

**First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 25-1058.02 Josh Schultz x5486

**SENATE BILL 25-318**

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**SENATE SPONSORSHIP**

**Rodriguez,**

**HOUSE SPONSORSHIP**

**Titone,**

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**Senate Committees**

Business, Labor, & Technology

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING CONSUMER PROTECTIONS IN INTERACTIONS WITH**  
102 **ARTIFICIAL INTELLIGENCE SYSTEMS.**

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**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 (provisions). The bill amends these provisions by:

- Redefining "algorithmic discrimination" to mean the use of an artificial intelligence system that results in a violation of any applicable local, state, or federal anti-discrimination

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 indicate deletions from existing law.*

- law;
- Creating an exception to the definition of "developer" of an artificial intelligence system (developer) if a person offers the artificial intelligence system with open model weights or if the person meets specified conditions regarding the artificial intelligence system;
  - Exempting specified technologies that do not make, or are not a substantial factor in making, a consequential decision from the definition of "high-risk artificial intelligence system";
  - Eliminating the duty of a developer or deployer of a high-risk artificial intelligence system (deployer) to use reasonable care to protect consumers from any known or reasonably foreseeable risks of algorithmic discrimination;
  - Eliminating the requirement that a developer or deployer notify the attorney general of any known or reasonably foreseeable risks of algorithmic discrimination arising from the intended uses of the high-risk artificial intelligence system;
  - Exempting a developer from specified disclosure requirements if the developer has received less than \$10,000,000 from third-party investors, has annual revenues of less than \$5,000,000, and has been actively operating and generating revenue for less than 5 years and sells, distributes, or otherwise makes available to deployers high-risk artificial intelligence systems that do not exceed specified limits on the number of consequential decisions made by the systems;
  - Requiring a deployer to include in an impact assessment whether the system poses any known or reasonably foreseeable risks of limiting accessibility for certain individuals, an unfair or deceptive trade practice, a violation of state or federal labor laws, or a violation of the "Colorado Privacy Act";
  - Requiring a deployer to provide additional information to a consumer if the high-risk artificial intelligence system makes, or is a substantial factor in making, a consequential decision concerning the consumer;
  - Amending provisions regarding a consumer's right to appeal an adverse consequential decision concerning the consumer so that the provisions apply only to an adverse consequential decision that is not a time-limited decision or a competitive decision;
  - Clarifying the meaning of "adverse" when referring to a consequential decision;

- Broadening an exemption for a deployer from specified disclosure requirements based on the deployer's number of full-time equivalent employees;
- Exempting a deployer from specified requirements if the deployer uses the high-risk artificial intelligence system solely relating to the recruitment, sourcing, or hiring of external candidates for employment, meets specified disclosure requirements, and does not employ more than specified limits on the number of full-time equivalent employees;
- Applying specified requirements only to high-risk artificial intelligence systems that make, or are the principal basis in making, consequential decisions;
- Requiring a developer or deployer that withholds information otherwise subject to disclosure to provide specified information regarding the disclosure; and
- Requiring that the attorney general's authority to investigate and enforce violations of the provisions begins on January 1, 2027.

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

2           **SECTION 1.** In Colorado Revised Statutes, 6-1-1701, **amend**  
 3 (1)(a), (3), (5), (6), (7), (10), and (11)(a) introductory portion; **repeal and**  
 4 **reenact, with amendments,** (9)(b); and **add** (2.7), (10.3), (11.7), (13),  
 5 and (14) as follows:

6           **6-1-1701. Definitions.** As used in this part 17, unless the context  
 7 otherwise requires:

8           (1) (a) "Algorithmic discrimination" means ~~any condition in~~  
 9 ~~which~~ the use of an artificial intelligence system THAT results in ~~an~~  
 10 ~~unlawful differential treatment or impact that disfavors an individual or~~  
 11 ~~group of individuals on the basis of their actual or perceived age, color,~~  
 12 ~~disability, ethnicity, genetic information, limited proficiency in the~~  
 13 ~~English language, national origin, race, religion, reproductive health, sex,~~  
 14 ~~veteran status, or other classification protected under the laws of this state~~

1 ~~or federal law~~ A VIOLATION OF ANY APPLICABLE LOCAL, STATE, OR  
2 FEDERAL ANTI-DISCRIMINATION LAW, INCLUDING:

3 (I) THE COLORADO ANTI-DISCRIMINATION ACT, PARTS 3 TO 8 OF  
4 ARTICLE 34 OF TITLE 24;

5 (II) THE "CIVIL RIGHTS ACT OF 1964", 42 U.S.C. SEC. 2000a ET  
6 SEQ.;

7 (III) THE "AMERICANS WITH DISABILITIES ACT OF 1990", 42  
8 U.S.C. SEC. 12101 ET SEQ.;

9 (IV) THE "AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967",  
10 29 U.S.C. SEC. 621 ET SEQ.;

11 (V) THE "GENETIC INFORMATION NONDISCRIMINATION ACT OF  
12 2008", 42 U.S.C. SEC. 2000ff ET SEQ.; AND

13 (VI) THE "PREGNANT WORKERS FAIRNESS ACT", 42 U.S.C. SEC.  
14 2000gg ET SEQ.

15 (2.7) "COMPETITIVE DECISION" MEANS A DECISION REGARDING A  
16 CONSUMER WHERE A FAVORABLE DECISION HAS BEEN MADE REGARDING  
17 ANOTHER CONSUMER AND THAT FAVORABLE DECISION NECESSARILY  
18 ENTAILS AN ADVERSE DECISION FOR THE CONSUMER, SUCH AS A DECISION  
19 REGARDING A JOB OPPORTUNITY FOR WHICH THERE ARE NO REMAINING  
20 OPENINGS.

21 (3) (a) "Consequential decision" means a decision that has a  
22 material legal or similarly significant effect on the provision or denial to  
23 any consumer of, or the cost or terms of:

24 (a) (I) Education enrollment or an education opportunity;

25 (b) (II) Employment or an employment opportunity;

26 (c) (III) (A) A ~~financial or lending service~~ LOAN, FINANCING, OR  
27 CREDIT FOR AN INDIVIDUAL FOR PERSONAL, FAMILY, OR HOUSEHOLD

1 PURPOSES FROM A FINANCIAL LENDING OR CREDIT SERVICE;

2 (B) CONSUMER CREDIT TRANSACTIONS, AS DEFINED IN SECTION  
3 5-1-301 (12); OR

4 (C) BANKING OR CREDIT UNION SERVICES FOR AN INDIVIDUAL,  
5 INCLUDING BANKING TRANSACTIONS, AS DEFINED IN SECTION 11-101-401  
6 (9), BUT EXCLUDING BANKING OR CREDIT UNION SERVICES PRIMARILY  
7 RELATING TO SECURITIES, AS DEFINED IN SECTION 11-51-201 (17);  
8 DERIVATIVES TRANSACTIONS, AS DEFINED IN 17 CFR 270.18f-4, AS THAT  
9 SECTION EXISTED ON JULY 1, 2025; OR SERVICES PROVIDED TO AN  
10 INDIVIDUAL WHO IS AN ACCREDITED INVESTOR, AS DEFINED IN 17 CFR  
11 230.501, AS THAT SECTION EXISTED ON JULY 1, 2025;

12 ~~(d)~~ (IV) An essential government service, WHICH IS A SERVICE  
13 THAT IS PROVIDED BY THE STATE; A MUNICIPALITY, TOWNSHIP, COUNTY,  
14 OR HOME RULE COUNTY; OR A SUBDIVISION OR AGENCY OF GOVERNMENT  
15 AND WHICH IS NEEDED TO SUPPORT THE CONTINUING OPERATION OF THE  
16 GOVERNMENT AGENCY OR TO PROVIDE FOR OR SUPPORT THE HEALTH,  
17 SAFETY, AND WELFARE OF THE PUBLIC, INCLUDING MEDICARE, MEDICAID,  
18 COMPLIANCE MONITORING, ENFORCEMENT OF LAWS, PERMITTING, AND  
19 LICENSING;

20 ~~(e)~~ (V) Health-care services;

21 ~~(f)~~ (VI) Housing, WITH RESPECT TO THE PURCHASE OR RENTING OF  
22 A PRIMARY RESIDENCE, INCLUDING SHORT-TERM TENANCY AND  
23 TRANSITIONAL HOUSING IF IT SERVES AS A CONSUMER'S PRIMARY  
24 RESIDENCE;

25 ~~(g)~~ (VII) Insurance; or

26 ~~(h)~~ (VIII) A legal service.

27 (b) A CONSEQUENTIAL DECISION IS "ADVERSE" IF THE

1 CONSEQUENTIAL DECISION RESULTS IN:

2 (I) THE DENIAL, CANCELLATION, TERMINATION, OR REVOCATION  
3 OF EMPLOYMENT OR OF A GOOD, A SERVICE, OR OTHER THING OF VALUE TO  
4 THE CONSUMER;

5 (II) AN UNFAVORABLE CHANGE TO THE TERMS OF EXISTING  
6 EMPLOYMENT OR THE TERMS OF ACCESS TO A GOOD, A SERVICE, OR OTHER  
7 THING OF VALUE TO THE CONSUMER;

8 (III) THE DENIAL OR REFUSAL TO GRANT EMPLOYMENT OR A GOOD,  
9 A SERVICE, OR OTHER THING OF VALUE ON SUBSTANTIALLY THE SAME  
10 TERMS AS THOSE ORIGINALLY REPRESENTED TO AND EXPECTED BY THE  
11 CONSUMER; OR

12 (IV) AN OFFER OF EMPLOYMENT OR A GOOD, A SERVICE, OR OTHER  
13 THING OF VALUE TO THE CONSUMER ON MATERIAL TERMS THAT ARE  
14 MATERIALLY LESS FAVORABLE THAN THE MOST FAVORABLE TERMS  
15 AVAILABLE TO A SUBSTANTIAL PROPORTION OF CONSUMERS FROM OR  
16 THROUGH THAT DEPLOYER.

17 (5) "Deploy" means to use a high-risk artificial intelligence system  
18 OR AN ARTIFICIAL INTELLIGENCE SYSTEM DESCRIBED IN SECTION 6-1-1704.

19 (6) "Deployer" means a person doing business in this state, OR AN  
20 AGENT OF THAT PERSON, that deploys a high-risk artificial intelligence  
21 system OR AN ARTIFICIAL INTELLIGENCE SYSTEM DESCRIBED IN SECTION  
22 6-1-1704.

23 (7) (a) "Developer" means a person doing business in this state,  
24 ~~that develops or intentionally and substantially modifies an artificial~~  
25 ~~intelligence system.~~ OR AN AGENT OF THAT PERSON, THAT:

26 (I) DEVELOPS AN ARTIFICIAL INTELLIGENCE SYSTEM; OR

27 (II) MODIFIES AN ARTIFICIAL INTELLIGENCE SYSTEM THAT MAKES,

1 OR IS A SUBSTANTIAL FACTOR IN MAKING, A CONSEQUENTIAL DECISION.

2 (b) EXCEPT AS PROVIDED IN SECTION 6-1-1704, A PERSON IS NOT  
3 SUBJECT TO THE OBLIGATIONS OR LIABILITY OF A DEVELOPER UNDER THIS  
4 PART 17 IF THE PERSON OFFERS THE ARTIFICIAL INTELLIGENCE SYSTEM  
5 WITH OPEN MODEL WEIGHTS OR, ON AND AFTER JANUARY 1, 2027, SO LONG  
6 AS THE DEVELOPER:

7 (I) DOES NOT ENGAGE IN ANY MATERIAL CONDUCT OR MAKE ANY  
8 MATERIAL STATEMENT OR REPRESENTATION TO VENDORS, DEPLOYERS,  
9 OTHER DEVELOPERS, OR THE GENERAL PUBLIC, INCLUDING MARKETING OR  
10 ADVERTISING, THAT PROMOTES THE USE OF THE ARTIFICIAL INTELLIGENCE  
11 SYSTEM IN MAKING CONSEQUENTIAL DECISIONS OR THAT IS MATERIALLY  
12 INCONSISTENT WITH THE STATEMENTS DESCRIBED IN SUBSECTION  
13 (7)(b)(II) OF THIS SECTION; OR

14 (II) STATES IN ALL CONTRACTS WITH DEPLOYERS, VENDORS, AND  
15 OTHER DEVELOPERS APPLICABLE TO THE ARTIFICIAL INTELLIGENCE  
16 SYSTEM, AND IN THE TERMS OF SERVICE, END USER LICENSE AGREEMENT,  
17 OR OTHER SIMILAR LEGAL DOCUMENTATION APPLICABLE TO THE  
18 ARTIFICIAL INTELLIGENCE SYSTEM, THAT:

19 (A) THE ARTIFICIAL INTELLIGENCE SYSTEM IS NOT DESIGNED TO  
20 ENABLE DEPLOYERS, OTHER DEVELOPERS, OR VENDORS TO USE THE  
21 SYSTEM IN MAKING, OR BEING A SUBSTANTIAL FACTOR IN MAKING,  
22 CONSEQUENTIAL DECISIONS;

23 (B) DEPLOYERS, OTHER DEVELOPERS, OR VENDORS SHALL NOT USE  
24 OR ENGAGE IN CONDUCT THAT ENABLES OR ENCOURAGES THE USE OF THE  
25 ARTIFICIAL INTELLIGENCE SYSTEM IN MAKING, OR BEING A SUBSTANTIAL  
26 FACTOR IN MAKING, CONSEQUENTIAL DECISIONS;

27 (C) IF A DEPLOYER USES THE ARTIFICIAL INTELLIGENCE SYSTEM TO

1 MAKE, OR BE A SUBSTANTIAL FACTOR IN MAKING, A CONSEQUENTIAL  
2 DECISION, THE DEPLOYER IS RESPONSIBLE FOR ENSURING THAT THEIR USE  
3 OF THE ARTIFICIAL INTELLIGENCE SYSTEM COMPLIES WITH ALL APPLICABLE  
4 STATE AND FEDERAL LAWS, INCLUDING THIS PART 17; AND

5 (D) IF A DEPLOYER, A VENDOR, OR OTHER DEVELOPER MODIFIES  
6 THE ARTIFICIAL INTELLIGENCE SYSTEM SO THAT IT CAN BE USED TO MAKE,  
7 OR BE A SUBSTANTIAL FACTOR IN MAKING, CONSEQUENTIAL DECISIONS,  
8 THE PARTY MAKING THE MODIFICATION MAY BE CONSIDERED A  
9 DEVELOPER FOR PURPOSES OF THIS PART 17.

10 (9) (b) "HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM" DOES NOT  
11 INCLUDE THE FOLLOWING TECHNOLOGIES UNLESS THE TECHNOLOGIES,  
12 WHEN DEPLOYED, MAKE, OR ARE A SUBSTANTIAL FACTOR IN MAKING, A  
13 CONSEQUENTIAL DECISION:

14 (I) A TECHNOLOGY THAT:

15 (A) PERFORMS A NARROW PROCEDURAL TASK OF A LIMITED  
16 NATURE, INCLUDING A TECHNOLOGY THAT CLASSIFIES INCOMING  
17 DOCUMENTS INTO CATEGORIES, IS USED TO DETECT DUPLICATES AMONG  
18 A LARGE NUMBER OF APPLICATIONS, CATEGORIZES DOCUMENTS BASED ON  
19 WHEN THEY WERE RECEIVED, RENAMES FILES ACCORDING TO  
20 STANDARDIZED NAMING CONVENTIONS, OR AUTOMATES THE EXTRACTION  
21 OF METADATA FOR INDEXING;

22 (B) IMPROVES A PREVIOUSLY COMPLETED HUMAN ACTIVITY  
23 WITHOUT BEING A SUBSTANTIAL FACTOR IN ANY DECISIONS RESULTING  
24 FROM THE PRIOR HUMAN ACTIVITY, INCLUDING IMPROVING THE LANGUAGE  
25 USED IN PREVIOUSLY DRAFTED DOCUMENTS; OR

26 (C) DETECTS DECISION-MAKING PATTERNS OR DEVIATIONS FROM  
27 PREEXISTING DECISION-MAKING PATTERNS FOLLOWING A PREVIOUSLY



1 COMPLETED HUMAN ASSESSMENT, WHICH ASSESSMENT THE TECHNOLOGY  
2 IS NOT MEANT TO REPLACE OR INFLUENCE WITHOUT SUFFICIENT HUMAN  
3 REVIEW, INCLUDING A TECHNOLOGY THAT ANALYZES A PARTICULAR  
4 DECISION-MAKER'S PREEXISTING PATTERN OF DECISIONS AND FLAGS  
5 POTENTIAL INCONSISTENCIES OR ANOMALIES;

6 (II) TOOLS FOR FILTERING ROBOCALLS, JUNK OR SPAM EMAIL, OR  
7 MESSAGES;

8 (III) SPELL-CHECKING TOOLS;

9 (IV) CALCULATORS;

10 (V) INTERNET OR COMPUTER NETWORK INFRASTRUCTURE  
11 OPTIMIZATION, DIAGNOSTIC, OR MAINTENANCE TOOLS, SUCH AS DOMAIN  
12 NAME REGISTRATION, WEBSITE HOSTING, CONTENT DELIVERY, WEB  
13 CACHING, NETWORK TRAFFIC MANAGEMENT, OR SYSTEM DIAGNOSTIC  
14 TOOLS;

15 (VI) DATABASES, SPREADSHEETS, OR OTHER SIMILAR TOOLS THAT  
16 DO NO MORE THAN ORGANIZE DATA ALREADY IN THE POSSESSION OF THE  
17 USER OF THE TECHNOLOGY;

18 (VII) CYBERSECURITY AND DATA SECURITY MEASURES,  
19 INCLUDING FIREWALLS, ANTIVIRUS SOFTWARE, INTRUSION DETECTION AND  
20 PREVENTION TOOLS, AND MALWARE DETECTION TOOLS;

21 (VIII) TECHNOLOGIES USED TO PERFORM, ASSIST, OR ADMINISTER  
22 OFFICE SUPPORT FUNCTIONS AND OTHER ANCILLARY BUSINESS  
23 OPERATIONS, SUCH AS ORDERING OFFICE SUPPLIES, MANAGING MEETING  
24 SCHEDULES, OR AUTOMATING INVENTORY TRACKING;

25 (IX) ANTI-FRAUD SYSTEMS OR TOOLS USED TO PREVENT, DETECT,  
26 OR RESPOND TO UNLAWFUL AND MALICIOUS CONDUCT OR TO COMPLY  
27 WITH FEDERAL OR STATE LAW; OR

1 (X) TECHNOLOGY THAT COMMUNICATES WITH CONSUMERS IN  
2 NATURAL LANGUAGE FOR THE PURPOSE OF PROVIDING THOSE CONSUMERS  
3 WITH INFORMATION, REFERRALS OR RECOMMENDATIONS, OR ANSWERS TO  
4 QUESTIONS AND THAT IS SUBJECT TO AN ACCEPTABLE USE POLICY.

5 (10) (a) ~~"Intentional and substantial modification" or~~  
6 ~~"intentionally and substantially modifies" means a deliberate change~~  
7 ~~made to an artificial intelligence system that results in any new reasonably~~  
8 ~~foreseeable risk of algorithmic discrimination~~ "MODEL WEIGHTS" MEANS  
9 THE NUMERICAL PARAMETERS WITHIN A MODEL THAT ARE GENERATED BY  
10 OR ARE A COMPONENT OF AN ARTIFICIAL INTELLIGENCE SYSTEM AND THAT  
11 HELP DETERMINE THE MODEL'S OUTPUT IN RESPONSE TO INPUTS.

12 (b) ~~"Intentional and substantial modification" or "intentionally and~~  
13 ~~substantially modifies" does not include a change made to a high-risk~~  
14 ~~artificial intelligence system, or the performance of a high-risk artificial~~  
15 ~~intelligence system, if:~~

16 (I) ~~The high-risk artificial intelligence system continues to learn~~  
17 ~~after the high-risk artificial intelligence system is:~~

18 (A) ~~Offered, sold, leased, licensed, given, or otherwise made~~  
19 ~~available to a deployer; or~~

20 (B) ~~Deployed;~~

21 (H) ~~The change is made to the high-risk artificial intelligence~~  
22 ~~system as a result of any learning described in subsection (10)(b)(I) of~~  
23 ~~this section;~~

24 (HH) ~~The change was predetermined by the deployer, or a third~~  
25 ~~party contracted by the deployer, when the deployer or third party~~  
26 ~~completed an initial impact assessment of such high-risk artificial~~  
27 ~~intelligence system pursuant to section 6-1-1703 (3); and~~

1           ~~(IV) The change is included in technical documentation for the~~  
2 ~~high-risk artificial intelligence system.~~

3           (10.3) "OPEN MODEL WEIGHTS" MEANS, WITH RESPECT TO AN  
4 ARTIFICIAL INTELLIGENCE SYSTEM, THAT THE DEVELOPER:

5           (a) PLACES THE ARTIFICIAL INTELLIGENCE SYSTEM IN THE PUBLIC  
6 DOMAIN WITHOUT ANY LICENSE OR RESERVATION OF RIGHTS OR MAKES  
7 THE ARTIFICIAL INTELLIGENCE SYSTEM AVAILABLE UNDER A LICENSE THAT  
8 ALLOWS ANY MEMBER OF THE PUBLIC TO COPY, DISTRIBUTE, MODIFY, AND  
9 USE THE ARTIFICIAL INTELLIGENCE SYSTEM'S MODEL WEIGHTS WITHOUT  
10 PERMISSION, PAYMENT, ROYALTIES, OR FEES; AND

11           (b) PROVIDES SUFFICIENTLY DETAILED INFORMATION ABOUT  
12 OTHER COMPONENTS OF THE MODEL, ARTIFICIAL INTELLIGENCE SYSTEM,  
13 OR TRAINING DATA FOR A PERSON SKILLED IN ARTIFICIAL INTELLIGENCE TO  
14 CORRECTLY INTERPRET THE MODEL WEIGHTS AND UTILIZE THEM  
15 EFFECTIVELY IN OTHER ARTIFICIAL INTELLIGENCE SYSTEMS.

16           (11) (a) "Substantial factor" means, EXCEPT AS PROVIDED IN  
17 SECTION 6-1-1703 (6.7), a factor that:

18           (11.7) "TIME-LIMITED DECISION" MEANS A DECISION RELATING TO  
19 A GOOD, A SERVICE, OR AN OPPORTUNITY THAT HAS AN END OR  
20 EXPIRATION DATE THAT IS ESTABLISHED PRIOR TO THE COMMENCEMENT  
21 OF THE DECISION-MAKING PROCESS.

22           (13) "UNITARY BUSINESS" MEANS A SINGLE ECONOMIC ENTERPRISE  
23 MADE UP EITHER OF SEPARATE PARTS OF A SINGLE ENTITY OR OF AN  
24 AFFILIATED GROUP OF ENTITIES THAT ARE SUFFICIENTLY  
25 INTERDEPENDENT, INTEGRATED, AND INTERRELATED THROUGH THEIR  
26 ACTIVITIES SO AS TO PROVIDE A SYNERGY AND MUTUAL BENEFIT THAT  
27 PRODUCES A SHARING OR EXCHANGE OF VALUE AMONG THEM AND A

1 SIGNIFICANT FLOW OF VALUE TO THE SEPARATE PARTS.

2 (14) "VENDOR" MEANS A PERSON THAT KNOWINGLY SELLS, OFFERS  
3 FOR SALE, OR DISTRIBUTES AN ARTIFICIAL INTELLIGENCE SYSTEM TO A  
4 DEPLOYER OR TO ANOTHER VENDOR.

5 **SECTION 2.** In Colorado Revised Statutes, 6-1-1702, **amend** (2)  
6 introductory portion, (2)(a), (2)(c)(III), (3)(a), (4), (6), and (7); **repeal** (1)  
7 and (5); and **add** (8) and (9) as follows:

8 **6-1-1702. Developer duty to avoid algorithmic discrimination**  
9 **- required documentation - applicability - exempt developers.** (1) ~~On~~  
10 ~~and after February 1, 2026, a developer of a high-risk artificial~~  
11 ~~intelligence system shall use reasonable care to protect consumers from~~  
12 ~~any known or reasonably foreseeable risks of algorithmic discrimination~~  
13 ~~arising from the intended and contracted uses of the high-risk artificial~~  
14 ~~intelligence system. In any enforcement action brought on or after~~  
15 ~~February 1, 2026, by the attorney general pursuant to section 6-1-1706,~~  
16 ~~there is a rebuttable presumption that a developer used reasonable care as~~  
17 ~~required under this section if the developer complied with this section and~~  
18 ~~any additional requirements or obligations as set forth in rules~~  
19 ~~promulgated by the attorney general pursuant to section 6-1-1707.~~

20 (2) ~~On and after February 1, 2026, and~~ JANUARY 1, 2027, except  
21 as provided in subsection (6) of this section, a developer of a high-risk  
22 artificial intelligence system shall make available to ~~the~~ EACH deployer or  
23 other developer of the high-risk artificial intelligence system:

24 (a) A general statement describing the ~~reasonably foreseeable~~  
25 INTENDED uses and known harmful or inappropriate uses of the high-risk  
26 artificial intelligence system;

27 (c) Documentation describing:

1 (III) The intended INPUTS AND outputs of the high-risk artificial  
2 intelligence system;

3 (3) (a) Except as provided in subsection (6) of this section, a  
4 developer that offers, sells, leases, licenses, gives, or otherwise makes  
5 available to a deployer or other developer a high-risk artificial  
6 intelligence system on or after ~~February 1, 2026~~ JANUARY 1, 2027, shall  
7 make available to the deployer or other developer, to the extent feasible,  
8 the documentation and information, through artifacts such as model cards,  
9 dataset cards, or other impact assessments, necessary for a deployer, or  
10 for a third party contracted by a deployer, to complete an impact  
11 assessment pursuant to section 6-1-1703 (3).

12 (4) (a) On and after ~~February 1, 2026~~ JANUARY 1, 2027, a  
13 developer shall make available, in a manner that is clear and readily  
14 available on the developer's website or in a public use case inventory, a  
15 statement summarizing:

16 (I) The types of high-risk artificial intelligence systems that the  
17 developer has developed ~~or intentionally and substantially modified~~ and  
18 currently makes available to a deployer or other developer; and

19 (II) How the developer manages known or reasonably foreseeable  
20 risks of algorithmic discrimination that may arise from the development  
21 ~~or intentional and substantial modification~~ of the types of high-risk  
22 artificial intelligence systems described in accordance with subsection  
23 (4)(a)(I) of this section.

24 (b) A developer shall update the statement described in subsection  
25 (4)(a) of this section

26 ~~(f)~~ as necessary to ensure that the statement remains accurate. ~~and~~

27 ~~(H) No later than ninety days after the developer intentionally and~~

1 ~~substantially modifies any high-risk artificial intelligence system~~  
2 ~~described in subsection (4)(a)(I) of this section.~~

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

11 (a) ~~The developer discovers through the developer's ongoing~~  
12 ~~testing and analysis that the developer's high-risk artificial intelligence~~  
13 ~~system has been deployed and has caused or is reasonably likely to have~~  
14 ~~caused algorithmic discrimination; or~~

15 (b) ~~The developer receives from a deployer a credible report that~~  
16 ~~the high-risk artificial intelligence system has been deployed and has~~  
17 ~~caused algorithmic discrimination.~~

18 (6) Nothing in subsections (2) to ~~(5)~~ (4) of this section requires a  
19 developer to disclose a trade secret, information OTHERWISE protected  
20 from disclosure by APPLICABLE state or federal law, or information that  
21 would create a security risk to the developer. IF A DEVELOPER WITHHOLDS  
22 INFORMATION FROM A DISCLOSURE PURSUANT TO THIS SUBSECTION (6),  
23 THE DEVELOPER SHALL NOTIFY THE PERSON THAT WOULD OTHERWISE  
24 HAVE A RIGHT TO RECEIVE THE INFORMATION, STATE THE BASIS FOR  
25 WITHHOLDING THE INFORMATION, AND PROVIDE ALL INFORMATION TO  
26 WHICH THE BASIS FOR WITHHOLDING DOES NOT APPLY. THE NOTIFICATION  
27 MUST COMPLY WITH THE REQUIREMENTS OF SECTION 6-1-1703 (4)(c).

1           (7) (a) A DEVELOPER SHALL MAINTAIN ALL DOCUMENTATION,  
2 DISCLOSURES, AND OTHER RECORDS REQUIRED BY SUBSECTIONS (2) TO (4)  
3 OF THIS SECTION WITH RESPECT TO EACH HIGH-RISK ARTIFICIAL  
4 INTELLIGENCE SYSTEM THROUGHOUT THE PERIOD DURING WHICH THE  
5 DEVELOPER SELLS, MARKETS, DISTRIBUTES, OR MAKES AVAILABLE THE  
6 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM AND FOR AT LEAST THREE  
7 YEARS FOLLOWING THE LAST DATE ON WHICH THE DEVELOPER SELLS,  
8 MARKETS, DISTRIBUTES, OR MAKES AVAILABLE THE HIGH-RISK ARTIFICIAL  
9 INTELLIGENCE SYSTEM.

10           (b) On and after ~~February 1, 2026~~ JANUARY 1, 2027, the attorney  
11 general may require that a developer disclose to the attorney general, no  
12 later than ninety days after the request and in a form and manner  
13 prescribed by the attorney general, the statement or documentation  
14 described in subsection (2) of this section OR THE RECORDS MAINTAINED  
15 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION. The attorney general  
16 may evaluate ~~such~~ THE statement, ~~or~~ documentation, OR RECORDS to  
17 ensure compliance with this part 17, and the statement, ~~or~~ documentation,  
18 ~~is~~ OR RECORDS ARE not subject to disclosure under the "Colorado Open  
19 Records Act", part 2 of article 72 of title 24. In a disclosure REQUIRED  
20 pursuant to this subsection (7), a developer may designate the statement,  
21 ~~or~~ documentation, OR RECORDS as including ~~proprietary information or a~~  
22 trade secret OR INFORMATION OTHERWISE PROTECTED FROM DISCLOSURE  
23 BY THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE  
24 24. To the extent that any information contained in the statement, ~~or~~  
25 documentation, OR RECORDS includes information subject to  
26 attorney-client privilege or work-product protection, the disclosure does  
27 not constitute a waiver of the privilege or protection.

1 (8) SUBSECTIONS (2)(c), (2)(d), AND (4) OF THIS SECTION DO NOT  
2 APPLY TO A DEVELOPER THAT:

3 (a) MEETS THE REQUIREMENTS OF SECTIONS 24-48.5-112  
4 (1)(g)(III) AND (1)(g)(IV); AND

5 (b) SELLS, DISTRIBUTES, OR OTHERWISE MAKES AVAILABLE TO  
6 DEPLOYERS HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEMS THAT  
7 DEPLOYERS USE TO MAKE:

8 (I) BEGINNING APRIL 1, 2027, AND BEFORE MARCH 31, 2028, TEN  
9 THOUSAND OR FEWER CONSEQUENTIAL DECISIONS IN THE PRECEDING  
10 CALENDAR YEAR;

11 (II) BEGINNING APRIL 1, 2028, AND BEFORE MARCH 31, 2029, FIVE  
12 THOUSAND OR FEWER CONSEQUENTIAL DECISIONS IN THE PRECEDING  
13 CALENDAR YEAR; AND

14 (III) BEGINNING APRIL 1, 2029, AND BEFORE MARCH 31, 2030,  
15 TWO THOUSAND FIVE HUNDRED OR FEWER CONSEQUENTIAL DECISIONS IN  
16 THE PRECEDING CALENDAR YEAR.

17 (9) NOTHING IN THIS SECTION APPLIES TO A DEVELOPER OF AN  
18 ARTIFICIAL INTELLIGENCE SYSTEM TO THE EXTENT THAT:

19 (a) THE ARTIFICIAL INTELLIGENCE SYSTEM PRODUCES OR CONSISTS  
20 OF A SCORE, A MODEL, AN ALGORITHM, OR SIMILAR OUTPUT THAT IS A  
21 CONSUMER REPORT, AS DEFINED BY AND SUBJECT TO THE "FAIR CREDIT  
22 REPORTING ACT", 15 U.S.C. SEC. 1681a (d)(1), RELATED REGULATIONS,  
23 AND PART 1 OF ARTICLE 18 OF TITLE 5; AND

24 (b) THE DEVELOPER ADHERES TO THE "FAIR CREDIT REPORTING  
25 ACT", 15 U.S.C. SEC. 1681 ET SEQ., INCLUDING 15 U.S.C. SECS. 1681e  
26 AND 1681g.

27 **SECTION 3.** In Colorado Revised Statutes, 6-1-1703, **amend**



1 (2)(a) introductory portion, (3)(a), (3)(b)(II), (3)(b)(III), (3)(b)(V), (3)(g),  
2 (4)(a) introductory portion, (4)(a)(II), (4)(b), (5)(a) introductory portion,  
3 (6), (8), and (9); **repeal** (1), (3)(c), (3)(f), and (7); and **add** (4)(d), (6.3),  
4 (6.5), (6.7), and (10) as follows:

5 **6-1-1703. Deployer duty to avoid algorithmic discrimination**  
6 **- risk management policy and program - definitions.** (1) ~~On and after~~  
7 ~~February 1, 2026, a deployer of a high-risk artificial intelligence system~~  
8 ~~shall use reasonable care to protect consumers from any known or~~  
9 ~~reasonably foreseeable risks of algorithmic discrimination. In any~~  
10 ~~enforcement action brought on or after February 1, 2026, by the attorney~~  
11 ~~general pursuant to section 6-1-1706, there is a rebuttable presumption~~  
12 ~~that a deployer of a high-risk artificial intelligence system used~~  
13 ~~reasonable care as required under this section if the deployer complied~~  
14 ~~with this section and any additional requirements or obligations as set~~  
15 ~~forth in rules promulgated by the attorney general pursuant to section~~  
16 ~~6-1-1707.~~

17 (2) (a) ~~On and after February 1, 2026~~ JANUARY 1, 2027, and  
18 except as provided in ~~subsection (6)~~ SUBSECTIONS (6) AND (8) of this  
19 section, a deployer of a high-risk artificial intelligence system shall  
20 implement a risk management policy and program to govern the  
21 deployer's deployment of the high-risk artificial intelligence system. The  
22 risk management policy and program must specify and incorporate the  
23 principles, processes, and personnel that the deployer uses to identify,  
24 document, and mitigate known or reasonably foreseeable risks of  
25 algorithmic discrimination. The risk management policy and program  
26 must be an iterative process planned, implemented, and regularly and  
27 systematically reviewed and updated over the life cycle of a high-risk

1 artificial intelligence system, requiring regular, systematic review and  
2 updates. A risk management policy and program implemented and  
3 maintained pursuant to this subsection (2) must be reasonable  
4 considering:

5 (3) (a) Except as provided in subsections ~~(3)(d), (3)(e), and (6)~~  
6 ~~(3)(d), (3)(e), (5), (6), AND (8)~~ of this section,

7 ~~(†)~~ a deployer, or a third party contracted by the deployer, that  
8 deploys a high-risk artificial intelligence system on or after ~~February 1,~~  
9 ~~2026~~ JANUARY 1, 2027, shall complete an impact assessment for the  
10 high-risk artificial intelligence system:

11 (I) PRIOR TO THE FIRST DEPLOYMENT OF THE HIGH-RISK ARTIFICIAL  
12 INTELLIGENCE SYSTEM OR JANUARY 1, 2027, WHICHEVER OCCURS LATER;  
13 and

14 (II) ANNUALLY FOR AS LONG AS THE HIGH-RISK ARTIFICIAL  
15 INTELLIGENCE SYSTEM IS DEPLOYED.

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

21 (b) An impact assessment completed pursuant to this subsection  
22 (3) must include, at a minimum, and to the extent reasonably known by  
23 or available to the deployer:

24 (II) An analysis of whether the deployment of the high-risk  
25 artificial intelligence system poses any known or reasonably foreseeable  
26 risks of:

27 (A) Algorithmic discrimination and, if so, the nature of the

1 algorithmic discrimination and the steps that have been taken to mitigate  
2 the risks;

3 (B) LIMITING ACCESSIBILITY FOR INDIVIDUALS WHO ARE  
4 PREGNANT, BREASTFEEDING, OR DISABLED AND, IF SO, WHAT REASONABLE  
5 ACCOMMODATIONS THE DEPLOYER MAY PROVIDE THAT WOULD MITIGATE  
6 ANY SUCH LIMITATIONS ON ACCESSIBILITY;

7 (C) AN UNFAIR OR DECEPTIVE TRADE PRACTICE DESCRIBED IN  
8 SECTION 6-1-105;

9 (D) A VIOLATION OF STATE OR FEDERAL LABOR LAWS, INCLUDING  
10 LAWS PERTAINING TO WAGES, OCCUPATIONAL HEALTH AND SAFETY, AND  
11 THE RIGHT TO ORGANIZE; OR

12 (E) A VIOLATION OF THE "COLORADO PRIVACY ACT", PART 13 OF  
13 THIS ARTICLE 1, IF APPLICABLE;

14 (III) A description of the categories AND SOURCES of data THAT  
15 the high-risk artificial intelligence system processes as inputs and the  
16 outputs THAT the high-risk artificial intelligence system produces;

17 (V) A DESCRIPTION OF any metrics used to evaluate the  
18 performance and known limitations of the high-risk artificial intelligence  
19 system, INCLUDING THE SYSTEM'S VALIDITY AND RELIABILITY;

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

1           (f) ~~A deployer shall maintain the most recently completed impact~~  
2 ~~assessment for a high-risk artificial intelligence system as required under~~  
3 ~~this subsection (3), all records concerning each impact assessment, and~~  
4 ~~all prior impact assessments, if any, for at least three years following the~~  
5 ~~final deployment of the high-risk artificial intelligence system.~~

6           (g) ~~On or before February 1, 2026, and at least annually thereafter~~  
7 ~~BEGINNING JANUARY 1, 2027, a deployer, or a third party contracted by~~  
8 ~~the deployer, must review the deployment of each high-risk artificial~~  
9 ~~intelligence system deployed by the deployer ANNUALLY to ensure that the~~  
10 ~~high-risk artificial intelligence system is not causing algorithmic~~  
11 ~~discrimination.~~

12           (4) (a) ~~On and after February 1, 2026, and no later than the MAY~~  
13 ~~1, 2026, EXCEPT AS PROVIDED IN SUBSECTION (6) OF THIS SECTION, BEFORE~~  
14 ~~EACH time that a deployer deploys a high-risk artificial intelligence~~  
15 ~~system to make, or be a substantial factor in making, a consequential~~  
16 ~~decision concerning a consumer, the deployer shall:~~

17           (II) Provide to the consumer a statement disclosing:

18           (A) The purpose of the high-risk artificial intelligence system and  
19 the nature of the consequential decision;

20           (B) THE TRADE NAME OF THE HIGH-RISK ARTIFICIAL INTELLIGENCE  
21 SYSTEM AND THE NAME OF THE DEVELOPER OR DEVELOPERS OF THE  
22 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM;

23           (C) The contact information for the deployer;

24           (D) A description, in plain language, of the high-risk artificial  
25 intelligence system, ~~and~~ WHICH DESCRIPTION MUST, AT A MINIMUM,  
26 INCLUDE THE RESPECTIVE ROLES OF THE HIGH-RISK ARTIFICIAL  
27 INTELLIGENCE SYSTEM AND ANY HUMAN COMPONENTS OF THE

1 DECISION-MAKING PROCESS; THE PERSONAL ASPECTS CONCERNING THE  
2 CONSUMER'S ECONOMIC SITUATION, HEALTH, PERSONAL PREFERENCES,  
3 INTERESTS, RELIABILITY, BEHAVIOR, LOCATION, OR MOVEMENTS THAT THE  
4 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM EVALUATES, ANALYZES, OR  
5 PREDICTS; THE METHOD BY WHICH THE HIGH-RISK ARTIFICIAL  
6 INTELLIGENCE SYSTEM EVALUATES, ANALYZES, OR PREDICTS THOSE  
7 PERSONAL ASPECTS; HOW THOSE PERSONAL ASPECTS ARE RELEVANT TO  
8 THE CONSEQUENTIAL DECISIONS FOR WHICH THE HIGH-RISK ARTIFICIAL  
9 INTELLIGENCE SYSTEM IS USED; AND INFORMATION SUFFICIENT FOR  
10 CONSUMERS WITH DISABILITIES OR OTHER CONSUMERS ENTITLED TO  
11 ACCOMMODATION UNDER APPLICABLE LAW TO DETERMINE WHETHER THEY  
12 WILL REQUIRE ACCOMMODATION AND, IF SO, HOW TO REQUEST THE  
13 ACCOMMODATION; AND

14 (E) Instructions on how to access the statement required by  
15 subsection (5)(a) of this section; and

16 (b) On and after ~~February 1, 2026~~ MAY 1, 2026, a deployer that  
17 has deployed a high-risk artificial intelligence system to make, or be a  
18 substantial factor in making, a consequential decision concerning a  
19 consumer shall, if the consequential decision is adverse to the consumer,  
20 provide to the consumer, WITHOUT UNREASONABLE DELAY AND NO LATER  
21 THAN THIRTY DAYS AFTER THE DECISION:

22 (I) A ~~statement disclosing the principal reason or reasons for the~~  
23 ~~consequential decision~~, SINGLE NOTICE THAT DISCLOSES:

24 (A) THE MAIN REASON OR REASONS FOR THE CONSEQUENTIAL  
25 DECISION, including the degree to which, and manner in which, the  
26 high-risk artificial intelligence system contributed to the consequential  
27 decision AND THE CATEGORIES AND SOURCES OF DATA THAT ADVERSELY

1 AFFECTED THE OUTPUT OF THE HIGH-RISK ARTIFICIAL INTELLIGENCE  
2 SYSTEM IN MAKING, OR BEING A SUBSTANTIAL FACTOR IN MAKING, THE  
3 CONSEQUENTIAL DECISION, INCLUDING ANY CATEGORIES AND SOURCES OF  
4 SENSITIVE DATA, AS DEFINED IN SECTION 6-1-1303 (24);

5 (B) ~~The type of data that was~~ INFORMATION ON WHETHER AND  
6 HOW THE CONSUMER CAN EXERCISE THEIR RIGHTS DESCRIBED IN  
7 SUBSECTION (4)(b)(II) OF THIS SECTION AND, IF APPLICABLE, SUBSECTION  
8 (4)(b)(III) OF THIS SECTION AND SECTION 6-1-1306 (1)(b) WITH RESPECT  
9 TO ANY PERSONAL DATA processed by the high-risk artificial intelligence  
10 system; ~~in making the consequential decision;~~ and

11 (C) ~~The source or sources~~ A COPY of the ~~data described in~~  
12 ~~subsection (4)(b)(I)(B) of this section~~ NOTICE PROVIDED TO THE  
13 CONSUMER PURSUANT TO THIS SUBSECTION (4)(b)(I);

14 (II) An opportunity to correct any incorrect personal data that the  
15 high-risk artificial intelligence system processed in making, or as a  
16 substantial factor in making, the consequential decision IN THE SAME  
17 MANNER AS DESCRIBED IN SECTION 6-1-1306 (1)(c); and

18 (III) FOR A CONSEQUENTIAL DECISION THAT IS NOT A COMPETITIVE  
19 DECISION, NOT A TIME-LIMITED DECISION, AND IS ADVERSE BASED ON  
20 INCORRECT PERSONAL DATA OR UNLAWFUL INFORMATION OR INFERENCES,  
21 an opportunity to appeal ~~an~~ THE adverse consequential decision  
22 concerning the consumer arising from the deployment of a high-risk  
23 artificial intelligence system, which appeal must, if technically feasible,  
24 allow for human review. ~~unless providing the opportunity for appeal is~~  
25 ~~not in the best interest of the consumer, including in instances in which~~  
26 ~~any delay might pose a risk to the life or safety of such consumer.~~

27 (d) A DEPLOYER SHALL NOT USE A HIGH-RISK ARTIFICIAL

1 INTELLIGENCE SYSTEM TO MAKE, OR BE A SUBSTANTIAL FACTOR IN  
2 MAKING, A CONSEQUENTIAL DECISION IF THE DEPLOYER CANNOT PROVIDE  
3 ACCURATE DISCLOSURES THAT SATISFY THE REQUIREMENTS OF  
4 SUBSECTIONS (4)(a) AND (4)(b)(I) OF THIS SECTION.

5 (5) (a) On and after ~~February 1, 2026,~~ and JANUARY 1, 2027,  
6 except as provided in subsection (6) of this section, a deployer shall make  
7 available, in a manner that is clear and readily available on the deployer's  
8 website, a statement summarizing:

9 (6) Subsections (2), ~~(3)~~ **(4)(b)(II), (4)(b)(III)**, and (5) of this  
10 section do not apply to a deployer if, at the time the deployer deploys a  
11 THE high-risk artificial intelligence system and at all times while the  
12 high-risk artificial intelligence system is deployed:

13 (a) The deployer:

14 (I) BEGINNING JANUARY 1, 2027, AND BEFORE MARCH 31, 2028,  
15 employs fewer than ~~fifty~~ FIVE HUNDRED full-time equivalent employees  
16 ~~and~~ WORLDWIDE;

17 (II) BEGINNING APRIL 1, 2028, AND BEFORE MARCH 31, 2029,  
18 EMPLOYS FEWER THAN TWO HUNDRED FIFTY FULL-TIME EQUIVALENT  
19 EMPLOYEES WORLDWIDE; AND

20 (III) BEGINNING APRIL 1, 2029, EMPLOYS FEWER THAN ONE  
21 HUNDRED FULL-TIME EQUIVALENT EMPLOYEES WORLDWIDE;

22 ~~(H)~~ (a.5) ~~Does~~ THE DEVELOPER AND DEPLOYER DO not use the  
23 deployer's own data to train the high-risk artificial intelligence system;

24 (b) The high-risk artificial intelligence system:

25 (I) Is used for the intended uses that are disclosed to the deployer  
26 as required by section 6-1-1702 (2)(a); and

27 (II) Continues learning based on data derived from sources other

1 than the deployer's own data; and

2 (c) The deployer makes available to consumers any impact  
3 assessment that:

4 (I) The developer of the high-risk artificial intelligence system has  
5 completed and provided to the deployer; and

6 (II) Includes information that is substantially similar to the  
7 information in the impact assessment required under subsection (3)(b) of  
8 this section.

9 (6.3) NOTHING IN THIS SECTION APPLIES TO A DEPLOYER'S USE OF  
10 A HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM TO THE EXTENT THAT:

11 (a) THE DEPLOYER USES THE HIGH-RISK ARTIFICIAL INTELLIGENCE  
12 SYSTEM IN CONSEQUENTIAL DECISIONS SOLELY RELATING TO THE  
13 RECRUITMENT, SOURCING, OR HIRING OF EXTERNAL CANDIDATES FOR  
14 EMPLOYMENT;

15 (b) THE REQUIREMENTS OF SUBSECTIONS (6)(b) AND (6)(c) OF THIS  
16 SECTION ARE MET WITH RESPECT TO THE HIGH-RISK ARTIFICIAL  
17 INTELLIGENCE SYSTEM; AND

18 (c) THE DEPLOYER, AT THE TIME IT DEPLOYS THE HIGH-RISK  
19 ARTIFICIAL INTELLIGENCE SYSTEM AND AT ALL TIMES WHILE THE  
20 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM IS DEPLOYED:

21 (I) BEGINNING APRIL 1, 2026, AND BEFORE MARCH 31, 2027,  
22 EMPLOYS ANY NUMBER OF EMPLOYEES;

23 (II) BEGINNING APRIL 1, 2027, AND BEFORE MARCH 31, 2029,  
24 EMPLOYS FEWER THAN FIVE HUNDRED FULL-TIME EQUIVALENT EMPLOYEES  
25 WORLDWIDE;

26 (III) BEGINNING APRIL 1, 2029, AND BEFORE MARCH 31, 2030,  
27 EMPLOYS FEWER THAN TWO HUNDRED FIFTY FULL-TIME EQUIVALENT



1 EMPLOYEES WORLDWIDE; AND

2 (IV) BEGINNING APRIL 1, 2030, EMPLOYS FEWER THAN FIFTEEN  
3 FULL-TIME EQUIVALENT EMPLOYEES WORLDWIDE.

4 (6.5) FOR PURPOSES OF SUBSECTIONS (6) AND (6.3) OF THIS  
5 SECTION, IF A DEPLOYER IS PART OF A UNITARY BUSINESS AND DEPLOYS A  
6 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM THAT IS PROVIDED OR MADE  
7 AVAILABLE TO THE DEPLOYER THROUGH, OR THAT IS PAID IN WHOLE OR IN  
8 PART BY, ANOTHER ENTITY WITHIN THE UNITARY BUSINESS, THE  
9 CALCULATION OF THE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES  
10 WITH RESPECT TO THE HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM IS  
11 BASED ON THE TOTAL NUMBER OF EMPLOYEES ACROSS THE UNITARY  
12 BUSINESS.

13 (6.7) (a) SUBSECTIONS (2), (3), (4)(b)(II), AND (4)(b)(III) OF THIS  
14 SECTION APPLY ONLY TO HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEMS  
15 THAT MAKE, OR ARE THE PRINCIPAL BASIS IN MAKING, CONSEQUENTIAL  
16 DECISIONS.

17 (b) (I) AS USED IN THIS SUBSECTION (6.7), UNLESS THE CONTEXT  
18 OTHERWISE REQUIRES, "PRINCIPAL BASIS" MEANS THE USE OF THE OUTPUT  
19 OF A HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM TO MAKE A  
20 CONSEQUENTIAL DECISION WITHOUT MEANINGFUL HUMAN INVOLVEMENT.

21 (II) AS USED IN THIS SUBSECTION (6.7)(b), "MEANINGFUL HUMAN  
22 INVOLVEMENT" MEANS THAT A HUMAN:

23 (A) ENGAGES IN A MEANINGFUL CONSIDERATION OF AVAILABLE  
24 DATA THAT IS USED OR PRODUCED AS OUTPUT BY THE HIGH-RISK  
25 ARTIFICIAL INTELLIGENCE SYSTEM; AND

26 (B) HAS THE AUTHORITY TO CHANGE OR INFLUENCE THE OUTCOME  
27 OF THE CONSEQUENTIAL DECISION.

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

8           (8) Nothing in subsections (2) to (5) ~~and (7)~~ of this section  
9 requires a deployer to disclose a trade secret or information OTHERWISE  
10 protected from disclosure by APPLICABLE state or federal law. To the  
11 extent that a deployer withholds information FROM A DISCLOSURE  
12 pursuant to this subsection (8), ~~or section 6-1-1705 (5)~~, the deployer shall  
13 notify the ~~consumer and provide a~~ PERSON THAT WOULD OTHERWISE HAVE  
14 A RIGHT TO RECEIVE THE INFORMATION, STATE THE basis for the  
15 withholding, AND PROVIDE ALL INFORMATION TO WHICH THE BASIS FOR  
16 WITHHOLDING DOES NOT APPLY. NOTIFICATION THAT A DEPLOYER  
17 PROVIDES PURSUANT TO THIS SUBSECTION (8) MUST SATISFY THE  
18 REQUIREMENTS OF SUBSECTION (4)(c) OF THIS SECTION.

19           (9) (a) A DEPLOYER SHALL MAINTAIN ALL DOCUMENTATION,  
20 DISCLOSURES, AND OTHER RECORDS REQUIRED BY SUBSECTIONS (2) TO (5)  
21 OF THIS SECTION THROUGHOUT THE PERIOD DURING WHICH THE DEPLOYER  
22 DEPLOYS THE HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM AND FOR AT  
23 LEAST THREE YEARS FOLLOWING THE FINAL DEPLOYMENT OF EACH  
24 HIGH-RISK ARTIFICIAL INTELLIGENCE SYSTEM BY THE DEPLOYER.

25           (b) On and after ~~February 1, 2026~~ JANUARY 1, 2027, the attorney  
26 general may require that a deployer, or a third party contracted by the  
27 deployer, disclose to the attorney general, no later than ninety days after

1 the request and in a form and manner prescribed by the attorney general,  
2 the risk management policy implemented pursuant to subsection (2) of  
3 this section, the impact assessment completed pursuant to subsection (3)  
4 of this section, or the records maintained pursuant to subsection ~~(3)(f)~~  
5 **(9)(a)** of this section. The attorney general may evaluate the risk  
6 management policy, impact assessment, or records to ensure compliance  
7 with this part 17, and the risk management policy, impact assessment, and  
8 records are not subject to disclosure under the "Colorado Open Records  
9 Act", part 2 of article 72 of title 24. In a disclosure pursuant to this  
10 subsection (9), a deployer may designate the statement, ~~or~~ documentation,  
11 ~~OR RECORDS~~ as including ~~proprietary information~~ or a trade secret ~~OR~~  
12 ~~INFORMATION OTHERWISE PROTECTED FROM DISCLOSURE BY APPLICABLE~~  
13 ~~STATE OR FEDERAL LAW~~. To the extent that any information contained in  
14 the risk management policy, impact assessment, or records includes  
15 information subject to attorney-client privilege or work-product  
16 protection, the disclosure does not constitute a waiver of the privilege or  
17 protection.

18 (10) NOTHING IN THIS SECTION CREATES A PRIVATE RIGHT OF  
19 ACTION OR PROVIDES A CONSUMER WITH ANY NEW OR ADDITIONAL RIGHTS  
20 UNDER ANY OTHER LAW, NOR DOES THIS SECTION LIMIT OR RESTRICT ANY  
21 PREEXISTING RIGHTS OR REMEDIES TO CONSUMERS OR PROVIDE ANY NEW  
22 OR ADDITIONAL DEFENSES TO DEPLOYERS, WITH RESPECT TO ANY OTHER  
23 LAW.

24 **SECTION 4.** In Colorado Revised Statutes, 6-1-1704, **amend** (1)  
25 as follows:

26 **6-1-1704. Disclosure of an artificial intelligence system to**  
27 **consumer.** (1) On and after ~~February 1, 2026,~~ and JANUARY 1, 2027,

1 except as provided in subsection (2) of this section, a deployer or other  
2 developer that deploys, offers, sells, leases, licenses, gives, or otherwise  
3 makes available an artificial intelligence system that is intended to  
4 interact with consumers shall ~~ensure the disclosure~~ DISCLOSE to each  
5 consumer who interacts with the artificial intelligence system that the  
6 consumer is interacting with an artificial intelligence system.

7 **SECTION 5.** In Colorado Revised Statutes, 6-1-1705, **amend**  
8 (1)(f), (1)(h), (3), (6), and (8)(a); **repeal** (1)(d), (2), (4), and (5); and **add**  
9 (1)(d.5), (1)(j), (1)(k), and (10) as follows:

10 **6-1-1705. Compliance with other legal obligations -**  
11 **definitions.** (1) Nothing in this part 17 restricts a developer's, a  
12 deployer's, or other person's ability to:

13 (d) ~~Investigate, establish, exercise, prepare for, or defend legal~~  
14 ~~claims;~~

15 (d.5) PROSECUTE OR DEFEND LEGAL CLAIMS DURING ONGOING OR  
16 IMMINENTLY ANTICIPATED LEGAL PROCEEDINGS, INCLUDING COMPLYING  
17 WITH THE RULES OF PROCEDURE, RULES OF EVIDENCE, OR OTHER  
18 APPLICABLE RULES OR ORDERS BEFORE A COURT, AN ADMINISTRATIVE  
19 ENFORCEMENT AGENCY, OR OTHER LEGAL TRIBUNAL OF COMPETENT  
20 JURISDICTION;

21 (f) ~~By any means other than the use~~ EXCEPT FOR USES of facial  
22 recognition technology OTHERWISE PROHIBITED BY APPLICABLE LAW,  
23 prevent, detect, protect against, or respond to security incidents OR  
24 ILLEGAL OR TORTIOUS ACTIVITY SUCH AS identity theft OR fraud  
25 ~~harassment, malicious or deceptive activities, or illegal activity;~~ OR  
26 investigate, report, or prosecute the persons responsible for ~~any such~~  
27 ~~action; or preserve the integrity or security of systems~~ THAT ILLEGAL OR

1 TORTIOUS ACTIVITY;

2 (h) Conduct research, testing, and development activities  
3 regarding an artificial intelligence system or model, other than testing  
4 conducted under real-world conditions, before the artificial intelligence  
5 system or model is USED TO MAKE, OR IS USED AS A SUBSTANTIAL FACTOR  
6 IN MAKING, A CONSEQUENTIAL DECISION OR IS OTHERWISE placed on the  
7 market, deployed, or put into service, as applicable; ~~or~~

8 (j) EFFECTUATE A PRODUCT RECALL; OR

9 (k) IDENTIFY AND REPAIR TECHNICAL ERRORS THAT IMPAIR  
10 EXISTING OR INTENDED FUNCTIONALITY.

11 ~~(2) The obligations imposed on developers, deployers, or other~~  
12 ~~persons under this part 17 do not restrict a developer's, a deployer's, or~~  
13 ~~other person's ability to:~~

14 ~~(a) Effectuate a product recall; or~~

15 ~~(b) Identify and repair technical errors that impair existing or~~  
16 ~~intended functionality.~~

17 ~~(3) The obligations imposed on developers, deployers, or other~~  
18 ~~persons under this part 17 do not apply where compliance with this part~~  
19 ~~17 by the developer, deployer, or other person would violate an~~  
20 ~~evidentiary privilege~~ AN ACT TAKEN BY A DEVELOPER, A DEPLOYER, OR  
21 OTHER PERSON TO COMPLY WITH THEIR OBLIGATIONS UNDER THIS PART 17  
22 SHALL NOT BE CONSTRUED AS A WAIVER OF ANY EVIDENTIARY PRIVILEGE  
23 RECOGNIZED UNDER THE LAWS OF THIS STATE, AND NOTHING IN THIS PART  
24 17 SHALL BE CONSTRUED AS LIMITING OR EXPANDING THE SCOPE OF ANY  
25 EVIDENTIARY PRIVILEGE RECOGNIZED under the laws of this state.

26 ~~(4) Nothing in this part 17 imposes any obligation on a developer,~~  
27 ~~a deployer, or other person that adversely affects the rights or freedoms~~

1 of a person, including the rights of a person to freedom of speech or  
2 freedom of the press that are guaranteed in:

3 (a) ~~The first amendment to the United States constitution; or~~

4 (b) ~~Section 10 of article II of the state constitution.~~

5 (5) ~~Nothing in this part 17 applies to a developer, a deployer, or~~  
6 ~~other person:~~

7 (a) ~~Insofar as the developer, deployer, or other person develops,~~  
8 ~~deploys, puts into service, or intentionally and substantially modifies, as~~  
9 ~~applicable, a high-risk artificial intelligence system:~~

10 (I) ~~That has been approved, authorized, certified, cleared,~~  
11 ~~developed, or granted by a federal agency, such as the federal food and~~  
12 ~~drug administration or the federal aviation administration, acting within~~  
13 ~~the scope of the federal agency's authority, or by a regulated entity subject~~  
14 ~~to the supervision and regulation of the federal housing finance agency;~~  
15 ~~or~~

16 (II) ~~In compliance with standards established by a federal agency,~~  
17 ~~including standards established by the federal office of the national~~  
18 ~~coordinator for health information technology, or by a regulated entity~~  
19 ~~subject to the supervision and regulation of the federal housing finance~~  
20 ~~agency, if the standards are substantially equivalent or more stringent than~~  
21 ~~the requirements of this part 17;~~

22 (b) ~~Conducting research to support an application for approval or~~  
23 ~~certification from a federal agency, including the federal aviation~~  
24 ~~administration, the federal communications commission, or the federal~~  
25 ~~food and drug administration or research to support an application~~  
26 ~~otherwise subject to review by the federal agency;~~

27 (c) ~~Performing work under, or in connection with, a contract with~~

1 the United States department of commerce, the United States department  
2 of defense, or the national aeronautics and space administration, unless  
3 the developer, deployer, or other person is performing the work on a  
4 high-risk artificial intelligence system that is used to make, or is a  
5 substantial factor in making, a decision concerning employment or  
6 housing; or

7 (d) That is a covered entity within the meaning of the federal  
8 "Health Insurance Portability and Accountability Act of 1996", 42 U.S.C.  
9 secs. 1320d to 1320d-9, and the regulations promulgated under the federal  
10 act, as both may be amended from time to time, and is providing  
11 health-care recommendations that:

- 12 (I) Are generated by an artificial intelligence system;
- 13 (II) Require a health-care provider to take action to implement the  
14 recommendations; and
- 15 (III) Are not considered to be high risk.

16 (6) Nothing in this part 17 applies to any artificial intelligence  
17 system TO THE EXTENT that THE ARTIFICIAL INTELLIGENCE SYSTEM:

18 (a) Is acquired by or for the federal government or any federal  
19 agency or department, including the United States department of  
20 commerce, the United States department of defense, or the national  
21 aeronautics and space administration; ~~unless the artificial intelligence~~  
22 ~~system is a high-risk artificial intelligence system that is used to make, or~~  
23 ~~is a substantial factor in making, a decision concerning employment or~~  
24 ~~housing.~~

25 (b) IS NECESSARY TO COMPLY WITH APPLICABLE FEDERAL LAW; OR

26 (c) HAS BEEN SPECIFICALLY APPROVED BY A FEDERAL AGENCY OR  
27 DEPARTMENT FOR USE IN MAKING A CONSEQUENTIAL DECISION.

1           (8) (a) A bank, out-of-state bank, credit union chartered by the  
2 state of Colorado, federal credit union, out-of-state credit union, or any  
3 affiliate or subsidiary thereof is in full compliance with this part 17 if the  
4 bank, out-of-state bank, credit union chartered by the state of Colorado,  
5 federal credit union, out-of-state credit union, or affiliate or subsidiary is  
6 subject to examination by a state or federal prudential regulator under any  
7 published guidance or regulations that apply to the use of high-risk  
8 artificial intelligence systems, and the guidance or regulations, AT A  
9 MINIMUM, REQUIRE THE BANK, OUT-OF-STATE BANK, CREDIT UNION  
10 CHARTERED BY THE STATE OF COLORADO, FEDERAL CREDIT UNION,  
11 OUT-OF-STATE CREDIT UNION, OR AFFILIATE OR SUBSIDIARY TO:

12           ~~(I) Impose requirements that are substantially equivalent to or~~  
13 ~~more stringent than the requirements imposed in this part 17; and~~

14           ~~(II) At a minimum, require the bank, out-of-state bank, credit~~  
15 ~~union chartered by the state of Colorado, federal credit union, out-of-state~~  
16 ~~credit union, or affiliate or subsidiary to:~~

17           ~~(A) (I) Regularly audit the bank's, out-of-state bank's, credit union~~  
18 ~~chartered by the state of Colorado's, federal credit union's, out-of-state~~  
19 ~~credit union's, or affiliate's or subsidiary's use of high-risk artificial~~  
20 ~~intelligence systems for compliance with state and federal~~  
21 ~~anti-discrimination laws and regulations applicable to the bank,~~  
22 ~~out-of-state bank, credit union chartered by the state of Colorado, federal~~  
23 ~~credit union, out-of-state credit union, or affiliate or subsidiary; and~~

24           ~~(B) (II) Mitigate any algorithmic discrimination caused by the use~~  
25 ~~of a high-risk artificial intelligence system or any risk of algorithmic~~  
26 ~~discrimination that is reasonably foreseeable as a result of the use of a~~  
27 ~~high-risk artificial intelligence system; AND~~



1 (III) NOTIFY AFFECTED CONSUMERS THAT THE HIGH-RISK  
2 ARTIFICIAL INTELLIGENCE SYSTEM IS BEING USED AND OF THE CATEGORIES  
3 AND SOURCES OF PERSONAL DATA IT PROCESSES WHEN IT MAKES, OR IS A  
4 SUBSTANTIAL FACTOR IN MAKING, A CONSEQUENTIAL DECISION.

5 (10) IF A DEVELOPER OR DEPLOYER WITHHOLDS INFORMATION  
6 PURSUANT TO A PROVISION IN THIS SECTION FOR WHICH DISCLOSURE  
7 WOULD OTHERWISE BE REQUIRED BY THIS PART 17, THE DEVELOPER OR  
8 DEPLOYER SHALL NOTIFY THE PERSON THAT WOULD OTHERWISE HAVE A  
9 RIGHT TO RECEIVE THE INFORMATION, STATE THE BASIS FOR WITHHOLDING  
10 THE INFORMATION, CITE THE PROVISION THAT AUTHORIZES THE  
11 WITHHOLDING OF THE INFORMATION, AND PROVIDE ALL INFORMATION TO  
12 WHICH THE BASIS FOR WITHHOLDING DOES NOT APPLY. THE NOTIFICATION  
13 MUST COMPLY WITH THE REQUIREMENTS OF SECTION 6-1-1703 (4)(c).

14 **SECTION 6.** In Colorado Revised Statutes, 6-1-1706, **amend** (1),  
15 (2), (3)(a) introductory portion, (3)(a)(III), (3)(b) introductory portion,  
16 (3)(b)(III), (4), and (5); **repeal** (3)(a)(I); and **add** (3)(a.5) and (3)(c) as  
17 follows:

18 **6-1-1706. Enforcement by attorney general.**

19 (1) Notwithstanding section 6-1-103, the attorney general has exclusive  
20 authority to enforce this part 17 AND MAY INVESTIGATE AND ENFORCE  
21 VIOLATIONS OF THIS PART 17 BEGINNING ON JANUARY 1, 2027.

22 (2) Except as provided in subsection (3) of this section, ~~a~~ EACH  
23 violation of the requirements established in this part 17 constitutes an  
24 unfair trade practice pursuant to section 6-1-105 (1)(hhhh).

25 (3) In any action commenced by the attorney general to enforce  
26 this part 17, it is an affirmative defense that the developer, deployer, or  
27 other person:

1 (a) ~~Discovers and cures a~~ DISCOVERED A CURABLE violation of  
2 this part 17 as a result of:

3 (I) ~~Feedback that the developer, deployer, or other person~~  
4 ~~encourages deployers or users to provide to the developer, deployer, or~~  
5 ~~other person;~~

6 (III) An internal review process; ~~and~~

7 (a.5) CURED THE VIOLATION DESCRIBED IN SUBSECTION (3)(a) OF  
8 THIS SECTION WITHIN SEVEN DAYS AFTER ITS DISCOVERY;

9 (b) WAS AT ALL RELEVANT TIMES otherwise in compliance with  
10 THIS PART 17 AND:

11 (III) Any risk management framework for artificial intelligence  
12 systems that the attorney general, in the attorney general's discretion, ~~may~~  
13 ~~designate and, if~~ HAS designated ~~shall~~ AND publicly ~~disseminate~~  
14 DISSEMINATED; AND

15 (c) DEMONSTRATES THAT THE VIOLATION OF THIS PART 17 WAS  
16 INADVERTENT, AFFECTED FEWER THAN ONE THOUSAND CONSUMERS, AND  
17 WAS NOT THE RESULT OF NEGLIGENCE ON THE PART OF THE DEVELOPER,  
18 THE DEPLOYER, OR OTHER PERSON ASSERTING THE DEFENSE.

19 (4) A developer, a deployer, or other person bears the burden of  
20 demonstrating ~~to the attorney general~~ that the requirements ~~established~~  
21 DESCRIBED in subsection (3) of this section FOR ESTABLISHING AN  
22 AFFIRMATIVE DEFENSE have been satisfied.

23 (5) Nothing in this part 17, including the enforcement authority  
24 granted to the attorney general under this section, preempts or otherwise  
25 affects any right, claim, remedy, presumption, or defense available at law  
26 or in equity. ~~A rebuttable presumption or~~ AN affirmative defense  
27 established under this part 17 applies only to an enforcement action

1 brought by the attorney general pursuant to this section and does not  
2 apply to any right, claim, remedy, presumption, or defense available at  
3 law or in equity.

4 **SECTION 7.** In Colorado Revised Statutes, **amend** 6-1-1707 as  
5 follows:

6 **6-1-1707. Rules.** (1) The attorney general may ~~promulgate~~ ADOPT  
7 rules as necessary for the purpose of implementing and enforcing this part  
8 17, including:

9 (a) The documentation and requirements for developers pursuant  
10 to section 6-1-1702 (2);

11 (b) The contents of and requirements for the notices and  
12 disclosures required by sections 6-1-1702 ~~(5) and (7)~~ (3); 6-1-1703 (3)  
13 AND (4); ~~(5), (7), and (9)~~; and 6-1-1704;

14 (c) The content and requirements of the risk management policy  
15 and program required by section 6-1-1703 (2);

16 (d) The content and requirements of the impact assessments  
17 required by section 6-1-1703; ~~(3)~~;

18 ~~(e) The requirements for the rebuttable presumptions set forth in~~  
19 ~~sections 6-1-1702 and 6-1-1703; and~~

20 ~~(f)~~ (e) The requirements for the affirmative defense set forth in  
21 section 6-1-1706 (3), including the process by which the attorney general  
22 will recognize any other nationally or internationally recognized risk  
23 management framework for artificial intelligence systems; AND

24 (f) CLARIFICATION OF WHAT CONSTITUTES A "CONSEQUENTIAL  
25 DECISION", AS DEFINED IN SECTION 6-1-1701 (3).

26 **SECTION 8. Act subject to petition - effective date.** This act  
27 takes effect at 12:01 a.m. on the day following the expiration of the

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