN PERCENT OF THE AMOUNT OF THE PURCHASE PRICE THAT REMAINS UNPAID. THE PENALTY MUST BE PAID TO THE DEPARTMENT WITHIN THIRTY DAYS AFTER DEMAND.

(c) THE DEPARTMENT MAY OFFER TO REALLOCATE THE DEFAULTED TAX CREDITS AMONG OTHER QUALIFIED TAXPAYERS SO THAT THE RESULT AFTER REALLOCATION IS THE SAME AS IF THE INITIAL ALLOCATION HAD BEEN PERFORMED WITHOUT CONSIDERING THE TAX CREDIT ALLOCATION TO THE DEFAULTING QUALIFIED TAXPAYER.

(d) IF THE REALLOCATION OF TAX CREDITS UNDER SUBSECTION (7)(c) OF THIS SECTION RESULTS IN THE PAYMENT BY ANOTHER QUALIFIED TAXPAYER OF THE AMOUNT OF TAX CREDIT SALE PROCEEDS NOT PAID BY THE DEFAULTING QUALIFIED TAXPAYER, THE DEPARTMENT MAY WAIVE THE PENALTY IMPOSED UNDER SUBSECTION (7)(b) OF THIS SECTION.

(e) A QUALIFIED TAXPAYER THAT FAILS TO PAY THE TAX CREDIT SALE PROCEEDS WITHIN THE TIME SPECIFIED MAY AVOID THE IMPOSITION OF THE PENALTY BY TRANSFERRING THE ALLOCATION OF TAX CREDITS TO A NEW OR EXISTING QUALIFIED TAXPAYER WITHIN THIRTY DAYS AFTER THE DUE DATE OF THE DEFAULTED INSTALLMENT. ANY TRANSFEREE OF AN ALLOCATION OF TAX CREDITS OF A DEFAULTING QUALIFIED TAXPAYER UNDER THIS SUBSECTION (7) SHALL AGREE TO PAY THE TAX CREDIT SALE PROCEEDS WITHIN FIVE DAYS AFTER THE DATE OF THE TRANSFER.

(8) THE TAX CREDIT SALE PROCEEDS PROVIDED BY A QUALIFIED TAXPAYER IN RETURN FOR A TAX CREDIT CERTIFICATE ISSUED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION MUST BE CREDITED AS SPECIFIED IN SECTION 24-36-406.

(9) (a) THE DEPARTMENT SHALL PROVIDE, WITHIN THIRTY DAYS AFTER THE CLOSE OF THE FISCAL YEAR, A DATA FILE TO THE DEPARTMENT OF REVENUE FOR EACH FISCAL YEAR IN WHICH IT ISSUES TAX CREDIT CERTIFICATES PURSUANT TO THIS PART 5. THE DATA FILE MUST INCLUDE:

(I) THE NAME AND FEDERAL EMPLOYER IDENTIFICATION NUMBER OF EACH QUALIFIED TAXPAYER TO WHICH THE DEPARTMENT ISSUED A TAX CREDIT CERTIFICATE;

(II) THE TOTAL AMOUNT OF THE TAX CREDIT ALLOCATED TO THE QUALIFIED TAXPAYER; AND

(III) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE ISSUED TO THE QUALIFIED TAXPAYER.

(b) THE DEPARTMENT SHALL MAINTAIN RECORDS OF EACH TAX CREDIT CERTIFICATE ISSUED, TRANSFERRED, OR ASSUMED THAT ARE SUFFICIENT TO ALLOW THE DEPARTMENT OF REVENUE TO VERIFY THE ISSUANCE AND OWNERSHIP OF THE CREDIT. THE DEPARTMENT SHALL PROVIDE THE RECORDS TO THE OFFICE OF THE STATE AUDITOR UPON REQUEST SO THAT THE STATE AUDITOR CAN EVALUATE THE EFFECTIVENESS OF THE TAX CREDITS IN ACCORDANCE WITH SECTIONS 24-36-501 (2)(b) AND 39-21-305.

(10) THE DEPARTMENT MAY PAY AN INDEPENDENT THIRD PARTY AND ANY CONSULTANTS REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS USING THE PROCEEDS FROM THE SALE OF TAX CREDITS.

24-36-504. Use of corporate income tax credits - carry over. (1) FOR A TAX CREDIT CERTIFICATE ISSUED IN FISCAL YEAR 2025-26, THE DEPARTMENT, IN CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING, PRIOR TO THE SALE, MAY DETERMINE THE TAX YEARS IN WHICH THE QUALIFIED TAXPAYER MAY CLAIM THE QUALIFIED TAXPAYER'S TAX CREDIT AGAINST THE QUALIFIED TAXPAYER'S INCOME TAX LIABILITY.

(2) FOR THE TAX YEAR SPECIFIED IN THE TAX CREDIT CERTIFICATE ISSUED PURSUANT TO SECTION 24-34-503 (6), THE QUALIFIED TAXPAYER MAY CLAIM THE AMOUNT OF THE TAX CREDIT AGAINST THE QUALIFIED TAXPAYER'S INCOME TAX LIABILITY. IF THE AMOUNT OF THE TAX CREDIT EXCEEDS THE QUALIFIED TAXPAYER'S ACTUAL TAX LIABILITY FOR THAT TAX YEAR, THE EXCESS IS NOT REFUNDED TO THE QUALIFIED TAXPAYER. THE QUALIFIED TAXPAYER MAY CARRY FORWARD AND APPLY THE UNUSED TAX CREDIT AGAINST THE INCOME TAX LIABILITY FOR ANY SUCCEEDING TAX YEAR; EXCEPT THAT THE TAX CREDIT MAY NOT BE CARRIED FORWARD TO A TAX YEAR THAT BEGINS AFTER DECEMBER 31, 2033. THE TAXPAYER SHALL APPLY THE CARRY FORWARD CREDIT AGAINST THE INCOME TAX LIABILITY FOR THE EARLIEST OF THE INCOME TAX YEARS POSSIBLE. ANY AMOUNT OF THE TAX CREDIT THAT IS NOT USED AFTER THIS PERIOD IS NOT REFUNDABLE.

(3) A QUALIFIED TAXPAYER CLAIMING A CREDIT UNDER THIS PART 5 SHALL SUBMIT THE TAX CREDIT CERTIFICATE WITH ITS TAX RETURN.

24-36-505. Part contingent on condition - repeal of part - notice to the revisor. (1) THIS PART 5 WILL TAKE EFFECT ONLY IF, BY DECEMBER 31,

2025, THE UNITED STATES CONGRESS DOES NOT ENACT AND THE PRESIDENT DOES NOT SIGN FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR. THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (1) HAS OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. IF THE CONDITION SPECIFIED IN THIS SUBSECTION (1) OCCURS, THIS PART 5 TAKES EFFECT ON JANUARY 1, 2026.

(2) THIS PART 5 WILL BE REPEALED IF, ON OR BEFORE DECEMBER 31, 2025, THE UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS FEDERAL LEGISLATION THAT EXTENDS, RECREATES, OR OTHERWISE REINSTATES THE ENHANCED PREMIUM TAX CREDIT FOR THE 2026 PLAN YEAR WITH AT LEAST THE SAME ELIGIBILITY AND IN THE SAME AMOUNT AS AUTHORIZED BY THE AMENDMENTS TO THE PREMIUM TAX CREDIT IN THE FEDERAL "AMERICAN RESCUE PLAN ACT OF 2021", PUB.L. 117-2, AND THE FEDERAL "INFLATION REDUCTION ACT OF 2022", PUB.L. 117-169, 136 STAT. 1818 (2022). THE COMMISSIONER OF INSURANCE SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION SPECIFIED IN THIS SUBSECTION (2) HAS OCCURRED AND OF THE DATE ON WHICH THE CONDITION OCCURRED BY EMAILING THE NOTICE TO REVISOROFSTATUTES.GA@COLEG.GOV. THIS PART 5 IS REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE THAT THE CONDITION SPECIFIED IN THIS SUBSECTION (2) OCCURRED OR, IF THE NOTICE DOES NOT SPECIFY THAT DATE, UPON THE DATE OF THE NOTICE TO THE REVISOR OF STATUTES.

(3) THIS PART 5 IS REPEALED, EFFECTIVE DECEMBER 31, 2040.

SECTION 14. In Colorado Revised Statutes, 24-75-201.1, **amend** (1)(d)(XXII); **repeal** (1)(d)(XXIII); and **add** (1)(d)(XXIV), (1)(d)(XXV), (1)(d)(XXVI), and (1)(d)(XXVII) as follows:

24-75-201.1. Restriction on state appropriations - legislative declaration - definitions. (1) (d) For each fiscal year, unrestricted general fund year-end balances must be retained as a reserve in the following amounts:

(XXII) For the fiscal year 2021-22, thirteen and four-tenths percent of the amount appropriated for expenditure from the general fund for that fiscal year; ~~and~~

(XXIII) ~~(A) Except as otherwise provided in subsection (1)(d)(XXIII)(B) of this section, for the fiscal year 2022-23 and each fiscal year thereafter, fifteen percent of the amount appropriated for expenditure from the general fund for that fiscal year; except that, for the 2023-24 state fiscal year, the amount retained as a reserve must be fifteen percent of the amount appropriated for expenditure from the general fund for that fiscal year plus fifteen percent of the amount of the general fund appropriations reduced pursuant to section 24-75-226 (4)(a)(I); and for the 2024-25 state fiscal year, the amount retained as a reserve must be fifteen percent of the amount appropriated for expenditure from the general fund plus fifty-six million four hundred ninety-three thousand five hundred forty-three dollars.~~

~~(B) For the fiscal year 2023-24 and each fiscal year thereafter until the escrow money is released as set forth in section 23-40-107, the amount of the reserve described in subsection (1)(d)(XXIII)(A) of this section for that fiscal year reduced by forty-one million two hundred fifty thousand dollars. As used in this subsection (1)(d)(XXIII)(B), "escrow money" has the same meaning as set forth in section 23-40-107 (2)(c).~~

(XXIV) FOR THE FISCAL YEAR 2022-23, FIFTEEN PERCENT OF THE AMOUNT APPROPRIATED FOR EXPENDITURE FROM THE GENERAL FUND FOR THAT FISCAL YEAR;

(XXV) FOR THE FISCAL YEAR 2023-24, FIFTEEN PERCENT OF THE AMOUNT APPROPRIATED FOR EXPENDITURE FROM THE GENERAL FUND FOR THAT FISCAL YEAR:

(A) PLUS FIFTEEN PERCENT OF THE AMOUNT OF THE GENERAL FUND APPROPRIATIONS REDUCED PURSUANT TO SECTION 24-75-226 (4)(a)(I); AND

(B) SO LONG AS THE ESCROW MONEY IS NOT RELEASED AS SET FORTH IN SECTION 23-40-107, MINUS FORTY-ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS. AS USED IN THIS SUBSECTION (1)(d)(XXV)(B), "ESCROW MONEY" HAS THE MEANING SET FORTH IN SECTION 23-40-107 (2)(c).

(XXVI) FOR THE FISCAL YEAR 2024-25, FIFTEEN PERCENT OF THE AMOUNT APPROPRIATED FOR EXPENDITURE FROM THE GENERAL FUND FOR THAT FISCAL YEAR:

(A) PLUS FIFTY-SIX MILLION FOUR HUNDRED NINETY-THREE THOUSAND FIVE HUNDRED FORTY-THREE DOLLARS; AND

(B) SO LONG AS THE ESCROW MONEY IS NOT RELEASED AS SET FORTH IN SECTION 23-40-107, MINUS FORTY-ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS. AS USED IN THIS SUBSECTION (1)(d)(XXVI)(B), "ESCROW MONEY" HAS THE MEANING SET FORTH IN SECTION 23-40-107 (2)(c).

(XXVII) FOR THE FISCAL YEAR 2025-26, AND EACH FISCAL YEAR THEREAFTER, FIFTEEN PERCENT OF THE AMOUNT APPROPRIATED FOR EXPENDITURE FROM THE GENERAL FUND FOR THAT FISCAL YEAR MINUS:

(A) THE AMOUNT CALCULATED BY THE STATE TREASURER IN ACCORDANCE WITH SECTION 10-16-1206 (1.5)(a)(II)(B); EXCEPT THAT THIS SUBSECTION (1)(d)(XXVII)(A) TAKES EFFECT ON JANUARY 1, 2026, ONLY IF THE CONDITION SPECIFIED IN SECTION 10-16-1209 (1) OCCURS; AND

(B) SO LONG AS THE ESCROW MONEY IS NOT RELEASED AS SET FORTH IN SECTION 23-40-107, FORTY-ONE MILLION TWO HUNDRED FIFTY THOUSAND DOLLARS. AS USED IN THIS SUBSECTION (1)(d)(XXVII)(B), "ESCROW MONEY" HAS THE MEANING SET FORTH IN SECTION 23-40-107 (2)(c).

SECTION 15. In Colorado Revised Statutes, 24-75-226.5, **add** (2)(c)(III) as follows:

24-75-226.5. ARPA refinance state money cash fund - creation - reduction in general fund appropriations - legislative intent - definitions - repeal. (2) (c) (III) (A) WITHIN THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (2)(c)(III), THE STATE TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE REFINANCE DISCRETIONARY ACCOUNT TO THE HEALTH INSURANCE AFFORDABILITY CASH FUND CREATED IN SECTION 10-16-1206 (1).

(B) THIS SUBSECTION (2)(c)(III) TAKES EFFECT ON JANUARY 1, 2026, ONLY IF THE CONDITION SPECIFIED IN SECTION 10-16-1209 (1) OCCURS.

SECTION 16. Effective date. (1) Except as otherwise provided in this section, this act takes effect upon passage.

(2) Section 24-36-401 (2), Colorado Revised Statutes, as amended in section 6 of this act, section 24-36-402 (6), Colorado Revised Statutes, as amended in section 7 of this act, 24-36-403 (2)(a)(I) and (8), Colorado Revised Statutes, as amended in section 8 of this act, section 24-36-406, Colorado Revised Statutes, as amended in section 9 of this act, section 24-36-501 (2), Colorado Revised Statutes, as amended in section 10 of this act, section 24-36-502 (6), Colorado Revised Statutes, as amended in section 11 of this act, and section 24-36-503 (2)(a) and (8), Colorado Revised Statutes, as amended in section 12 of this act, take effect only if House Bill 25B-1004 becomes law, in which case section 24-36-401 (2), Colorado Revised Statutes, as amended in section 6 of this act, section 24-36-402 (6), Colorado Revised Statutes, as amended in section 7 of this act, 24-36-403 (2)(a)(I) and (8), Colorado Revised Statutes, as amended in section 8 of this act, section 24-36-406, Colorado Revised Statutes, as amended in section 9 of this act, section 24-36-501 (2), Colorado Revised Statutes, as amended in section 10 of this act, section 24-36-502 (6), Colorado Revised Statutes, as amended in section 11 of this act, and section 24-36-503 (2)(a) and (8), Colorado Revised Statutes, as amended in section 12 of this act, take effect one day after the effective date of House Bill 25B-1004.

(3) Parts 4 and 5 of article 36 of title 24, Colorado Revised Statutes, enacted in section 13 of this act, take effect only if House Bill 25B-1004 does not become law, in which case parts 4 and 5 of article 36 of title 24, Colorado Revised Statutes, enacted in section 13 of this act, take effect upon passage.".

Renumber succeeding section accordingly.

Strike "10-16-1203 (16), 10-16-1205 (2)(e), AND 10-16-1206 (1.5)" and substitute "10-16-1205 (2)(e), 10-16-1206 (1.5), AND 24-75-201.1 (1)(d)(XXVII)(A)" on: **Page 8**, lines 17 and 18 and lines 26 and 27; and **Page 9**, lines 1 and 2 and line 15.

Appro-priations

After consideration on the merits, the Committee recommends that **HB25B-1004** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend reengrossed bill, page 5, lines 26 and 27, strike "AND ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND".

Page 6, line 1, strike "CLOSING COSTS USING SALES PROCEEDS".

Page 6, line 2, strike "DOLLARS." and substitute "DOLLARS, PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 12, after line 7 insert:

"**24-36-405. Tax credit sale proceeds cash fund - creation.** (1) THE TAX CREDIT SALE PROCEEDS CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF MONEY GENERATED BY SALE PROCEEDS CREDITED TO THE FUND PURSUANT TO SECTION 24-36-406 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

(2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE TAX CREDIT SALE PROCEEDS CASH FUND TO THE FUND.

(3) THE STATE TREASURER SHALL TRANSFER ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE TAX CREDIT SALE PROCEEDS CASH FUND AT THE END OF A FISCAL YEAR TO THE GENERAL FUND.

(4) (a) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY FROM THE FUND FOR ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS ASSOCIATED WITH IMPLEMENTING AND ADMINISTERING PARTS 4 AND 5 OF THIS ARTICLE.

(b) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT OF REVENUE MAY EXPEND MONEY FROM THE FUND FOR DIRECT AND INDIRECT COSTS ASSOCIATED WITH IMPLEMENTING AND ADMINISTERING PARTS 4 AND 5 OF THIS ARTICLE.

24-36-406. Distribution of sale proceeds. EACH MONTH, THE STATE TREASURER SHALL CREDIT THE MONEY GENERATED BY THE SALE PROCEEDS PURSUANT TO PARTS 4 AND 5 OF THIS ARTICLE 36 TO THE TAX CREDIT SALE PROCEEDS CASH FUND. THE DEPARTMENT SHALL TRANSFER THE MONEY TO THE GENERAL FUND LESS ANY AMOUNTS USED FOR THE EXPENSES DESCRIBED IN SECTION 24-36-405 (4).".

Renumber succeeding section accordingly.

Page 14, line 7, strike "39-22-104 (2.5)." and substitute "39-22-103 (2.5).".

Page 15, strike lines 3 through 5, and substitute "HUNDRED TWENTY-FIVE MILLION DOLLARS OR TOTAL SALES PROCEEDS OF UP TO ONE HUNDRED.".

Page 15, line 6, strike "DOLLARS." and insert "DOLLARS, PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 20, strike lines 5 through 8 and substitute:

"**SECTION 3. Appropriation.** For the 2025-26 state fiscal year, $3,173,500 is appropriated to the department of treasury. This appropriation is from the tax credit sale proceeds cash fund created in section 24-36-405, C.R.S. To implement this act, the department may use this appropriation for tax credit administration.".

Strike "GENERAL FUND." and substitute "TAX CREDIT SALE PROCEEDS CASH FUND CREATED IN SECTION 24-36-405 (1)." on: **Page 5**, line 16; and **Page 14**, line 21.

Strike "SHALL" and substitute "IS AUTHORIZED TO" on: **Page 5**, line 23; and **Page 14**, line 27.

Strike "SEVENTY-FIVE" and substitute "EIGHTY" on: **Page 7**, line 12; and **Page 16**, line 8.

Strike "GENERAL FUND" and substitute "TAX CREDIT SALE PROCEEDS CASH FUND CREATED IN SECTION 24-36-405 (1)" on: **Page 9**, line 14; and **Page** 18, line 10.

Page 1, line 101, strike "**REQUIRING**" and substitute "**AUTHORIZING**".

Page 1, line 103, after "**THEREWITH,**" insert "**CREATING AND ALLOCATING THE PROCEEDS TO THE TAX CREDIT SALE PROCEEDS CASH FUND AND**".

Appro-priations

After consideration on the merits, the Committee recommends that **HB25B-1005** be referred to the Committee of the Whole with favorable recommendation.

MESSAGE FROM THE HOUSE

August 24, 2025
Mr. President:

The House has passed on Third Reading and returns herewith:
SB25B-001 and SB25B-003

On motion of Assistant Majority Leader Cutter, and with a majority of those elected to the Senate having voted in the affirmative, the Special Orders -- Second Reading of Bills Calendar (HB25B-1003) of Sunday, August 24 was laid over until later in the day Sunday, August 24, retaining its place on the calendar.

THIRD READING OF BILLS -- FINAL PASSAGE

On third reading, the titles of the following bills were publicly read, the reading at length having been dispensed with by unanimous consent:

HB25B-1002 by Representative(s) Zokaie and Marshall; also Senator(s) Ball--Concerning corporate income taxation related to foreign jurisdictions.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	22	NO	13	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	N	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Amabile, Bridges, Coleman, Cutter, Daugherty, Exum, Gonzales J., Hinrichsen, Jodeh, Kipp, Michaelson Jenet, Rodriguez, Sullivan, Wallace, Weissman, and Winter F.

Senate in recess. Senate reconvened.

COMMITTEE OF REFERENCE REPORTS

Appro-priations

After consideration on the merits, the Committee recommends that **HB25B-1006** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend the Finance Committee Report, dated August 24, 2025, page 3, line 21, strike "AND ANY REASONABLE AND NECESSARY".

Page 3, strike line 22.

Page 3, line 23, strike "PROCEEDS".

Page 3, line 24, strike "DOLLARS." and substitute "DOLLARS PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 3, line 27, strike "~~general fund~~" and substitute "~~tax credit sale proceeds cash fund created in section 24-36-405 (1)~~".

Page 5, line 39, strike "AND ANY REASONABLE AND NECESSARY".

Page 5, strike line 40.

Page 5, line 41, strike "PROCEEDS".

Page 5, strike line 42 and substitute "DOLLARS PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 6, line 4, strike "~~general fund~~" and substitute "~~tax credit sale proceeds cash fund created in section 24-36-405 (1)~~".

Page 8, line 6, strike "AND ANY".

Page 8, strike line 7.

Page 8, line 8, strike "CLOSING COSTS USING SALE PROCEEDS".

Page 8, line 9, strike "DOLLARS." and substitute "DOLLARS PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 10, line 38, strike "MAY" and substitute "SHALL".

Page 15, line 11, strike "AND ANY".

Page 15, strike line 12.

Page 15, line 13, strike "CLOSING COSTS USING SALES PROCEEDS".

Page 15, line 14, strike "DOLLARS." and substitute "DOLLARS PLUS ANY REASONABLE AND NECESSARY ADMINISTRATIVE, MONITORING, AND CLOSING COSTS.".

Page 17, line 41, strike "MAY" and substitute "SHALL".

Page 20, line 28, strike "(A)".

Page 20, strike lines 33 through 35.

Page 20, before line 36 insert:

"**SECTION 16. Appropriation.** For the 2025-26 state fiscal year, $3,173,500 is appropriated to the department of treasury. This appropriation is from the tax credit sale proceeds cash fund created in section 24-36-405 (1), C.R.S. To implement this act, the department may use this appropriation for tax credit administration.".

Renumber succeeding sections accordingly.

Page 21 of the report, after line 24 insert:

"Page 1 of the bill, line 104, strike "**SOURCES.**" and substitute "**SOURCES, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**".".

Appro-
priations

After consideration on the merits, the Committee recommends that **SB25B-004** be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation.

Amend printed bill, page 3, line 27, strike "OR".

Page 4, line 4, strike "FUNCTIONS." and substitute "FUNCTIONS; OR

(XVIII) A PROBATION SUPERVISION SYSTEM REQUIRED BY STATUTE OR A PROBATION ASSESSMENT TOOL UTILIZED BY THE JUDICIAL DEPARTMENT AT THE TIME THAT THE DISCLOSURE REQUIREMENTS COMMENCE FOR DEVELOPERS PURSUANT TO SECTION 6-1-1703 (1) AND FOR DEPLOYERS PURSUANT TO SECTION 6-1-1704 (1).".

Page 5, line 21, strike "FEBRUARY" and substitute "MAY".

Page 6, line 12, strike "FEBRUARY" and substitute "MAY".

Amend the Business, Labor, and Technology Committee Report, dated August 21, 2025, page 3, line 20, strike "24;" and substitute "24, THE COLORADO CRIMINAL JUSTICE RECORDS ACT, PART 3 OF ARTICLE 72 OF TITLE 24, OR RULE 2 OF CHAPTER 38 OF THE COLORADO COURT RULES;".

Page 3 of the report, line 23, strike "ACT"" and substitute "ACT", THE COLORADO CRIMINAL JUSTICE RECORDS ACT, OR RULE 2 OF CHAPTER 38 OF THE COLORADO COURT RULES, WHICHEVER APPLIES,".

Page 8 of the bill, line 9, strike "AN" and substitute "ON AND AFTER MAY 1, 2026, AN".

Page 8 of the bill, line 23, strike "PURSUANT" and substitute "ON AND AFTER MAY 1, 2026, PURSUANT".

Page 10 of the bill, after line 20 insert:

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	$	$	$	$	$	$	$

"**SECTION 02. Appropriation to the judicial department for the fiscal year beginning July 1, 2025.** In Session Laws of Colorado 2025, section 2 of chapter 476, (SB 25-206), **amend** Part IX (2)(A), (4), and the affected totals as follows:

Section 2. **Appropriation.**

PART IX

JUDICIAL DEPARTMENT

(2) STATE COURTS ADMINISTRATION[52]							
(A) Administration and Technology							
General Courts							
Administration		~~42,921,123~~	~~31,455,722~~		8,898,632[a]	2,566,769[b]	
		42,893,337	31,427,936				
			~~(314.5 FTE)~~		(38.0 FTE)	(6.0 FTE)	
			(314.2 FTE)				
Information Technology							
Infrastructure		24,090,779	931,200		23,159,579[c]		

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
			GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	$	$	$	$	$	$	$
Information Technology Cost							
Recoveries	4,535,800				4,535,800[c]		
Indirect Cost Assessment	854,035				854,035[d]		
	~~72,401,737~~						
	72,373,951						

[a] Of this amount, $8,170,352 shall be from the Judicial Department Information Technology Cash Fund created in Section 13-32-114 (1), C.R.S., $192,927 shall be from the Correctional Treatment Cash Fund created in Section 18-19-103 (4)(a), C.R.S., $70,000 shall be from the Justice Center Cash Fund created in Section 13-32-101 (7)(a), C.R.S., $28,491 shall be from the Court Security Cash Fund created in Section 13-1-204 (1)(a), C.R.S., $28,491 shall be from the Family Violence Justice Fund created in Section 14-4-107 (1), C.R.S., $28,491 shall be from the Eviction Legal Defense Fund created in Section 13-40-127 (2), C.R.S., $28,491 shall be from the Underfunded Courthouse Facility Cash Fund created in Section 13-1-304 (1), C.R.S., and $351,389 shall be from various sources of cash funds.

[b] Of this amount, $2,171,420 shall be from departmental indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., $185,970 shall be from indirect cost recoveries related to federal grants to cover both departmental and statewide indirect costs, $133,665 shall be from statewide indirect cost recoveries collected by the Judicial Department or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., and $75,714 shall be transferred from the Department of Human Services Child Support Enforcement.

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	$	$	$	$	$	$	$
[c] These amounts shall be from the Judicial Department Information Technology Cash Fund created in Section 13-32-114 (1), C.R.S.							
[d] This amount shall be from various sources of cash funds.							
(4) PROBATION AND RELATED SERVICES[52]							
Probation Programs	~~123,530,668~~		~~113,647,034~~		~~9,883,634[a]~~		
	123,530,668		113,674,820		9,855,848[a]		
			(1,165.8 FTE)		(123.7 FTE)		
Offender Treatment and Services[55]	22,468,054		276,201		17,253,853[b]	4,938,000[c]	
Appropriation to the Correctional Treatment Cash Fund	17,702,906		16,075,939		1,626,967[d]		
S.B. 91-094 Juvenile Services	1,596,837					1,596,837[e]	
						(15.0 FTE)	

		ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
		$	$	$	$	$	$	$
1	Correctional Treatment Cash							
2	Fund Expenditures[56]	26,389,629					26,389,629[f]	
3							(1.0 FTE)	
4	Reimbursements to Law							
5	Enforcement Agencies for the							
6	Costs of Returning a							
7	Probationer	287,500				287,500[g]		
8	Victims Grants	650,000					650,000[h]	
9							(6.0 FTE)	
10	Federal Funds and Other							
11	Grants	5,615,040				1,965,040[i]	850,000[j]	2,800,000(I)
12						(2.0 FTE)	(18.0 FTE)	(12.0 FTE)
13	Indirect Cost Assessment	537,263				537,263[k]		
14			198,777,897					
15								

		APPROPRIATION FROM				
ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
$	$	$	$	$	$	$

[a] Of this amount, an estimated $6,094,582 shall be from the Offender Services Fund created in Section 16-11-214 (1)(a), C.R.S., an estimated $3,597,060 shall be from the Alcohol and Drug Driving Safety Program Fund created in Section 42-4-1301.3 (4)(a), C.R.S., and an estimated ~~$191,992~~ $164,206 from various fees and cost recoveries.

[b] Of this amount, an estimated $15,509,883 shall be from the Offender Services Fund created in Section 16-11-214 (1)(a), C.R.S., an estimated $730,926 shall be from the Correctional Treatment Cash Fund created in Section 18-19-103 (4)(a), C.R.S., an estimated $603,044 shall be from the Sex Offender Surcharge Fund created in Section 18-21-103 (3), C.R.S., and an estimated $410,000 shall be from various fees and cost recoveries.

[c] Of this amount, $3,831,000 shall be from the Correctional Treatment Cash Fund created in Section 18-19-103 (4)(a), C.R.S., and $1,107,000 shall be transferred from the Department of Human Services from the Behavioral Health Administration, Substance Use Treatment and Prevention Services, Community Prevention and Treatment Programs line item appropriation.

[d] This amount shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.

[e] This amount shall be transferred from the Department of Human Services from the S.B. 91-094 Programs line item appropriation.

[f] This amount shall be from the Correctional Treatment Cash Fund created in Section 18-19-103 (4)(a), C.R.S.

[g] This amount shall be from the Interstate Compact Probation Transfer Cash Fund created in Section 18-1.3-204 (4)(b)(II)(A), C.R.S.

	ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	$	$	$	$	$	$	$

[h] Of this amount, an estimated $425,000 shall be transferred from local Victims and Witnesses Assistance and Law Enforcement Board grants reflected in the Victim Assistance line item appropriation within the Courts Administration, Centrally Administered Programs subsection of this department, pursuant to Section 24-4.2-105 (2.5)(a)(II), C.R.S., and an estimated $225,000 shall be transferred from the Department of Public Safety from the State Victims Assistance and Law Enforcement Program line item appropriation within the Division of Criminal Justice, pursuant to Section 24-33.5-506 (1)(b), C.R.S.

[i] This amount shall be from various fees, cost recoveries, and grants.

[j] This amount shall be transferred from other state agencies.

[k] This amount shall be from various sources of cash funds.

TOTALS PART IX							
(JUDICIAL)		~~$1,148,010,817~~	$875,204,785		~~$203,914,808~~*	$64,466,224	$4,425,000[b]
		$1,147,983,031			$203,887,022[a]		

[a] Of this amount, $46,320,910 contains an (I) notation.

[b] This amount contains an (I) notation.

SECTION 3. Appropriation. (1) For the 2025-26 state fiscal year, $1,765,479 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from the general fund and is based on an assumption that the office will require an additional 8.0 FTE. To implement this act, the office may use this appropriation for enterprise solutions.

(2) For the 2025-26 state fiscal year, $406,090 is appropriated to the judicial department. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) $44,730 for general courts administration, which amount is based on an assumption that the department will require an additional 0.3 FTE;

(b) $90,934 for capital outlay; and

(c) $270,426 for probation programs, which amount is based on an assumption that the department will require an additional 3.0 FTE.

(3) For the 2025-26 state fiscal year, $272,632 is appropriated to the department of labor and employment for use by the division of labor standards and statistics. This appropriation is from the general fund and is based on an assumption that the division will require an additional 1.8 FTE. To implement this act, the division may use this appropriation for program costs related to labor standards.

(4) For the 2025-26 state fiscal year, $251,332 is appropriated to the department of personnel for use by the executive director's office. This appropriation is from the general fund.To implement this act, the office may use this appropriation as follows:

(a) $37,224 for personal services related to department administration, which amount is based on an assumption that the department will require an additional 0.6 FTE; and

(b) $214,108 for operating expenses related to department administration.".

Page 1 of the bill, line 102, strike "**SYSTEMS.**" and substitute "**SYSTEMS, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.**".

On motion of Assistant Majority Leader Cutter, HB25B-1005, HB25B-1003, HB25B-1001, HB25B-1004, HB25B-1006, and SB25B-004 were made Special Orders at 4:43 p.m.

Committee of the Whole

The hour of 4:43 p.m. having arrived, Senator Gonzales moved that the Senate resolve itself into the Committee of the Whole for consideration of Special Orders -- Second Reading of Bills, and Senator Gonzales was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

HB25B-1005 by Representative(s) Woodrow and McCormick; also Senator(s) Kipp and Winter F.--Concerning the elimination of the sales tax vendor fee that retailers are authorized to retain in connection with collecting and remitting state sales tax, and, in connection therewith, making an appropriation.

Ordered revised and placed on the calendar for third reading and final passage.

On motion of Assistant Majority Leader Cutter, and with a majority of those elected to the Senate having voted in the affirmative, the balance of the Special Orders -- Second Reading of Bills Calendar (HB25B-1003, HB25B-1001, HB25B-1004, HB25B-1006, and SB25B-004) of Sunday, August 24, was laid over until later in the day, Sunday, August 24, retaining its place on the calendar.

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Gonzales, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: HB25B-1005.
Laid over until later in the day, Sunday, August 24: HB25B-1003, HB25B-1001, HB25B-1004, HB25B-1006, SB25B-004.

MESSAGE FROM THE HOUSE

August 24, 2025
Mr. President:

The House has passed on Third Reading and returns herewith:
SB25B-002.

The House has passed on Third Reading and transmitted to the Revisor of Statutes:
SB25B-005, amended as printed in House Journal, August 23, 2025, and amended on Third Reading as printed in House Journal, August 24, 2025.

MESSAGE FROM THE REVISOR OF STATUTES

August 24, 2025
We herewith transmit:

Without comment, as amended, SB25B-005.

Committee of the Whole

On motion of Senator Hinrichsen, the Senate resolved itself into the Committee of the Whole for consideration of Special Orders--Second Reading of Bills, and Senator Hinrichsen was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

HB25B-1003 by Representative(s) Mabrey and Boesenecker; also Senator(s) Weissman and Gonzales J.--Concerning adjustments to the insurance premium tax rate tax expenditure for a home office or regional home office.

Ordered revised and placed on the calendar for third reading and final passage.

On motion of Assistant Majority Leader Cutter, and with a majority of those elected to the Senate having voted in the affirmative, the balance of the Special Orders -- Second Reading of Bills Calendar (HB25B-1001, HB25B-1004, HB25B-1006, and SB25B-004) of Sunday, August 24, was laid over until later in the day, Sunday, August 24, retaining its place on the calendar.

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Hinrichsen, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	22	NO	13	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	N
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: HB25B-1003.
Laid over until later in the day, Sunday, August 24: HB25B-1001, HB25B-1004, HB25B-1006, SB25B-004.

Committee of the Whole

On motion of Senator Hinrichsen, the Senate resolved itself into the Committee of the Whole for consideration of Special Orders--Second Reading of Bills, and Senator Hinrichsen was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

SB25B-004 by Senator(s) Rodriguez; also Representative(s) Titone and Bacon--Concerning measures effective no later than June 30, 2026, to increase transparency for algorithmic systems.

Amendment No. 1, Business, Labor & Technology Committee Amendment.
(Printed in Senate Journal, August 21, page(s) 8-10 and placed in members' bill files.)

Amendment No. 2, Appropriations Committee Amendment.
(Printed in Senate Journal, August 24, page(s) 41-48 and placed in members' bill files.)

Amendment No. 3(L.023), by Senator Rodriguez.

Amend printed bill, page 9, line 13, strike "NOTWITHSTANDING" and substitute "ON AND AFTER THE EFFECTIVE DATE OF THIS PART 17, AS AMENDED, IN ANY CASE IN WHICH A DEPLOYER IS LIABLE FOR A VIOLATION OF LAW FACILITATED BY THE DEPLOYER'S USE OF AN ALGORITHMIC DECISION SYSTEM, THE DEVELOPER OF THE ALGORITHMIC DECISION SYSTEM IS JOINTLY AND SEVERALLY

LIABLE WITH THE DEPLOYER FOR THE VIOLATION IF:

(a) THE DEPLOYER USED THE ALGORITHMIC DECISION SYSTEM FOR ITS INTENDED OR ADVERTISED PURPOSE;

(b) THE DEPLOYER USED THE ALGORITHMIC DECISION SYSTEM IN A MANNER INTENDED OR REASONABLY ANTICIPATED BY THE DEVELOPER; AND

(c) THE OUTPUT OF THE ALGORITHMIC DECISION SYSTEM WAS NOT MATERIALLY ALTERED BY DATA THAT THE DEPLOYER PROVIDED AND THAT INVOLVED THE DEPLOYER'S INDEPENDENT JUDGMENT OR DISCRETION.

(2) A PERSON HELD JOINTLY AND SEVERALLY LIABLE PURSUANT TO THIS SECTION HAS A RIGHT OF CONTRIBUTION FROM ANOTHER PERSON FOUND JOINTLY AND SEVERALLY LIABLE. IF A VIOLATION IS FOUND BY THE JURY OR, IN THE ABSENCE OF A JURY, BY THE COURT, THE JURY SHALL RETURN A SPECIAL VERDICT OR, IN THE ABSENCE OF A JURY, THE COURT SHALL MAKE SPECIAL FINDINGS DETERMINING THE PERCENTAGE OF FAULT ATTRIBUTABLE TO THE DEVELOPER AND DEPLOYER.".

Page 9, strike lines 14 through 27.

Page 10, strike line 1.

Amendment No. 4(L.025), by Senator Rodriguez.

Amend the Business, Labor, and Technology Committee Report, dated August 21, 2025, page 1, strike lines 20 and 21 and substitute:

"Page 5 of the printed bill, strike lines 3 through 13 and substitute:

"(7) (a) "PERSONAL CHARACTERISTICS" INCLUDES:

(I) PERSONAL DATA, AS DEFINED IN SECTION 6-1-1303 (17)(a), BUT WITHOUT REGARD TO THE REQUIREMENTS OF SECTION 6-1-1303 (17)(b);

(II) SENSITIVE DATA, AS DEFINED IN SECTION 6-1-1303 (24);

(III) GENETIC INFORMATION, AS DEFINED IN SECTION 10-3-1104.6 (2)(c);

(IV) A BIOMETRIC IDENTIFIER;

(V) AN INDIVIDUAL'S ECONOMIC SITUATION, HEALTH, PERSONAL PREFERENCES, AFFILIATIONS, INTERESTS, RELIABILITY, BEHAVIOR, LOCATION, OR MOVEMENTS; AND

(VI) INFERENCES ASSOCIATED WITH A GROUP, BAND, CLASS, OR TIER OF INDIVIDUALS TO WHICH AN INDIVIDUAL BELONGS.

(b) "PERSONAL CHARACTERISTICS" DOES NOT INCLUDE INFORMATION PROVIDED BY AN INDIVIDUAL SERVING AS AN EMPLOYMENT REFERENCE.".".

Page 7 of the printed bill, line 20, strike "INDIVIDUAL, IN" and substitute "INDIVIDUAL WITH INFORMATION ON HOW THE INDIVIDUAL CAN EXERCISE THEIR RIGHTS PURSUANT TO SUBSECTION (2)(c) OF THIS SECTION AND SECTION 6-1-1705.".

Page 7 of the bill, strike lines 21 through 27.

Page 8 of the bill, strike lines 1 through 7 and substitute:

"(c) UPON A REQUEST MADE NO LATER THAN NINETY DAYS AFTER THE PROVISION OF THE NOTICE DESCRIBED IN SUBSECTION (2)(b) OF THIS SECTION FROM AN INDIVIDUAL AFFECTED BY A DECISION MADE, INFORMED, OR INFLUENCED BY AN ALGORITHMIC DECISION SYSTEM, A DEPLOYER SHALL PROVIDE THE AFFECTED INDIVIDUAL WITH A DESCRIPTION AND LIST OF THE SOURCES OF THE PERSONAL CHARACTERISTICS ASSOCIATED WITH THE INDIVIDUAL ANALYZED BY, PREDICTED BY, INPUT INTO, INFERRED BY, OR COLLECTED BY THE ALGORITHMIC DECISION SYSTEM THAT MOST SUBSTANTIALLY INFLUENCED THE OUTPUT OF THE ALGORITHMIC DECISION SYSTEM.".

Amendment No. 5(L.028), by Senator Rodriguez.

Amend the Appropriations Committee Report, dated August 24, 2025, page 9, strike lines 7 through 15.

Renumber succeeding subsections accordingly.

As amended, ordered engrossed and placed on the calendar for third reading and final passage.

(For further action, see amendments to the report of the Committee of the Whole.)

HB25B-1001 by Representative(s) Sirota; also Senator(s) Hinrichsen and Cutter--Concerning the requirement for certain taxpayers to add back an amount equal to their federal deduction for qualified business income allowed under section 199A of the federal"Internal Revenue Code of 1986" for purposes of determining their state taxable income.

Ordered revised and placed on the calendar for third reading and final passage.

HB25B-1004 by Representative(s) Stewart R. and Camacho; also Senator(s) Marchman and Snyder--Concerning requiring the department of the treasury to sell tax credits to qualified taxpayers, and, in connection therewith, transferring the proceeds to the general fund and making an appropriation.

Laid over until Monday, August 25, retaining its place on the calendar.

HB25B-1006 by Representative(s) Brown and Gilchrist, McCluskie; also Senator(s) Jodeh and Mullica, Roberts--Concerning modifications to the Colorado health insurance affordability enterprise to address the affordability of health insurance in the individual market using nonappropriated funding sources.

Laid over until Monday, August 25, retaining its place on the calendar.

AMENDMENTS TO THE REPORT OF THE COMMITTEE OF THE WHOLE

SB25B-004 by Senator(s) Rodriguez; also Representative(s) Titone and Bacon--Concerning measures effective no later than June 30, 2026, to increase transparency for algorithmic systems.

Senator Baisley moved to amend the Report of the Committee of the Whole to show that the following Baisley floor amendment, (L.027) to SB25B-004, did pass.

Strike the Appropriations Committee Report, dated August 24, 2025.

Strike the Business, Labor, and Technology Committee Report, dated August 21, 2025.

Amend printed bill, strike everything below the enacting clause and substitute:

"**SECTION 1.** In Colorado Revised Statutes, **repeal and reenact, with amendments,** part 17 of article 1 of title 6 as follows:

PART 17

DIGITAL-ASSISTED DISCRIMINATION PROHIBITED

6-1-1701. Short title. THE SHORT TITLE OF THIS PART 17 IS THE "TECHNOLOGY-NEUTRAL ANTI-DISCRIMINATION CLARIFICATION ACT OF 2026".

6-1-1702. Legislative declaration. (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) DISCRIMINATION BASED ON PROTECTED CHARACTERISTICS IS UNLAWFUL IN COLORADO WHETHER IT OCCURS IN HOUSING, EMPLOYMENT, PUBLIC ACCOMMODATIONS, EDUCATION, CREDIT, OR ANY OTHER CONTEXT COVERED BY STATE CIVIL RIGHTS STATUTES;

(b) ADVANCES IN SOFTWARE, AUTOMATION, ALGORITHMIC DECISION-MAKING, ARTIFICIAL INTELLIGENCE, AND OTHER DIGITAL TECHNOLOGIES DO NOT CREATE A LAWFUL AVENUE TO ENGAGE IN CONDUCT THAT EXISTING LAW ALREADY PROHIBITS; AND

(c) CLARIFYING THAT DISCRIMINATORY CONDUCT REMAINS UNLAWFUL REGARDLESS OF THE TOOLS USED WILL:

(I) AFFIRM THAT IMPLEMENTING ILLEGAL DISCRIMINATION THROUGH A DIGITAL MECHANISM CONFERS NO LEGAL IMMUNITY;
(II) ENSURE COLORADO'S CIVIL RIGHTS STATUTES APPLY CONSISTENTLY ACROSS PRESENT AND FUTURE TECHNOLOGIES, WITHOUT PRIVILEGING OR DISADVANTAGING ANY PARTICULAR METHOD OF IMPLEMENTATION; AND
(III) AVOID IMPOSING VICARIOUS LIABILITY ON TECHNOLOGY DEVELOPERS THAT NEITHER INTEND NOR KNOWINGLY FACILITATE DISCRIMINATORY CONDUCT.
6-1-1703. Digital-assisted discrimination prohibited. ALL PROHIBITIONS ON DISCRIMINATION CONTAINED IN A STATUTE OF THIS STATE APPLY WITH FULL FORCE AND EFFECT REGARDLESS OF WHETHER THE CHALLENGED CONDUCT IS EXECUTED, FACILITATED, OR SCALED, IN WHOLE OR IN PART, BY MEANS OF A DIGITAL, AUTOMATED, ALGORITHMIC, ARTIFICIAL INTELLIGENCE, MACHINE LEARNING, OR OTHER TECHNOLOGICAL PROCESS.
6-1-1704. Rules of construction. (1) AS USED IN THIS PART 17, "DIGITAL", "AUTOMATED", "ALGORITHMIC", "ARTIFICIAL INTELLIGENCE", "MACHINE LEARNING", AND "OTHER TECHNOLOGICAL PROCESS" ARE ILLUSTRATIVE AND NONEXHAUSTIVE TERMS AND ENCOMPASS PRESENT AND FUTURE MEANS OF COMPUTATION, COMMUNICATION, AND DECISION-MAKING.
(2) NOTHING IN THIS PART 17 ALTERS THE LIST OF PROTECTED CHARACTERISTICS ENUMERATED ELSEWHERE IN STATUTE.
(3) A CREATOR, PUBLISHER, OR DISTRIBUTOR OF TECHNOLOGY IS LIABLE UNDER THIS PART 17 ONLY IF THAT PARTY INTENTIONALLY ENGAGES IN, DIRECTS, OR KNOWINGLY AIDS THE UNDERLYING DISCRIMINATORY CONDUCT.
(4) THIS PART 17 DOES NOT ALTER EXISTING BURDENS OF PROOF, DEFENSES, AND REMEDIES APPLICABLE TO DISCRIMINATION CLAIMS.
SECTION 2. Act subject to petition - effective date - applicability.
(1) This act takes effect January 1, 2026; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.
(2) This act applies to conduct occurring on or after the applicable effective date of this act.".

Less than a majority of all members elected to the Senate having voted in the affirmative, the amendment to the report of the Committee of the Whole was **lost** on the following roll call vote:

YES	13	NO	22	EXCUSED	0	ABSENT	0
Amabile	N	Daugherty	N	Liston	Y	Simpson	Y
Baisley	Y	Exum	N	Marchman	N	Snyder	N
Ball	N	Frizell	Y	Michaelson	N	Sullivan	N
Bridges	N	Gonzales J.	N	Mullica	N	Wallace	N
Bright	Y	Hinrichsen	N	Pelton B.	Y	Weissman	N
Carson	Y	Jodeh	N	Pelton R.	Y	Winter F.	N
Catlin	Y	Kipp	N	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	N	President	N
Danielson	N	Kolker	N	Rodriguez	Y		

Senator Rodriguez moved to amend the Report of the Committee of the Whole to show that the following Rodriguez floor amendment, (L.023) to SB25B-004, did not pass.

Amend printed bill, page 9, line 13, strike "NOTWITHSTANDING" and substitute "ON AND AFTER THE EFFECTIVE DATE OF THIS PART 17, AS AMENDED, IN ANY CASE IN WHICH A DEPLOYER IS LIABLE FOR A VIOLATION OF LAW FACILITATED BY THE DEPLOYER'S USE OF AN ALGORITHMIC DECISION SYSTEM, THE DEVELOPER OF THE ALGORITHMIC DECISION SYSTEM IS JOINTLY AND SEVERALLY LIABLE WITH THE DEPLOYER FOR THE VIOLATION IF:
(a) THE DEPLOYER USED THE ALGORITHMIC DECISION SYSTEM FOR ITS INTENDED OR ADVERTISED PURPOSE;

(b) THE DEPLOYER USED THE ALGORITHMIC DECISION SYSTEM IN A MANNER INTENDED OR REASONABLY ANTICIPATED BY THE DEVELOPER; AND
(c) THE OUTPUT OF THE ALGORITHMIC DECISION SYSTEM WAS NOT MATERIALLY ALTERED BY DATA THAT THE DEPLOYER PROVIDED AND THAT INVOLVED THE DEPLOYER'S INDEPENDENT JUDGMENT OR DISCRETION.
(2) A PERSON HELD JOINTLY AND SEVERALLY LIABLE PURSUANT TO THIS SECTION HAS A RIGHT OF CONTRIBUTION FROM ANOTHER PERSON FOUND JOINTLY AND SEVERALLY LIABLE. IF A VIOLATION IS FOUND BY THE JURY OR, IN THE ABSENCE OF A JURY, BY THE COURT, THE JURY SHALL RETURN A SPECIAL VERDICT OR, IN THE ABSENCE OF A JURY, THE COURT SHALL MAKE SPECIAL FINDINGS DETERMINING THE PERCENTAGE OF FAULT ATTRIBUTABLE TO THE DEVELOPER AND DEPLOYER.".

Page 9, strike lines 14 through 27.

Page 10, strike line 1.

A majority of all members elected to the Senate having voted in the affirmative, the amendment to the report of the Committee of the Whole was **passed** on the following roll call vote:

YES	35	NO	0	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

Senator Kirkmeyer moved to amend the Report of the Committee of the Whole to show that the following Kirkmeyer floor amendment, (L.001) to HB25B-1001, did pass.

Amend reengrossed bill, page 3, strike lines 12 through 16 and substitute:

"**SECTION 3. Refer to people under referendum.** At the election held on November 4, 2025, the secretary of state shall submit this act by its ballot title to the registered electors of the state for their approval or rejection. Each elector voting at the election may cast a vote either "Yes/For" or "No/Against" on the following ballot title: "Shall state taxes be increased $95,500,000 annually by a change to the Colorado Revised Statutes extending the existing requirement for certain taxpayers to add back an amount equal to their federal deduction for qualified business income for purposes of determining their state taxable income?" Except as otherwise provided in section 1-40-123, Colorado Revised Statutes, if a majority of the electors voting on the ballot title vote "Yes/For", then the act will become part of the Colorado Revised Statutes.".

Less than a majority of all members elected to the Senate having voted in the affirmative, the amendment to the report of the Committee of the Whole was **lost** on the following roll call vote:

YES	13	NO	22	EXCUSED	0	ABSENT	0
Amabile	N	Daugherty	N	Liston	Y	Simpson	Y
Baisley	Y	Exum	N	Marchman	N	Snyder	N
Ball	N	Frizell	Y	Michaelson	N	Sullivan	N
Bridges	N	Gonzales J.	N	Mullica	Y	Wallace	N
Bright	Y	Hinrichsen	N	Pelton B.	Y	Weissman	N
Carson	Y	Jodeh	N	Pelton R.	Y	Winter F.	N
Catlin	Y	Kipp	N	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	N	President	N
Danielson	N	Kolker	N	Rodriguez	N		

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Wallace, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: SB25B-004 as amended, HB25B-1001.
Laid over until Monday, August 25: HB25B-1004, HB25B-1006.

On motion of Assistant Majority Leader Cutter, the Senate adjourned until 10:00 a.m., Monday, August 25, 2025.

Approved:

James Rashad Coleman, Sr.
President of the Senate

Attest:

Esther van Mourik
Secretary of the Senate

SENATE JOURNAL
Seventy-fifth General Assembly
STATE OF COLORADO
First Extraordinary Session

5th Legislative Day Monday, August 25, 2025

Prayer — By President *pro tem* Michaelson Jenet.

Call to Order — By the President at 10:00 a.m.

Roll Call — Present--35
Excused later--1, Danielson
Remote--1, Exum

Quorum — The President announced a quorum present.

Pledge — By Senator Zamora Wilson.

Approval of the Journal — On motion of Senator Ball, the Journal of Sunday, August 24, 2025, was approved as corrected by the Secretary.

SENATE SERVICES REPORT

Correctly Engrossed: SB25B-004.
Correctly Revised: HB25B-1001, 1003, and 1005.
Correctly Rerevised: HB25B-1002.
Correctly Enrolled: SB25B-001, 002, and 003.

On motion of Majority Leader Rodriguez, and with a majority of those elected to the Senate having voted in the affirmative, the Special Orders -- Second Reading of Bills Calendar (HB25B-1004 and HB25B-1006) of Monday, August 25, was laid over until later in the day Monday, August 25, retaining its place on the calendar.

THIRD READING OF BILLS -- FINAL PASSAGE

On third reading, the titles of the following bills were publicly read, the reading at length having been dispensed with by unanimous consent:

HB25B-1005 by Representative(s) Woodrow and McCormick; also Senator(s) Kipp and Winter F.--Concerning the elimination of the sales tax vendor fee that retailers are authorized to retain in connection with collecting and remitting state sales tax, and, in connection therewith, making an appropriation.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	18	NO	17	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	N	Liston	N	Simpson	N
Baisley	N	Exum	N	Marchman	N	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	N	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	N	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Coleman, Cutter, Gonzales J., Michaelson Jenet, Sullivan, and Weissman.

HB25B-1003 by Representative(s) Mabrey and Boesenecker; also Senator(s) Weissman and Gonzales J.--Concerning adjustments to the insurance premium tax rate tax expenditure for a home office or regional home office.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	22	NO	13	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	N
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Coleman, Cutter, Jodeh, Kipp, Michaelson Jenet, Sullivan, Wallace, and Winter F.

SB25B-004 by Senator(s) Rodriguez; also Representative(s) Titone and Bacon--Concerning measures effective no later than June 30, 2026, to increase transparency for algorithmic systems, and, in connection therewith, making and reducing an appropriation.

Laid over until later in the day, Monday, August 25, retaining its place on the calendar.

HB25B-1001 by Representative(s) Sirota; also Senator(s) Hinrichsen and Cutter--Concerning the requirement for certain taxpayers to add back an amount equal to their federal deduction for qualified business income allowed under section 199A of the federal"Internal Revenue Code of 1986" for purposes of determining their state taxable income.

The question being "Shall the bill pass?", the roll call was taken with the following result:

YES	23	NO	12	EXCUSED	0	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	Y	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Coleman, Exum, Gonzales J., Jodeh, Kipp, Michaelson Jenet, Sullivan, Wallace, Weissman, and Winter F.

Committee of the Whole

On motion of Senator Gonzales, the Senate resolved itself into the Committee of the Whole for consideration of Special Orders--Second Reading of Bills, and Senator Gonzales was called to act as Chair.

SPECIAL ORDERS -- SECOND READING OF BILLS

The Committee of the Whole having risen, the Chair reported that the following bills, reading at length having been dispensed with by unanimous consent, had been considered and action taken thereon as follows:

HB25B-1004 by Representative(s) Stewart R. and Camacho; also Senator(s) Marchman and Snyder--Concerning requiring the department of the treasury to sell tax credits to qualified taxpayers, and, in connection therewith, transferring the proceeds to the general fund and making an appropriation.

Amendment No. 1, Appropriations Committee Amendment.
(Printed in Senate Journal, August 24, page(s) 37-39 and placed in members' bill files.)

As amended, ordered revised and placed on the calendar for third reading and final passage.

HB25B-1006 by Representative(s) Brown and Gilchrist, McCluskie; also Senator(s) Jodeh and Mullica, Roberts--Concerning modifications to the Colorado health insurance affordability enterprise to address the affordability of health insurance in the individual market using nonappropriated funding sources.

Amendment No. 1, Finance Committee Amendment.
(Printed in Senate Journal, August 24, page(s) 25-37 and placed in members' bill files.)

Amendment No. 2, Appropriations Committee Amendment.
(Printed in Senate Journal, August 24, page(s) 39-40 and placed in members' bill files.)

Amendment No. 3(L.022), by Senator Mullica.

> Amend the Finance Committee Report, dated August 24, 2025, page 3, strike lines 12 through 15 and substitute "value of up to one hundred twenty-five million dollars or total sales proceeds of up to one hundred million dollars, plus any reasonable and necessary administrative, monitoring, and closing costs.".
>
> Page 5, line 23, strike "~~general fund~~" and substitute "~~tax credit sale proceeds cash fund created in section 24-36-405 (1)~~".
>
> Page 5, strike lines 31 through 33 and substitute "one hundred twenty-five million dollars or total sales proceeds of up to one hundred million dollars, plus any reasonable and necessary administrative, monitoring, and closing costs.".

As amended, ordered revised and placed on the calendar for third reading and final passage.

ADOPTION OF THE REPORT OF THE COMMITTEE OF THE WHOLE

On motion of Senator Kipp, the report of the Committee of the Whole was **adopted** on the following roll call vote:

YES	22	NO	12	EXCUSED	1	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	N
Baisley	N	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	N	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	N	Hinrichsen	Y	Pelton B.	N	Weissman	Y
Carson	N	Jodeh	Y	Pelton R.	N	Winter F.	Y
Catlin	N	Kipp	Y	Rich	N	Zamora	N
Cutter	Y	Kirkmeyer	N	Roberts	Y	President	Y
Danielson	E	Kolker	Y	Rodriguez	Y		

The Committee of the Whole took the following action:

Passed on second reading: HB25B-1004 as amended, HB25B-1006 as amended

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CONSIDERATION OF HOUSE AMENDMENTS TO SENATE BILLS

SB25B-005 by Senator(s) Roberts and Catlin, Daugherty, Hinrichsen, Marchman, Mullica, Pelton B., Pelton R., Rich, Simpson, Snyder; also Representative(s) Lukens and Martinez, Camacho, Duran, Espenoza, Garcia Sander, Hartsook, Johnson, Lieder, Pugliese, Richardson, Soper, Stewart K., Stewart R., Suckla, Taggart, Velasco, Winter T.--Concerning a reallocation of funding from the division of parks and wildlife for the reintroduction of gray wolves to the Colorado health insurance affordability enterprise, and, in connection therewith, reducing an appropriation.

Senator Roberts moved that the Senate concur in House amendments to **SB25B-005**, as printed in House journal, August 23, page(s) 51 and August 24 page(s) 59. The motion was **adopted** by the following roll call vote:

YES	30	NO	4	EXCUSED	1	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	N
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	N
Bright	Y	Hinrichsen	N	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	E	Kolker	Y	Rodriguez	Y		

The question being "Shall the bill, as amended, pass?", the roll call was taken with the following result:

YES	31	NO	3	EXCUSED	1	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	N
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	N
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	N	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	E	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill, as amended, was **repassed.**

Senate in recess. Senate reconvened.

THIRD READING OF BILLS -- FINAL PASSAGE

On third reading, the titles of the following bills were publicly read, the reading at length having been dispensed with by unanimous consent:

SB25B-004 by Senator(s) Rodriguez; also Representative(s) Bacon--Concerning measures effective no later than June 30, 2026, to increase transparency for algorithmic systems, and, in connection therewith, making and reducing an appropriation.

A majority of those elected to the Senate having voted in the affirmative, Senator Rodriguez was given permission to offer a third reading amendment.

Third Reading Amendment No. 1(L.037), by Senator Rodriguez.

Amend engrossed bill, strike everything below the enacting clause and substitute:

"**SECTION 1.** In Colorado Revised Statutes, 6-1-1702, **amend** (1), (2) introductory portion, (3)(a), (4)(a) introductory portion, (5) introductory portion, and (7) as follows:

6-1-1702. Developer duty to avoid algorithmic discrimination - required documentation. (1) On and after ~~February 1, 2026~~ JUNE 30, 2026, a developer of a high-risk artificial intelligence system shall use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination arising from the intended and contracted uses of the high-risk artificial intelligence system. In any enforcement action brought on or after ~~February 1, 2026~~ JUNE 30, 2026, by the attorney general pursuant to section 6-1-1706, there is a rebuttable presumption that a developer used reasonable care as required under this section if the developer complied with this section and any additional requirements or obligations as set forth in rules ~~promulgated~~ ADOPTED by the attorney general pursuant to section 6-1-1707.

(2) On and after ~~February 1, 2026~~ JUNE 30, 2026, and except as provided in subsection (6) of this section, a developer of a high-risk artificial intelligence system shall make available to the deployer or other developer of the high-risk artificial intelligence system:

(3) (a) Except as provided in subsection (6) of this section, a developer that offers, sells, leases, licenses, gives, or otherwise makes available to a deployer or other developer a high-risk artificial intelligence system on or after ~~February 1, 2026~~ JUNE 30, 2026, shall make available to the deployer or other developer, to the extent feasible, the documentation and information, through artifacts such as model cards, dataset cards, or other impact assessments, necessary for a deployer, or for a third party contracted by a deployer, to complete an impact assessment pursuant to section 6-1-1703 (3).

(4) (a) On and after ~~February 1, 2026~~ JUNE 30, 2026, a developer shall make available, in a manner that is clear and readily available on the developer's website or in a public use case inventory, a statement summarizing:

(5) On and after ~~February 1, 2026~~ JUNE 30, 2026, a developer of a high-risk artificial intelligence system shall disclose to the attorney general, in a form and manner prescribed by the attorney general, and to all known deployers or other developers of the high-risk artificial intelligence system, any known or reasonably foreseeable risks of algorithmic discrimination arising from the intended uses of the high-risk artificial intelligence system without unreasonable delay but no later than ninety days after the date on which:

(7) On and after ~~February 1, 2026~~ JUNE 30, 2026, the attorney general may require that a developer disclose to the attorney general, no later than ninety days after the request and in a form and manner prescribed by the attorney general, the statement or documentation described in subsection (2) of this section. The attorney general may evaluate such statement or documentation to ensure compliance with this part 17, and the statement or documentation is not subject to disclosure under the "Colorado Open Records Act", part 2 of article 72 of title 24. In a disclosure MADE pursuant to this subsection (7), a developer may designate the statement or documentation as including proprietary information or a trade secret. To the extent that any information contained in the statement or documentation includes information subject to attorney-client privilege or work-product protection, the disclosure does not constitute a waiver of the privilege or protection.

SECTION 2. In Colorado Revised Statutes, 6-1-1703, **amend** (1), (2)(a) introductory portion, (3)(a), (3)(c), (3)(g), (4)(a) introductory portion, (4)(b) introductory portion, (5)(a) introductory portion, (7), and (9) as follows:

6-1-1703. Deployer duty to avoid algorithmic discrimination - risk management policy and program. (1) On and after ~~February 1, 2026~~ JUNE 30, 2026, a deployer of a high-risk artificial intelligence system shall use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination. In any enforcement action brought on or after ~~February 1, 2026~~ JUNE 30, 2026, by the attorney general pursuant to section 6-1-1706, there is a rebuttable presumption that a deployer of a high-risk artificial intelligence system used reasonable care as required under this section if the deployer complied with this section and any additional requirements or obligations as set forth in rules ~~promulgated~~ ADOPTED by the attorney general

pursuant to section 6-1-1707.

(2) (a) On and after ~~February 1, 2026~~ JUNE 30, 2026, and except as provided in subsection (6) of this section, a deployer of a high-risk artificial intelligence system shall implement a risk management policy and program to govern the deployer's deployment of the high-risk artificial intelligence system. The risk management policy and program must specify and incorporate the principles, processes, and personnel that the deployer uses to identify, document, and mitigate known or reasonably foreseeable risks of algorithmic discrimination. The risk management policy and program must be an iterative process planned, implemented, and regularly and systematically reviewed and updated over the life cycle of a high-risk artificial intelligence system, requiring regular, systematic review and updates. A risk management policy and program implemented and maintained pursuant to this subsection (2) must be reasonable considering:

(3) (a) Except as provided in subsections (3)(d), (3)(e), and (6) of this section:

(I) A deployer, or a third party contracted by the deployer, that deploys a high-risk artificial intelligence system on or after ~~February 1, 2026~~ JUNE 30, 2026, shall complete an impact assessment for the high-risk artificial intelligence system; and

(II) On and after ~~February 1, 2026~~ JUNE 30, 2026, a deployer, or a third party contracted by the deployer, shall complete an impact assessment for a deployed high-risk artificial intelligence system at least annually and within ninety days after any intentional and substantial modification to the high-risk artificial intelligence system is made available.

(c) In addition to the information required under subsection (3)(b) of this section, an impact assessment completed pursuant to this subsection (3) following an intentional and substantial modification to a high-risk artificial intelligence system on or after ~~February 1, 2026~~ JUNE 30, 2026, must include a statement disclosing the extent to which the high-risk artificial intelligence system was used in a manner that was consistent with, or varied from, the developer's intended uses of the high-risk artificial intelligence system.

(g) On or before ~~February 1, 2026~~ JUNE 30, 2026, and at least annually thereafter, a deployer, or a third party contracted by the deployer, must review the deployment of each high-risk artificial intelligence system deployed by the deployer to ensure that the high-risk artificial intelligence system is not causing algorithmic discrimination.

(4) (a) On and after ~~February 1, 2026~~ JUNE 30, 2026, and no later than the time that a deployer deploys a high-risk artificial intelligence system to make, or be a substantial factor in making, a consequential decision concerning a consumer, the deployer shall:

(b) On and after ~~February 1, 2026~~ JUNE 30, 2026, a deployer that has deployed a high-risk artificial intelligence system to make, or be a substantial factor in making, a consequential decision concerning a consumer shall, if the consequential decision is adverse to the consumer, provide to the consumer:

(5) (a) On and after ~~February 1, 2026~~ JUNE 30, 2026, and except as provided in subsection (6) of this section, a deployer shall make available, in a manner that is clear and readily available on the deployer's website, a statement summarizing:

(7) If a deployer deploys a high-risk artificial intelligence system on or after ~~February 1, 2026~~ JUNE 30, 2026, and subsequently discovers that the high-risk artificial intelligence system has caused algorithmic discrimination, the deployer, without unreasonable delay, but no later than ninety days after the date of the discovery, shall send to the attorney general, in a form and manner prescribed by the attorney general, a notice disclosing the discovery.

(9) On and after ~~February 1, 2026~~ JUNE 30, 2026, the attorney general may require that a deployer, or a third party contracted by the deployer, disclose to the attorney general, no later than ninety days after the request and in a form and manner prescribed by the attorney general, the risk management policy implemented pursuant to subsection (2) of this section, the impact assessment completed pursuant to subsection (3) of this section, or the records maintained pursuant to subsection (3)(f) of this section. The attorney general may evaluate the risk management policy, impact assessment, or records to ensure compliance with this part 17, and the risk management policy, impact assessment, and records are not subject to disclosure under the "Colorado Open Records Act", part 2 of article 72 of title 24. In a disclosure MADE pursuant to this subsection (9), a deployer may designate the statement or documentation

as including proprietary information or a trade secret. To the extent that any information contained in the risk management policy, impact assessment, or records includes information subject to attorney-client privilege or work-product protection, the disclosure does not constitute a waiver of the privilege or protection.

SECTION 3. In Colorado Revised Statutes, 6-1-1704, **amend** (1) as follows:

6-1-1704. Disclosure of an artificial intelligence system to consumer. (1) On and after ~~February 1, 2026~~ JUNE 30, 2026, and except as provided in subsection (2) of this section, a deployer or other developer that deploys, offers, sells, leases, licenses, gives, or otherwise makes available an artificial intelligence system that is intended to interact with consumers shall ensure the disclosure to each consumer who interacts with the artificial intelligence system that the consumer is interacting with an artificial intelligence system.

SECTION 4. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.".

The amendment was **passed** on the following roll call vote:

YES	34	NO	0	EXCUSED	1	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	Y	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	Y	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	E	Kolker	Y	Rodriguez	Y		

The question being "Shall the bill, as amended, pass?", the roll call was taken with the following result:

YES	32	NO	2	EXCUSED	1	ABSENT	0
Amabile	Y	Daugherty	Y	Liston	N	Simpson	Y
Baisley	Y	Exum	Y	Marchman	Y	Snyder	Y
Ball	Y	Frizell	Y	Michaelson	Y	Sullivan	Y
Bridges	Y	Gonzales J.	Y	Mullica	Y	Wallace	Y
Bright	Y	Hinrichsen	N	Pelton B.	Y	Weissman	Y
Carson	Y	Jodeh	Y	Pelton R.	Y	Winter F.	Y
Catlin	Y	Kipp	Y	Rich	Y	Zamora	Y
Cutter	Y	Kirkmeyer	Y	Roberts	Y	President	Y
Danielson	E	Kolker	Y	Rodriguez	Y		

A majority of all members elected to the Senate having voted in the affirmative, the bill was **passed.**

Co-sponsor(s) added: Baisley, Ball, Coleman, Exum, Frizell, Gonzales J., Kirkmeyer, Marchman, Pelton B., Simpson, and Snyder.

SIGNING OF BILLS -- RESOLUTIONS -- MEMORIALS

The President has signed: SB25B-001, 002, and 003.

On motion of Majority Leader Rodriguez, the Senate adjourned until 10:30 a.m., Tuesday, August 26, 2025.

Approved:

James Rashad Coleman, Sr.
President of the Senate

Attest:

Esther van Mourik
Secretary of the Senate