

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0974.01 Josh Schultz x5486

SENATE BILL 26-189

SENATE SPONSORSHIP

Rodriguez and Coleman, Baisley, Amabile, Ball, Benavidez, Bridges, Cutter, Exum, Frizell, Kirkmeyer, Kolker, Lindstedt, Marchman, Pelton B., Pelton R., Rich, Simpson, Snyder

HOUSE SPONSORSHIP

Duran and Bacon, Titone

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

Judiciary
Appropriations

A BILL FOR AN ACT

101 **CONCERNING THE USE OF AUTOMATED DECISION-MAKING**
102 **TECHNOLOGY IN CONSEQUENTIAL DECISIONS, AND, IN**
103 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

In 2024, the general assembly enacted Senate Bill 24-205, which created consumer protections in interactions with artificial intelligence systems. The bill repeals and reenacts those provisions with new requirements regarding the use of automated decision-making technology in consequential decisions.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.*

SENATE
3rd Reading Unamended
May 7, 2026

SENATE
Amended 2nd Reading
May 6, 2026

The bill defines an "automated decision-making technology" (ADMT) as a technology that processes personal data and uses computation to generate output, including predictions, recommendations, classifications, rankings, scores, or other information that is used to make, guide, or assist a decision, judgment, or determination concerning an individual. A "consequential decision" is a decision that relates to an individual's access to, eligibility for, or compensation related to education, employment, housing, financial or lending services, insurance, health-care services, or essential government services.

The bill requires the developer of an ADMT (developer) that is used to materially influence a consequential decision (covered ADMT), starting January 1, 2027, to provide a deployer of a covered ADMT (deployer) with technical documentation describing the covered ADMT's intended uses, categories of training data, known limitations, and instructions for appropriate use and human review. Developers must notify deployers of material updates or modifications to the covered ADMT. Both developers and deployers are required to retain records necessary to demonstrate compliance with the bill for at least 3 years.

The bill establishes consumer notice requirements, mandating that deployers provide clear and conspicuous notice to consumers at the point of interaction with a covered ADMT. A deployer is required to provide a consumer with a plain language description of a covered ADMT's role within 30 days after the covered ADMT makes a consequential decision that results in an adverse outcome for the consumer. The attorney general must adopt rules to clarify these post-adverse outcome disclosure requirements by January 1, 2027.

Consumers have the right to request personal data and correction of factually incorrect personal data used by a covered ADMT. The bill also grants consumers the right to request meaningful human review and reconsideration following a covered ADMT making a consequential decision resulting in an adverse outcome.

The attorney general is directed to enforce the bill through the "Colorado Consumer Protection Act", and a violation of the bill is deemed a deceptive trade practice. Before initiating an action, the attorney general must provide the developer or deployer with a 60-day notice and opportunity to cure the alleged violation, if a cure is deemed possible. The bill does not create a new private right of action but establishes how fault is allocated between developers and deployers in civil actions alleging unlawful discrimination under existing law.

Specified entities are exempted from the requirements of the bill to the extent the entities comply with other legal obligations.

1 *Be it enacted by the General Assembly of the State of Colorado:*

1 INFORMATION THAT IS USED TO MAKE, GUIDE, OR ASSIST A DECISION,
2 JUDGMENT, OR DETERMINATION CONCERNING AN INDIVIDUAL.

3 (b) "AUTOMATED DECISION-MAKING TECHNOLOGY" OR "ADMT"
4 DOES NOT INCLUDE:

5 (I) THE FOLLOWING TECHNOLOGIES:

6 (A) ANTI-MALWARE;

7 (B) ANTI-VIRUS;

8 (C) CALCULATORS;

9 (D) DATABASES;

10 (E) DATA STORAGE;

11 (F) FIREWALLS;

12 (G) INTERNET DOMAIN REGISTRATION;

13 (H) INTERNET WEBSITE LOADING;

14 (I) NETWORKING;

15 (J) SPAM- AND ROBOCALL-FILTERING;

16 (K) SPELL-CHECKING;

17 (L) SPREADSHEETS THAT REQUIRE HUMAN ANALYSIS AND DO NOT
18 USE MACHINE LEARNING, FOUNDATION MODELS, OR LARGE LANGUAGE
19 MODELS;

20 (M) WEB CACHING; OR

21 (N) WEB HOSTING;

22 (II) A TOOL USED BY AN INDIVIDUAL SOLELY TO SUMMARIZE,
23 ORGANIZE, TRANSLATE, DRAFT, ROUTE, OR PRESENT INFORMATION FOR
24 HUMAN REVIEW OF ADMINISTRATIVE PROCESSING; OR

25 (III) TECHNOLOGY THAT COMMUNICATES WITH CONSUMERS IN
26 NATURAL LANGUAGE OR OTHER MEANS READILY UNDERSTOOD BY AN
27 AVERAGE CONSUMER FOR THE PURPOSE OF PROVIDING CONSUMERS WITH

1 INFORMATION, MAKING REFERRALS OR RECOMMENDATIONS, ANSWERING
2 QUESTIONS, OR GENERATING OTHER CONTENT, IF:

3 (A) THE TECHNOLOGY IS NOT CONTRACTED, ADVERTISED,
4 MARKETED, CONFIGURED, OR INTENDED BY A PERSON TO BE USED IN A
5 CONSEQUENTIAL DECISION; AND

6 (B) THE TECHNOLOGY IS SUBJECT TO AN ACCEPTABLE USE POLICY
7 THAT PROHIBITS GENERATED CONTENT TO BE USED IN A CONSEQUENTIAL
8 DECISION.

9 (3) (a) "CONSEQUENTIAL DECISION" MEANS:

10 (I) A DECISION, DETERMINATION, OR ACTION MADE ABOUT A
11 CONSUMER THAT RELATES TO THE PROVISION OF OR A CONSUMER'S ACCESS
12 TO, ELIGIBILITY FOR, SELECTION FOR, OR COMPENSATION FOR A COVERED
13 DOMAIN; OR

14 (II) A DECISION, DETERMINATION, OR ACTION ABOUT A CONSUMER
15 THAT RELATES TO A DIFFERENTIATED PRICE, COST SHARING,
16 COMPENSATION, OR OTHER MATERIAL TERMS IN A MANNER THAT IS
17 REASONABLY LIKELY TO MATERIALLY LIMIT, DELAY, EFFECTIVELY DENY,
18 OR OTHERWISE FUNDAMENTALLY ALTER THE CONSUMER'S ACCESS,
19 ELIGIBILITY, OR OPPORTUNITY FOR A COVERED DOMAIN.

20 (b) "CONSEQUENTIAL DECISION" DOES NOT INCLUDE:

21 (I) LOW-STAKES OR ROUTINE DECISIONS, ACTIONS, AND BUSINESS
22 PROCESSES THAT DO NOT MATERIALLY INFLUENCE ELIGIBILITY FOR,
23 SELECTION FOR, DENIAL OF, COMPENSATION FOR, PRICING OF, OR ACCESS
24 TO AN OPPORTUNITY OR SERVICE FOR A COVERED DOMAIN, INCLUDING
25 ROUTINE SCHEDULING, CLASSROOM PERSONALIZATION, ADMINISTRATIVE
26 ROUTING, CUSTOMER SERVICE TRIAGE, COMMUNICATION OF DECISIONS, OR
27 WORKFLOW MANAGEMENT;

1 (II) ADVERTISING, MARKETING, DIFFERENTIATED PRODUCT
2 RECOMMENDATIONS, SEARCH, OR CONTENT MODERATION;

3 (III) SPREADSHEETS THAT REQUIRE MANUAL HUMAN ANALYSIS
4 AND DO NOT USE MACHINE LEARNING, FOUNDATION MODELS, OR LARGE
5 LANGUAGE MODELS;

6 (IV) ACTIONS IN WHICH AN ADMT IS USED TO SUMMARIZE,
7 ORGANIZE, OR PRESENT INFORMATION FOR HUMAN REVIEW AND THE
8 SYSTEM DOES NOT PRODUCE A SCORE, RANKING, RECOMMENDATION,
9 CLASSIFICATION, PREDICTION, OR OTHER INFERENCE THAT MATERIALLY
10 INFLUENCES AN OUTCOME OR A DECISION;

11 (V) NARROW PROCEDURAL TASKS OR DATA-PROCESSING
12 FUNCTIONS THAT DO NOT GENERATE A PREDICTION OR INFERENCE ABOUT
13 A CONSUMER OR MATERIALLY INFLUENCE A CONSEQUENTIAL DECISION OR
14 CONSEQUENTIAL DECISION PROCESS;

15 (VI) ACTIVITIES RELATING TO TECHNOLOGIES USED FOR
16 CYBERSECURITY, SPAM- AND ROBO-CALL FILTERING, SYSTEM RELIABILITY,
17 AND ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING
18 CONTROLS;

19 (VII) ACTIVITIES RELATING TO TECHNOLOGIES USED FOR
20 ECONOMIC SANCTIONS COMPLIANCE, INCLUDING UNDER THE FEDERAL
21 "BANK SECRECY ACT", 12 U.S.C. SEC. 1951 ET SEQ.; THE FEDERAL "USA
22 PATRIOT ACT", PUB.L. 107-56; THE FEDERAL TRADE COMMISSION'S RED
23 FLAGS RULE, 16 CFR 681, AS AMENDED; AND SANCTIONS PROGRAMS
24 ADMINISTERED BY THE UNITED STATES DEPARTMENT OF THE TREASURY,
25 EXCLUDING FACIAL RECOGNITION UNLESS THE SOLE PURPOSE OF WHICH IS
26 TO CONFIRM AN INDIVIDUAL'S IDENTITY;

27 (VIII) ACTIVITIES RELATING TO TECHNOLOGIES USED FOR FRAUD

1 PREVENTION, INCLUDING IDENTITY VERIFICATION, CONSUMER
2 IDENTIFICATION, MONITORING, AND REPORTING CONTROLS REQUIRED
3 UNDER STATE OR FEDERAL LAW; OR

4 (IX) ROUTINE ACADEMIC ADMINISTRATION AND STUDENT SUPPORT
5 PROCESSES THAT DO NOT MATERIALLY INFLUENCE A CONSEQUENTIAL
6 DECISION.

7 (4) (a) "CONSUMER" HAS THE MEANING SET FORTH IN SECTION
8 6-1-1303 (6)(a).

9 (b) "CONSUMER" INCLUDES AN EMPLOYEE, A JOB APPLICANT WHO
10 IS A COLORADO RESIDENT, AND ANY INDIVIDUAL WHOSE ACCESS TO,
11 ELIGIBILITY FOR, OR OPPORTUNITY IN COLORADO IS EVALUATED IN A
12 CONSEQUENTIAL DECISION BY A PERSON DOING BUSINESS IN COLORADO.

13 (5) "COVERED ADMT" MEANS AUTOMATED DECISION-MAKING
14 TECHNOLOGY THAT IS USED TO MATERIALLY INFLUENCE A
15 CONSEQUENTIAL DECISION.

16 (6) "COVERED DOMAIN" MEANS:

17 (a) AN EDUCATION ENROLLMENT OR AN EDUCATION OPPORTUNITY;

18 (b) EMPLOYMENT OR AN EMPLOYMENT OPPORTUNITY THAT
19 CREATES OR MAY CREATE AN EMPLOYER-EMPLOYEE RELATIONSHIP;

20 (c) THE LEASE OR PURCHASE OF RESIDENTIAL REAL ESTATE IN
21 COLORADO;

22 (d) A FINANCIAL OR LENDING SERVICE;

23 (e) INSURANCE, INCLUDING UNDERWRITING, PRICING, COVERAGE,
24 CLAIMS ADJUDICATION, OR OTHER DETERMINATIONS THAT MATERIALLY
25 AFFECT ACCESS TO BENEFITS;

26 (f) HEALTH-CARE SERVICES; OR

27 (g) ESSENTIAL GOVERNMENT SERVICES AND PUBLIC BENEFITS,

1 INCLUDING ELIGIBILITY AND RENEWAL DETERMINATIONS.

2 (7) "DEPLOYER" MEANS A PERSON DOING BUSINESS IN COLORADO
3 THAT DEPLOYS A COVERED ADMT.

4 (8) (a) "DEVELOPER" MEANS A PERSON DOING BUSINESS IN
5 COLORADO THAT:

6 (I) DEVELOPS, OFFERS, SELLS, LEASES, LICENSES, OR OTHERWISE
7 MAKES COMMERCIALY AVAILABLE A COVERED ADMT;

8 (II) DEVELOPS A COMPONENT THAT IS DESIGNED, MARKETED,
9 INTENDED, DOCUMENTED, ADVERTISED, CONFIGURED, OR CONTRACTED TO
10 BE USED AS PART OF A COVERED ADMT; OR

11 (III) INTENTIONALLY AND SUBSTANTIALLY MODIFIES AN ADMT
12 SUCH THAT IT BECOMES A COVERED ADMT.

13 (b) "DEVELOPER" DOES NOT INCLUDE A PERSON THAT:

14 (I) DEVELOPS AND USES AN ADMT:

15 (A) SOLELY FOR RESEARCH PURPOSES AND THE ADMT IS NOT
16 USED IN A CONSEQUENTIAL DECISION IN THE RESEARCH; OR

17 (B) FOR INTERNAL PURPOSES, SUCH AS USE AND DEVELOPMENT
18 ACTIVITIES BY AFFILIATES AND COMMERCIAL SUPPORT FUNCTIONS, AND
19 THAT DOES NOT MAKE THE SYSTEM AVAILABLE TO ANOTHER PERSON FOR
20 USE IN A CONSEQUENTIAL DECISION;

21 (II) IS A PRECEDING DEVELOPER THAT MAKES AN ADMT
22 COMMERCIALY AVAILABLE AND AN UNAFFILIATED PERSON MODIFIES THE
23 COVERED ADMT IN A MANNER THAT CHANGES THE SYSTEM'S INTENDED,
24 DOCUMENTED, MARKETED, ADVERTISED, CONFIGURED, OR CONTRACTED
25 USE; OR

26 (III) HAS DESIGNED, MARKETED, INTENDED, DOCUMENTED,
27 ADVERTISED, CONFIGURED, OR CONTRACTED A COMPONENT THAT IS USED

1 AS PART OF AN ADMT, BUT THE COMPONENT IS INTEGRATED INTO A
2 COVERED ADMT WITHOUT THE ACTUAL KNOWLEDGE OF THE PERSON.

3 (9) "EMPLOYEE" HAS THE MEANING SET FORTH IN SECTION 8-4-101
4 (5).

5 (10) "EMPLOYER" HAS THE MEANING SET FORTH IN SECTION
6 8-4-101 (6).

7 (11) "FERPA" MEANS THE FEDERAL "FAMILY EDUCATIONAL
8 RIGHTS AND PRIVACY ACT OF 1974", 20 U.S.C. SEC. 1232g ET SEQ., AND
9 ITS IMPLEMENTING REGULATIONS.

10 (12) "INTENTIONAL AND SUBSTANTIAL MODIFICATION" MEANS A
11 DELIBERATE CHANGE MADE TO AN ADMT THAT RESULTS IN A MATERIAL
12 CHANGE TO THE SYSTEM'S INTENDED, DOCUMENTED, ADVERTISED,
13 CONFIGURED, OR CONTRACTED USE.

14 (13) (a) "MATERIALLY INFLUENCE" MEANS:

15 (I) AN ADMT OUTPUT IS A NON-DE MINIMIS FACTOR THAT IS USED
16 IN MAKING A CONSEQUENTIAL DECISION; AND

17 (II) AN ADMT OUTPUT AFFECTS THE OUTCOME OF A
18 CONSEQUENTIAL DECISION, INCLUDING BY CONSTRAINING, RANKING,
19 SCORING, RECOMMENDING, CLASSIFYING, OR OTHERWISE MEANINGFULLY
20 ALTERING HOW A CONSEQUENTIAL DECISION IS MADE.

21 (b) "MATERIALLY INFLUENCE" DOES NOT INCLUDE INCIDENTAL,
22 TRIVIAL, OR CLERICAL USES.

23 (14) (a) "MATERIAL UPDATE" MEANS AN UPDATE, PATCH, RELEASE,
24 REVISION, OR NEW VERSION OF A COVERED ADMT, INCLUDING
25 ASSOCIATED SOFTWARE, MODEL PARAMETERS, DEFAULT SETTINGS, OR
26 DOCUMENTATION, THAT A DEVELOPER KNOWS OR REASONABLY SHOULD
27 KNOW IS LIKELY TO MATERIALLY AFFECT:

1 (I) THE COVERED ADMT'S OUTPUTS OR PERFORMANCE IN A
2 MANNER RELEVANT TO ITS INTENDED USE; OR

3 (II) THE DEVELOPER'S STATED INTENDED USE FOR THE COVERED
4 ADMT.

5 (b) "MATERIAL UPDATE" DOES NOT INCLUDE ROUTINE
6 MAINTENANCE, COSMETIC CHANGES, OR BUG FIXES THAT DO NOT
7 MATERIALLY INFLUENCE:

8 (I) A COVERED ADMT'S OUTPUTS OR PERFORMANCE IN A MANNER
9 RELEVANT TO ITS INTENDED USE; OR

10 (II) A DEVELOPER'S STATED INTENDED USE FOR THE COVERED
11 ADMT.

12 (15) "MEANINGFUL HUMAN REVIEW" MEANS REVIEW BY A
13 INDIVIDUAL DESIGNATED BY THE DEPLOYER WHO HAS AUTHORITY TO
14 APPROVE, MODIFY, OR OVERRIDE A CONSEQUENTIAL DECISION AND WHO:

15 (a) CONSIDERS RELEVANT, AVAILABLE PRIMARY EVIDENCE;

16 (b) IS TRAINED TO CONDUCT THE REVIEW;

17 (c) DOES NOT DEFAULT TO THE SYSTEM OUTPUT; AND

18 (d) HAS ACCESS TO SUFFICIENT INFORMATION TO UNDERSTAND:

19 (I) THE OUTPUT'S:

20 (A) INTENDED USE;

21 (B) MATERIAL LIMITATIONS; AND

22 (C) CATEGORIES OF INPUTS; AND

23 (II) THE PRINCIPAL FACTORS USED TO GENERATE THE OUTPUT,
24 WITHOUT REQUIRING DISCLOSURE OF PROPRIETARY SOURCE CODE, MODEL
25 WEIGHTS, OR OTHER TRADE SECRETS.

26 (16) "PERSONAL DATA" HAS THE MEANING SET FORTH IN SECTION
27 6-1-1303 (17).

1 (17) "TRADE SECRET" HAS THE MEANING SET FORTH IN SECTION
2 7-74-102 (4).

3 **6-1-1702. Developer responsibilities - documentation.**

4 (1) ON AND AFTER JANUARY 1, 2027, A DEVELOPER SHALL MAKE
5 AVAILABLE TO EACH DEPLOYER OF A COVERED ADMT DEVELOPED BY THE
6 DEVELOPER, IN A FORM AND MANNER THAT IS REASONABLY
7 UNDERSTANDABLE TO A DEPLOYER AND THAT PROTECTS TRADE SECRETS
8 OR INFORMATION PROTECTED FROM DISCLOSURE BY STATE OR FEDERAL
9 LAW:

10 (a) A GENERAL STATEMENT DESCRIBING THE INTENDED USES AND
11 KNOWN HARMFUL OR INAPPROPRIATE USES OF THE COVERED ADMT;

12 (b) A DESCRIPTION OF THE CATEGORIES OF DATA, INCLUDING
13 PERSONAL DATA, USED TO TRAIN THE COVERED ADMT, TO THE EXTENT
14 KNOWN;

15 (c) KNOWN LIMITATIONS OF THE COVERED ADMT, INCLUDING
16 KNOWN RISKS AND CIRCUMSTANCES IN WHICH THE COVERED ADMT
17 SHOULD NOT BE USED;

18 (d) INSTRUCTIONS FOR THE DEPLOYER'S APPROPRIATE USE,
19 MONITORING, AND MEANINGFUL HUMAN REVIEW, WHERE APPLICABLE;

20 (e) INFORMATION REASONABLY NECESSARY FOR THE DEPLOYER TO
21 COMPLY WITH SECTION 6-1-1704. IF INFORMATION IS WITHHELD, THE
22 DEVELOPER SHALL NOTIFY THE DEPLOYER.

23 (2) (a) A DEVELOPER SHALL PROVIDE TO EACH DEPLOYER OF A
24 COVERED ADMT DEVELOPED BY THE DEVELOPER A NOTICE OF MATERIAL
25 UPDATES, INTENTIONAL AND SUBSTANTIAL MODIFICATIONS, AND CHANGES
26 TO THE INTENDED USE OF, LIMITATIONS FOR, OR RISK MITIGATION FOR THE
27 COVERED ADMT WITHIN A REASONABLE TIME.

1 (b) A DEVELOPER MAY USE PUBLIC RELEASE NOTES CONTAINING
2 THE INFORMATION REQUIRED BY SUBSECTION (2)(a) OF THIS SECTION TO
3 COMPLY WITH THIS SUBSECTION (2) IF THE DEVELOPER PROVIDES DIRECT
4 NOTICE OF THE PUBLIC RELEASE TO EACH DEPLOYER OF THE COVERED
5 ADMT.

6 (3) A DEVELOPER IS SUBJECT TO THE DISCLOSURE REQUIREMENTS
7 DESCRIBED IN SUBSECTIONS (1) AND (2) OF THIS SECTION ONLY FOR A
8 DEPLOYER'S USE OF A COVERED ADMT WHERE THE ADMT WAS
9 MARKETED, ADVERTISED, CONFIGURED, CONTRACTED, SOLD, OR LICENSED
10 TO BE USED TO MATERIALLY INFLUENCE A CONSEQUENTIAL DECISION.

11 (4) A DEVELOPER SHALL RETAIN, FOR NOT LESS THAN THREE
12 YEARS AFTER THE CREATION OF A RECORD REQUIRED OR CREATED UNDER
13 THIS SECTION OR FOR A LONGER PERIOD IF REQUIRED BY APPLICABLE
14 STATE OR FEDERAL LAW, RECORDS REASONABLY NECESSARY TO
15 DEMONSTRATE COMPLIANCE WITH THIS SECTION. RECORDS INCLUDE
16 SYSTEM VERSION IDENTIFIERS, CHANGELOGS, AND DOCUMENTATION AND
17 NOTICES OF MATERIAL UPDATES PROVIDED TO DEPLOYERS PURSUANT TO
18 SUBSECTION (2) OF THIS SECTION.

19 (5) THIS SECTION APPLIES WHEN A DEVELOPER CREATES A
20 COVERED ADMT THAT IS INTENDED, DOCUMENTED, MARKETED,
21 ADVERTISED, CONFIGURED, OR CONTRACTED TO BE USED TO MAKE
22 CONSEQUENTIAL DECISIONS OR WHEN THE DEVELOPER BECOMES AWARE
23 THAT THE COVERED ADMT IS BEING USED TO MAKE CONSEQUENTIAL
24 DECISIONS IN A MANNER CONSISTENT WITH THE INTENDED AND
25 CONTRACTED USES.

26 **6-1-1703. Deployer record keeping.**

27 A DEPLOYER SHALL RETAIN, FOR NOT LESS THAN THREE YEARS

1 AFTER THE DATE OF A CONSEQUENTIAL DECISION OR FOR A LONGER PERIOD
2 IF REQUIRED BY APPLICABLE STATE OR FEDERAL LAW, RECORDS
3 REASONABLY NECESSARY TO DEMONSTRATE COMPLIANCE WITH THIS PART
4 17. RECORDS MAY INCLUDE, AS APPLICABLE, COVERED ADMT VERSION
5 IDENTIFIERS, CHANGELOGS, AND DOCUMENTATION OF MATERIAL
6 MITIGATION CHANGES.

7 **6-1-1704. Deployer disclosures - point-of-interaction notice -**
8 **public posting option - post-adverse outcome disclosures - legislative**
9 **declaration - trade secrets - compliance with other law - accessibility**
10 **- rules.**

11 (1) PRIOR TO A DEPLOYER USING A COVERED ADMT TO
12 MATERIALLY INFLUENCE A CONSEQUENTIAL DECISION, THE DEPLOYER
13 SHALL PROVIDE A CLEAR AND CONSPICUOUS NOTICE TO A CONSUMER THAT
14 THE DEPLOYER USED OR WILL USE A COVERED ADMT IN A
15 CONSEQUENTIAL DECISION AFFECTING THE CONSUMER AND INSTRUCTIONS
16 REGARDING HOW THE CONSUMER MAY OBTAIN THE ADDITIONAL
17 INFORMATION DESCRIBED IN THIS SECTION.

18 (2) A DEPLOYER COMPLIES WITH SUBSECTION (1) OF THIS SECTION
19 BY MAINTAINING A PROMINENT PUBLIC NOTICE THAT IS REASONABLY
20 ACCESSIBLE AT POINTS OF CONSUMER INTERACTION, INCLUDING THROUGH
21 A LINK OR POSTING THAT IS REASONABLY PROXIMATE TO THE INTERACTION
22 OR TRANSACTION IN WHICH A CONSEQUENTIAL DECISION MAY OCCUR.

23 (3) IF A DEPLOYER USES A COVERED ADMT TO MATERIALLY
24 INFLUENCE A CONSEQUENTIAL DECISION THAT RESULTS IN AN ADVERSE
25 OUTCOME FOR A CONSUMER, THE DEPLOYER SHALL PROVIDE WITHIN
26 THIRTY DAYS AFTER MAKING THE DECISION:

27 (a) A PLAIN LANGUAGE DESCRIPTION OF THE CONSEQUENTIAL

1 DECISION AND THE ROLE THE COVERED ADMT PLAYED IN THE
2 CONSEQUENTIAL DECISION;

3 (b) INSTRUCTIONS AND A SIMPLE-TO-FOLLOW PROCESS TO REQUEST
4 ADDITIONAL INFORMATION ABOUT THE COVERED ADMT AND THE INPUTS,
5 INCLUDING THE NAME OF THE COVERED ADMT, THE COVERED ADMT
6 VERSION NUMBER, IF APPLICABLE, THE COVERED ADMT DEVELOPER, AND
7 THE TYPES, CATEGORIES, AND SOURCES OF PERSONAL DATA USED, TO THE
8 EXTENT THE DEPLOYER RECEIVES THE NECESSARY INFORMATION FROM
9 THE DEVELOPER IN COMPLIANCE WITH SECTION 6-1-1702; AND

10 (c) AN EXPLANATION OF THE CONSUMER RIGHTS DESCRIBED IN
11 SECTION 6-1-1705 AND HOW TO EXERCISE THEM.

12 (4) (a) THE GENERAL ASSEMBLY FINDS THAT THE SPECIFIC
13 CONTENT AND FORMAT OF POST-ADVERSE OUTCOME DISCLOSURES MAY
14 VARY ACROSS CONSEQUENTIAL DECISION DOMAINS. THE GENERAL
15 ASSEMBLY INTENDS THAT THE SPECIFIC ELEMENTS OF POST-ADVERSE
16 OUTCOME DISCLOSURES BE FURTHER CLARIFIED THROUGH RULE-MAKING
17 THAT ACCOUNTS FOR SECTOR-SPECIFIC PRACTICES WHILE ENSURING THAT
18 CONSUMERS RECEIVE MEANINGFUL AND UNDERSTANDABLE INFORMATION
19 ABOUT CONSEQUENTIAL DECISIONS.

20 (b) ON OR BEFORE JANUARY 1, 2027, THE ATTORNEY GENERAL
21 SHALL ADOPT RULES TO CLARIFY AND IMPLEMENT THE POST-ADVERSE
22 OUTCOME DISCLOSURE REQUIREMENTS SET FORTH IN SUBSECTION (3) OF
23 THIS SECTION. RULES ADOPTED PURSUANT TO THIS SUBSECTION (4) MAY
24 INCLUDE, AS APPROPRIATE:

25 (I) RULES CLARIFYING THE CONTENT OF REQUIRED DISCLOSURES
26 RELATED TO THE TYPES, SOURCES, OR CATEGORIES OF PERSONAL DATA
27 THAT A DEPLOYER MUST PROVIDE TO A CONSUMER FOLLOWING AN

1 ADVERSE OUTCOME INVOLVING A COVERED ADMT PURSUANT TO
2 SUBSECTION (3) OF THIS SECTION;

3 (II) SECTOR-SPECIFIC GUIDANCE OR ILLUSTRATIVE EXAMPLES
4 TAILORED TO DIFFERENT COVERED DOMAINS;

5 (III) STANDARDS FOR DESCRIBING THE ROLE OF THE COVERED
6 ADMT IN A CONSEQUENTIAL DECISION IN A MANNER THAT IS
7 REASONABLY UNDERSTANDABLE TO A CONSUMER; AND

8 (IV) GUIDANCE ADDRESSING HOW THE DISCLOSURE
9 REQUIREMENTS DESCRIBED IN THIS SECTION INTERACT WITH FEDERAL OR
10 STATE LAWS THAT REQUIRE OR GOVERN NOTICES, EXPLANATIONS, OR
11 ADVERSE OUTCOME DISCLOSURES.

12 (5) NOTHING IN THIS SECTION REQUIRES A DEPLOYER TO DISCLOSE
13 A TRADE SECRET OR INFORMATION PROTECTED FROM DISCLOSURE BY
14 STATE OR FEDERAL LAW. IF A DEPLOYER WITHHOLDS INFORMATION
15 PURSUANT TO THIS SUBSECTION (5), THE DEPLOYER SHALL NOTIFY THE
16 CONSUMER.

17 (6) (a) A CREDITOR, WITH RESPECT TO A CONSEQUENTIAL DECISION
18 INVOLVING THE OFFERING, THE DENIAL, THE PRICING, THE SERVICING, OR
19 OTHER MATERIAL TERMS OF CREDIT, THAT IS REQUIRED TO PROVIDE AND
20 THAT PROVIDES A NOTICE TO A CONSUMER PURSUANT TO THE FEDERAL
21 "EQUAL CREDIT OPPORTUNITY ACT", 15 U.S.C. SEC. 1691 ET SEQ., AND
22 ITS IMPLEMENTING REGULATIONS, INCLUDING REGULATION B, 12 CFR
23 1002, AND, WHEN APPLICABLE, THE FEDERAL "FAIR CREDIT REPORTING
24 ACT", 15 U.S.C. SEC. 1681 ET SEQ., COMPLIES WITH THE NOTICE OR
25 DISCLOSURE REQUIREMENTS OF THIS SECTION THAT RELATE TO THE SAME
26 DECISION OR ADVERSE OUTCOME IF THE NOTICE PROVIDED TO THE
27 CONSUMER PURSUANT TO THE FEDERAL LAWS AND REGULATIONS

1 DESCRIBED IN THIS SUBSECTION (6)(a) ALSO SATISFIES THE NOTICE OR
2 DISCLOSURE REQUIREMENTS OF THIS SECTION.

3 (b) IF A CREDITOR COMPLIES WITH THE FEDERAL LAWS AND
4 REGULATIONS DESCRIBED IN SUBSECTION (6)(a) OF THIS SECTION AND
5 COMPLIES WITH SUBSECTION (6)(a) OF THIS SECTION, THE CREDITOR IS NOT
6 REQUIRED TO PROVIDE A SEPARATE OR DUPLICATIVE NOTICE PURSUANT TO
7 THIS SECTION.

8 (c) NOTHING IN THIS SUBSECTION (6) SHALL BE CONSTRUED TO
9 REQUIRE A CREDITOR TO PROVIDE ANY NOTICE OR DISCLOSURE IN A
10 MANNER THAT IS PROHIBITED BY FEDERAL LAW.

11 (d) FOR PURPOSES OF THIS SUBSECTION (6), A NOTICE THAT
12 COMPLIES WITH THE FEDERAL LAWS AND REGULATIONS DESCRIBED IN
13 SUBSECTION (6)(a) OF THIS SECTION AND COMPLIES WITH SUBSECTION
14 (6)(a) OF THIS SECTION MAY INCLUDE A BRIEF STATEMENT INDICATING
15 THAT A COVERED ADMT WAS USED TO MATERIALLY INFLUENCE THE
16 CONSEQUENTIAL DECISION AND INSTRUCTIONS FOR HOW THE CONSUMER
17 MAY OBTAIN ANY ADDITIONAL INFORMATION OR EXERCISE ANY RIGHTS
18 PROVIDED UNDER THIS PART 17.

19 (7) THIS PART 17 SHALL NOT BE CONSTRUED TO REQUIRE A PERSON
20 TO MAKE A DISCLOSURE, PROVIDE AN EXPLANATION, OR FURNISH
21 INFORMATION TO A CONSUMER TO THE EXTENT DOING SO WOULD BE
22 PROHIBITED BY FEDERAL LAW OR WOULD COMPROMISE THE
23 CONFIDENTIALITY OR INTEGRITY OF CYBERSECURITY, FRAUD PREVENTION,
24 ANTI-MONEY LAUNDERING, COUNTER-TERRORIST FINANCING, OR
25 ECONOMIC SANCTIONS COMPLIANCE PROGRAMS REQUIRED BY LAW.

26 (8) A DEPLOYER OR DEVELOPER SHALL PROVIDE THE NOTICES AND
27 DISCLOSURES REQUIRED BY THIS PART 17 IN A MANNER THAT IS

1 REASONABLY ACCESSIBLE TO CONSUMERS WITH DISABILITIES AND
2 CONSUMERS WITH LIMITED ENGLISH PROFICIENCY, CONSISTENT WITH
3 APPLICABLE STATE AND FEDERAL LAW.

4 (9) (a) FOR A CONSEQUENTIAL DECISION RELATING TO EDUCATION,
5 A DEPLOYER THAT IS SUBJECT TO FERPA SATISFIES THE NOTICE AND
6 DISCLOSURE REQUIREMENTS OF THIS SECTION BY PROVIDING NOTICE AND
7 DISCLOSURES THROUGH PROCESSES AND CHANNELS THAT ARE CONSISTENT
8 WITH FERPA AND THE DEPLOYER'S FERPA NOTICES AND STUDENT
9 RECORD ACCESS PROCEDURES, INCLUDING, WHERE APPLICABLE, NOTICE TO
10 A PARENT OR GUARDIAN OR AN ELIGIBLE STUDENT.

11 (b) A DEPLOYER THAT IS SUBJECT TO FERPA IS NOT REQUIRED TO
12 ESTABLISH A SEPARATE OR DUPLICATIVE NOTICE OR DISCLOSURE PROCESS
13 IF THE DEPLOYER HAS ESTABLISHED A NOTICE OR DISCLOSURE PROCESS TO
14 COMPLY WITH FERPA.

15 **6-1-1705. Consumer rights - correction - human review and**
16 **reconsideration - rules.**

17 (1) (a) WHEN A CONSUMER EXPERIENCES AN ADVERSE OUTCOME
18 RESULTING FROM A CONSEQUENTIAL DECISION IN WHICH A COVERED
19 ADMT MATERIALLY INFLUENCES THE CONSEQUENTIAL DECISION, THE
20 CONSUMER MAY REQUEST AND THE DEPLOYER SHALL PROVIDE IN
21 RESPONSE TO THE REQUEST:

22 (I) INSTRUCTIONS FOR REQUESTING PERSONAL DATA AND
23 CORRECTING FACTUALLY INCORRECT OR MATERIALLY INACCURATE
24 PERSONAL DATA USED IN A CONSEQUENTIAL DECISION THAT USED A
25 COVERED ADMT CONSISTENT WITH SECTION 6-1-1306; AND

26 (II) AN OPPORTUNITY FOR MEANINGFUL HUMAN REVIEW AND
27 RECONSIDERATION OF THE CONSEQUENTIAL DECISION, TO THE EXTENT

1 COMMERCIALLY REASONABLE.

2 (b) FOR THE PURPOSES OF THIS SUBSECTION (1), THE EXCEPTIONS
3 TO THE DEFINITION OF "CONSUMER" IN SECTION 6-1-1303 (6)(b) AND THE
4 EXCEPTIONS IN SECTION 6-1-1304 (2)(k), (2)(n), AND (2)(o) DO NOT APPLY
5 TO THE RIGHT TO REQUEST CORRECTION OF FACTUALLY INCORRECT OR
6 MATERIALLY INACCURATE PERSONAL DATA PURSUANT TO THIS
7 SUBSECTION (1).

8 (c) SUBSECTION (1)(a) OF THIS SECTION DOES NOT REQUIRE
9 CORRECTION OF OPINIONS, PREDICTIONS, SCORES, OR PROTECTED
10 EVALUATIONS.

11 (2) (a) FOR A CONSEQUENTIAL DECISION RELATING TO EDUCATION,
12 A DEPLOYER THAT IS SUBJECT TO FERPA COMPLIES WITH THE
13 REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION THROUGH THE
14 DEPLOYER'S EXISTING STUDENT RECORD INSPECTION, REVIEW, AND
15 AMENDMENT PROCEDURES AND ANY APPLICABLE DISTRICT COMPLAINT OR
16 APPEAL PROCESS, IF THE DEPLOYER OFFERS A REASONABLE MECHANISM
17 FOR A PARENT, GUARDIAN, OR ELIGIBLE STUDENT TO REQUEST
18 CORRECTION OF MATERIALLY INACCURATE PERSONAL DATA AND
19 RECONSIDERATION WHERE APPLICABLE UNDER THIS PART 17.

20 (b) A DEPLOYER THAT IS SUBJECT TO FERPA IS NOT REQUIRED TO
21 ESTABLISH A SEPARATE OR DUPLICATIVE CORRECTION OR HUMAN REVIEW
22 AND RECONSIDERATION PROCESS IF THE DEPLOYER HAS ESTABLISHED A
23 CORRECTION OR HUMAN REVIEW AND RECONSIDERATION PROCESS TO
24 COMPLY WITH FERPA.

25 (3) ON OR BEFORE JANUARY 1, 2027, THE ATTORNEY GENERAL
26 SHALL ADOPT RULES TO CLARIFY AND IMPLEMENT THE REQUIREMENTS OF
27 THIS SECTION.

1 **6-1-1706. Enforcement by the attorney general - deceptive**
2 **trade practice - right to cure - no private right of action - joinder**
3 **rules - reporting - repeal.**

4 (1) (a) THE ATTORNEY GENERAL SHALL ENFORCE THIS PART 17
5 THROUGH THE "COLORADO CONSUMER PROTECTION ACT", THIS ARTICLE
6 1.

7 (b) VIOLATIONS OF THE DISCLOSURE REQUIREMENTS AND
8 CONSUMER RIGHTS DESCRIBED IN SECTIONS 6-1-1702, 6-1-1703, 6-1-1704,
9 AND 6-1-1705 ARE ENFORCEABLE EXCLUSIVELY BY THE ATTORNEY
10 GENERAL WITHOUT REGARD TO ANY OTHER PROVISION IN THIS TITLE 6.

11 (2) (a) A VIOLATION OF THIS PART 17 IS A DECEPTIVE TRADE
12 PRACTICE AND IS SUBJECT TO THE PROVISIONS OF THE "COLORADO
13 CONSUMER PROTECTION ACT", THIS ARTICLE 1.

14 (b) ANY PROVISION OF THE "COLORADO CONSUMER PROTECTION
15 ACT", THIS ARTICLE 1, THAT IS INCONSISTENT WITH THE EXCLUSIVE
16 ENFORCEMENT AUTHORITY GRANTED TO THE ATTORNEY GENERAL IN THIS
17 SECTION FOR A VIOLATION OF THIS PART 17 DOES NOT APPLY TO ANY SUCH
18 VIOLATION.

19 (3) (a) PRIOR TO ANY ENFORCEMENT ACTION FOR A VIOLATION OF
20 THIS PART 17, THE ATTORNEY GENERAL SHALL ISSUE A NOTICE OF
21 VIOLATION TO A DEVELOPER OR DEPLOYER IF A CURE IS DEEMED POSSIBLE
22 BY THE ATTORNEY GENERAL.

23 (b) IF THE DEVELOPER OR DEPLOYER FAILS TO CURE A VIOLATION
24 WITHIN SIXTY DAYS AFTER RECEIPT OF A NOTICE OF VIOLATION, THE
25 ATTORNEY GENERAL MAY BRING AN ACTION PURSUANT TO THIS SECTION.

26 (c) IF THE ATTORNEY GENERAL FINDS AND CAN DEMONSTRATE
27 THAT A DEVELOPER OR DEPLOYER KNOWINGLY VIOLATED THIS PART 17 OR

1 A DEVELOPER OR DEPLOYER REPEATEDLY VIOLATED THIS PART 17, THE
2 ATTORNEY GENERAL IS NOT REQUIRED TO PROVIDE A CURE PERIOD BEFORE
3 SEEKING PENALTIES OR OTHER RELIEF.

4 (d) IF A VIOLATION IS DISCOVERED IN THE COURSE OF AN
5 ENFORCEMENT ACTION, A COURT MAY CONSIDER THAT A DEVELOPER OR
6 DEPLOYER CURED THE VIOLATION WITHIN SIXTY DAYS AFTER RECEIPT OF
7 WRITTEN NOTICE AS A MITIGATING FACTOR IN DETERMINING CIVIL
8 PENALTIES OR OTHER MONETARY RELIEF, IF ANY.

9 (e) BEGINNING IN JANUARY 2028, AND IN JANUARY EVERY YEAR
10 THEREAFTER, THE ATTORNEY GENERAL SHALL INCLUDE, AS PART OF THE
11 DEPARTMENT OF LAW'S PRESENTATION DURING ITS "SMART ACT"
12 HEARING REQUIRED BY SECTION 2-7-203, A REPORT CONCERNING
13 ENFORCEMENT ACTIONS BROUGHT AND CURE PERIODS OFFERED BY THE
14 ATTORNEY GENERAL RELATED TO VIOLATIONS OF THIS PART 17,
15 INCLUDING:

16 (I) THE NUMBER OF ACTIONS FILED BY THE ATTORNEY GENERAL
17 AGAINST DEVELOPERS AND DEPLOYERS, RESPECTIVELY;

18 (II) THE NUMBER OF ACTIONS FILED BY THE ATTORNEY GENERAL
19 AGAINST DEVELOPERS AND DEPLOYERS, RESPECTIVELY, THAT WERE
20 COMPLETED;

21 (III) THE NUMBER OF CURE PERIODS OFFERED BY THE ATTORNEY
22 GENERAL TO DEVELOPERS AND DEPLOYERS, RESPECTIVELY;

23 (IV) THE NUMBER OF CURE PERIODS OFFERED BY THE ATTORNEY
24 GENERAL THAT WERE NOT MET BY DEVELOPERS AND DEPLOYERS,
25 RESPECTIVELY; AND

26 (V) THE NUMBER OF VIOLATIONS FILED BY THE ATTORNEY
27 GENERAL AGAINST DEVELOPERS AND DEPLOYERS, RESPECTIVELY, WHERE

1 A CURE PERIOD WAS NOT DEEMED POSSIBLE.

2 (f) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JANUARY 1,
3 2030.

4 (4) NOTHING IN THIS PART 17 CREATES A NEW PRIVATE RIGHT OF
5 ACTION. NOTHING IN THIS PART 17 LIMITS OR REDUCES ANY EXISTING
6 RIGHTS OR REMEDIES AVAILABLE UNDER STATE OR FEDERAL LAW,
7 INCLUDING THE "COLORADO ANTI-DISCRIMINATION ACT", PARTS 3 TO 8
8 OF ARTICLE 34 OF TITLE 24; THE "COLORADO CONSUMER PROTECTION
9 ACT", THIS ARTICLE 1; PRODUCT LIABILITY LAW; OR OTHER APPLICABLE
10 LAW.

11 (5)(a) THE ATTORNEY GENERAL MAY ADOPT RULES AS NECESSARY
12 TO IMPLEMENT AND CLARIFY THIS PART 17.

13 (b) THE ATTORNEY GENERAL MAY ADOPT RULES TO CLARIFY THE
14 APPLICATION OF THE DEFINITION OF "MATERIALLY INFLUENCE", AS
15 DEFINED IN SECTION 6-1-1701 (13), INCLUDING PRESUMPTIONS,
16 ILLUSTRATIVE EXAMPLES, AND OBJECTIVE INDICATORS.

17 (c) IN ADOPTING RULES PURSUANT TO THIS PART 17, THE
18 ATTORNEY GENERAL SHALL UTILIZE A PROCESS THAT MEANINGFULLY
19 ENGAGES STAKEHOLDERS, INCLUDING CONSUMER ADVOCATES,
20 DEPLOYERS, DEVELOPERS, AND SECTOR REGULATORS, THROUGH PUBLIC
21 NOTICE, OPPORTUNITY FOR WRITTEN COMMENT, AND AT LEAST ONE PUBLIC
22 HEARING AND SHALL ADOPT RULES IN ACCORDANCE WITH SECTION
23 24-4-103.

24 (6) NOTHING IN THIS PART 17 LIMITS THE ABILITY OF A PARTY TO
25 JOIN NECESSARY OR PERMISSIVE PARTIES UNDER THE COLORADO RULES OF
26 CIVIL PROCEDURE, INCLUDING RULES 19 AND 20 OF THE COLORADO RULES
27 OF CIVIL PROCEDURE, IN ANY ACTION ARISING UNDER EXISTING LAW.

1 **6-1-1707. Liability - fault - allocation - no joint and several**
2 **liability - indemnification prohibited - effect on existing law.**

3 (1) A DEVELOPER OR DEPLOYER MAY BE HELD LIABLE IN AN
4 ACTION ALLEGING UNLAWFUL DISCRIMINATION UNDER STATE
5 ANTI-DISCRIMINATION LAWS, INCLUDING THE "COLORADO
6 ANTI-DISCRIMINATION ACT", PARTS 3 TO 8 OF ARTICLE 34 OF TITLE 24,
7 ARISING FROM A CONSEQUENTIAL DECISION MATERIALLY INFLUENCED BY
8 A COVERED ADMT.

9 (2) IN AN ACTION DESCRIBED IN SUBSECTION (1) OF THIS SECTION,
10 FAULT SHALL BE ALLOCATED AMONG DEPLOYERS AND DEVELOPERS BASED
11 ON THEIR RELATIVE FAULT FOR THE VIOLATION.

12 (3) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO APPORTION
13 LIABILITY TO A CLAIMANT WHERE SUCH APPORTIONMENT IS NOT PROVIDED
14 FOR UNDER EXISTING LAW.

15 (4) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO CREATE
16 JOINT AND SEVERAL LIABILITY, EXCEPT TO THE EXTENT PERMITTED UNDER
17 EXISTING LAW.

18 (5) (a) A DEVELOPER IS LIABLE IN AN ACTION DESCRIBED IN
19 SUBSECTION (1) OF THIS SECTION ONLY TO THE EXTENT THAT:

20 (I) THE DEVELOPER'S COVERED ADMT WAS USED BY A DEPLOYER
21 IN A MANNER THAT WAS INTENDED, DOCUMENTED, MARKETED,
22 ADVERTISED, CONFIGURED, OR CONTRACTED FOR BY THE DEVELOPER; AND

23 (II) THE DEVELOPER'S COVERED ADMT MATERIALLY INFLUENCED
24 A CONSEQUENTIAL DECISION THAT GAVE RISE TO THE VIOLATION OF
25 EXISTING LAW.

26 (b) A DEVELOPER IS NOT LIABLE UNDER THIS SECTION FOR
27 VIOLATIONS OF EXISTING LAW ARISING FROM A DEPLOYER'S USE OF A

1 COVERED ADMT IN A MANNER THAT WAS NOT INTENDED, DOCUMENTED,
2 MARKETED, ADVERTISED, CONFIGURED, OR CONTRACTED FOR BY THE
3 DEVELOPER.

4 (6) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT THE
5 LIABILITY OF A DEPLOYER FOR THE DEPLOYER'S INDEPENDENT ACTS OR
6 OMISSIONS IN A CONSEQUENTIAL DECISION MATERIALLY INFLUENCED BY
7 A COVERED ADMT, INCLUDING USING AN ADMT IN A MANNER THAT WAS
8 NOT INTENDED, DOCUMENTED, MARKETED, ADVERTISED, CONFIGURED, OR
9 CONTRACTED FOR BY THE DEVELOPER IF THE DEVELOPER OF THE COVERED
10 ADMT COMPLIED WITH SECTION 6-1-1702.

11 (7) (a) NOTWITHSTANDING ANY OTHER PROVISION OF LAW, IF A
12 PROVISION OF A CONTRACT FOR THE USE OF AUTOMATED
13 DECISION-MAKING TECHNOLOGY IN MAKING A CONSEQUENTIAL DECISION
14 OR ANY OTHER CONTRACT BETWEEN A DEVELOPER AND DEPLOYER
15 PURPORTS TO INDEMNIFY, DEFEND, OR HOLD HARMLESS OR HAS THE
16 EFFECT OF INDEMNIFYING, DEFENDING, OR HOLDING HARMLESS THE
17 INDEMNITEE FROM OR AGAINST ANY LIABILITY FOR DAMAGES PURSUANT
18 TO THIS SECTION RESULTING FROM THE DEVELOPER'S OR DEPLOYER'S OWN
19 ACTS OR OMISSIONS RELATED TO THE USE OF AUTOMATED
20 DECISION-MAKING TECHNOLOGY IN MAKING CONSEQUENTIAL DECISIONS
21 IN VIOLATION OF THE "COLORADO ANTI-DISCRIMINATION ACT", PARTS 3
22 TO 8 OF ARTICLE 34 OF TITLE 24, OR OTHER COLORADO
23 ANTI-DISCRIMINATION LAW, THE PROVISION IS CONTRARY TO PUBLIC
24 POLICY AND VOID.

25 (b) THE LIMITATIONS OF SUBSECTION (7)(a) OF THIS SECTION DO
26 NOT APPLY TO A DEVELOPER WHERE THE USE OF THE COVERED ADMT IN
27 MAKING A CONSEQUENTIAL DECISION WAS NOT INTENDED, DOCUMENTED,

1 MARKETED, ADVERTISED, CONFIGURED, OR CONTRACTED FOR BY THE
2 DEVELOPER IF THE DEVELOPER OF THE COVERED ADMT COMPLIED WITH
3 SECTION 6-1-1702.

4 (c) THIS SUBSECTION (7) DOES NOT OTHERWISE LIMIT THE
5 ENFORCEABILITY OF CONTRACT TERMS BETWEEN PARTIES ACTING IN A
6 COMMERCIAL OR BUSINESS CAPACITY, EXCEPT TO THE EXTENT OTHERWISE
7 PROVIDED BY APPLICABLE LAW.

8 (d) THIS SUBSECTION (7) DOES NOT PROHIBIT OR LIMIT ANY PERSON
9 FROM OBTAINING OR MAKING A CLAIM ON APPLICABLE INSURANCE FOR
10 ANY APPLICABLE ALLEGED LIABILITIES OR RELATED LOSSES.

11 (8) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO LIMIT,
12 DISPLACE, OR OTHERWISE AFFECT ANY LIABILITY THAT A DEVELOPER OR
13 A DEPLOYER MAY HAVE, SEPARATE AND APART FROM LIABILITY UNDER
14 THIS SECTION, FOR A VIOLATION OF STATE LAW. COMPLIANCE WITH THE
15 REQUIREMENTS OF THIS PART 17 IS NOT A DEFENSE TO AND DOES NOT
16 OTHERWISE EXCUSE NONCOMPLIANCE WITH ANY APPLICABLE LAW.

17 (9) THE USE OF AN ADMT IN A CONSEQUENTIAL DECISION DOES
18 NOT EXCUSE, JUSTIFY, OR PROVIDE A DEFENSE TO ANY OBLIGATION OR
19 LIABILITY UNDER STATE OR FEDERAL LAW, INCLUDING OBLIGATIONS AND
20 LIABILITY RELATED TO DISCRIMINATION OR CONSUMER PROTECTION.

21 **6-1-1708. Compliance with other legal obligations - insurers**
22 **- covered entities - disclosures.**

23 (1) (a) AN INSURER, AS DEFINED IN SECTION 10-1-102 (13), AND
24 AFFILIATED ENTITIES THAT ARE SUBJECT TO THE REQUIREMENTS OF
25 SECTION 10-3-1104.9 ARE IN COMPLIANCE WITH THIS PART 17 IN THE
26 PRACTICE OF INSURANCE.

27 (b) IF AN INSURER IS NOT DEEMED IN COMPLIANCE PURSUANT TO

1 SUBSECTION (1)(a) OF THIS SECTION, THE INSURER SHALL PROVIDE NOTICE
2 AND DISCLOSURE OF ITS USE OF A COVERED ADMT IN MATERIALLY
3 INFLUENCING A CONSEQUENTIAL DECISION REGARDING THE PRACTICE OF
4 INSURANCE PURSUANT TO THE DISCLOSURE REQUIREMENTS OF SECTION
5 6-1-1704 (3), TO THE EXTENT APPLICABLE.

6 (2) THIS SECTION DOES NOT LIMIT THE APPLICABILITY OF THIS PART
7 17 TO USES OF COVERED ADMT RELATED TO INSURER EMPLOYMENT OR
8 INSURER EMPLOYMENT OPPORTUNITIES BY INSURERS AND AFFILIATED
9 ENTITIES THAT ARE SUBJECT TO THE REQUIREMENTS OF SECTION
10 10-3-1104.9.

11 (3) (a) SECTIONS 6-1-1701, 6-1-1702, 6-1-1703, 6-1-1704,
12 6-1-1705, AND 6-1-1706 DO NOT APPLY TO A COVERED ENTITY WITHIN THE
13 MEANING OF THE FEDERAL "HEALTH INSURANCE PORTABILITY AND
14 ACCOUNTABILITY ACT OF 1996", 42 U.S.C. SECS. 1320d TO 1320d-9, AND
15 THE REGULATIONS PROMULGATED UNDER THE FEDERAL ACT, OR A
16 COVERED ENTITY'S BUSINESS ASSOCIATES FOR ANY SERVICES RENDERED
17 TO A COVERED ENTITY, TO THE EXTENT THE COVERED ENTITY IS DOING
18 BUSINESS IN COLORADO, EXCEPT FOR A CONSEQUENTIAL DECISION
19 RELATED TO EMPLOYMENT OR AN EMPLOYMENT OPPORTUNITY.

20 (b) NOTWITHSTANDING SUBSECTION (3)(a) OF THIS SECTION, FOR
21 A COVERED ENTITY THAT IS A HEALTH-CARE PROVIDER, AS DEFINED IN 45
22 CFR 160.103, THIS SUBSECTION (3) APPLIES ONLY IF THE HEALTH-CARE
23 PROVIDER IS OPERATING FROM A LOCATION WITHIN COLORADO.

24 (c) A COVERED ENTITY SHALL PROVIDE PATIENTS WITH A GENERAL
25 NOTICE OF USE OF ADVANCED TECHNOLOGIES, INCLUDING A COVERED
26 ADMT. THE NOTICE MAY BE INCORPORATED WITH OTHER NOTICES
27 DESCRIBING PATIENT RIGHTS AND HOW THE COVERED ENTITY PROVIDES

1 CARE.

2 (d) NOTWITHSTANDING SUBSECTION (3)(a) OF THIS SECTION, A
3 COVERED ENTITY THAT USES A COVERED ADMT TO DETERMINE A
4 PATIENT'S ELIGIBILITY FOR FINANCIAL ASSISTANCE, INCLUDING
5 DISCOUNTED CARE AS DESCRIBED IN SECTION 25.5-3-502, SHALL PROVIDE
6 A PATIENT THE FOLLOWING DISCLOSURES:

7 (I) A PLAIN LANGUAGE DESCRIPTION OF THE CONSEQUENTIAL
8 DECISION AND THE ROLE OF THE COVERED ADMT IN THE CONSEQUENTIAL
9 DECISION;

10 (II) THE TYPES OF INFORMATION ABOUT THE INDIVIDUAL THE
11 COVERED ENTITY RELIED UPON IN MAKING ITS DETERMINATION OF
12 ELIGIBILITY, EXCEPT FOR TRADE SECRETS AND OTHER CONFIDENTIAL OR
13 LEGALLY PROTECTED INFORMATION;

14 (III) INFORMATION ON HOW TO REQUEST CORRECTION OF
15 MATERIALLY INACCURATE PERSONAL DATA HELD BY THE COVERED ENTITY
16 CONSISTENT WITH THE FEDERAL "HEALTH INSURANCE PORTABILITY AND
17 ACCOUNTABILITY ACT OF 1996", 42 U.S.C. SECS. 1320d TO 1320d-9 AND
18 SECTION 25.5-3-502; AND

19 (IV) INFORMATION ON HOW TO REQUEST MEANINGFUL HUMAN
20 REVIEW OR RECONSIDERATION, WHERE APPLICABLE.

21 (e) A COVERED ENTITY MAY COMPLY WITH SUBSECTION (3)(d) OF
22 THIS SECTION THROUGH EITHER AN ADVANCE GENERAL DISCLOSURE OF
23 THE INFORMATION REQUIRED BY SUBSECTION (3)(d) OF THIS SECTION OR
24 THROUGH A NOTICE PROVIDED WITHIN THIRTY CALENDAR DAYS AFTER AN
25 ADVERSE OUTCOME. THIS SECTION DOES NOT CREATE A SEPARATE AND
26 DUPLICATIVE DISCLOSURE PROCESS OR APPEAL PROCESS IF THE REVIEW
27 OPPORTUNITIES AND INFORMATION DESCRIBED IN SUBSECTION (3)(d) OF

1 THIS SECTION ARE PROVIDED.

2 (4) SECTIONS 6-1-1701, 6-1-1702, 6-1-1703, 6-1-1704, 6-1-1705,
3 AND 6-1-1706 DO NOT APPLY TO A MEDICAL DEVICE SUBJECT TO
4 OVERSIGHT BY THE UNITED STATES FOOD AND DRUG ADMINISTRATION OR
5 A PHARMACEUTICAL OR MEDICAL DEVICE MANUFACTURER'S RESEARCH
6 AND DEVELOPMENT ACTIVITIES THAT ARE SUBJECT TO OVERSIGHT BY THE
7 UNITED STATES FOOD AND DRUG ADMINISTRATION, INCLUDING CLINICAL
8 INVESTIGATIONS CONDUCTED UNDER 21 CFR 312.

9 (5) NOTHING IN THIS PART 17 REQUIRES A COVERED ENTITY OR
10 BUSINESS ASSOCIATE, AS THOSE TERMS ARE DEFINED UNDER THE FEDERAL
11 "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996",
12 42 U.S.C. SECS. 1320d TO 1320d-9, TO DISCLOSE PROTECTED HEALTH
13 INFORMATION OR OTHER INFORMATION IN A MANNER THAT WOULD
14 VIOLATE FEDERAL LAW. TO THE EXTENT COMPLIANCE WITH SECTION
15 6-1-1704 OR 6-1-1705 WOULD CONFLICT WITH FEDERAL HEALTH PRIVACY
16 REQUIREMENTS, THE DEPLOYER SHALL COMPLY WITH APPLICABLE
17 FEDERAL LAW AND PROVIDE DISCLOSURES AND ACCESS CONSISTENT WITH
18 THAT LAW.

19 (6) THIS PART 17 DOES NOT REQUIRE A PERSON TO DISCLOSE
20 NONPUBLIC PERSONAL INFORMATION IN A MANNER THAT WOULD VIOLATE
21 THE FEDERAL "GRAMM-LEACH-BLILEY ACT", 15 U.S.C. SEC. 6801 ET
22 SEQ., OR ITS IMPLEMENTING REGULATIONS.

23 **6-1-1709. No new private right of action - application of other**
24 **law.**

25 (1) NOTHING IN THIS PART 17 CREATES A NEW PRIVATE RIGHT OF
26 ACTION.

27 (2) COMPLIANCE WITH THIS PART 17 DOES NOT CONSTITUTE A

1 DEFENSE TO AND DOES NOT EXCUSE NONCOMPLIANCE WITH ANY
2 APPLICABLE LAW.

3 **SECTION 2.** In Colorado Revised Statutes, 6-1-105, **add**
4 (1)(qqqq) as follows:

5 **6-1-105. Unfair or deceptive trade practices.**

6 (1) A person engages in a deceptive trade practice when, in the
7 course of the person's business, vocation, or occupation, the person:

8 (qqqq) VIOLATES PART 17 OF THIS ARTICLE 1.

9 **SECTION 3.** In Colorado Revised Statutes, 10-3-1104.9, **add**
10 (3)(e) as follows:

11 **10-3-1104.9. Insurers' use of external consumer data and**
12 **information sources, algorithms, and predictive models - unfair**
13 **discrimination prohibited - rules - stakeholder process required -**
14 **investigations - definitions.**

15 (3) (e) THE COMMISSIONER MAY ADOPT NEW RULES OR UPDATE
16 EXISTING RULES REGARDING NOTICE AND DISCLOSURES FROM INSURERS TO
17 CONSUMERS.

18 **SECTION 4. Appropriation.** For the 2026-27 state fiscal year,
19 \$46,190 is appropriated to the department of law. This appropriation is
20 from the general fund and is based on an assumption that the department
21 will require an additional 0.4 FTE. To implement this act, the department
22 may use this appropriation for consumer protection, antitrust, and civil
23 rights.

24 **SECTION 5. Effective date - applicability.**

25 (1) Except as otherwise provided in subsection (2) of this section,
26 this act takes effect January 1, 2027.

27 (2) Sections 6-1-1704 (4), 6-1-1705 (3), and 6-1-1706 (6),

1 Colorado Revised Statutes, as amended in section 1 of this act, section
2 10-3-1104.9 (3)(e), Colorado Revised Statutes, as enacted in section 3 of
3 this act, section 4 of this act, this section, and section 6 of this act take
4 effect upon passage.

5 (3) This act applies to consequential decisions made on or after
6 January 1, 2027.

7 **SECTION 6. Safety clause.** The general assembly finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, or safety or for appropriations for
10 the support and maintenance of the departments of the state and state
11 institutions.