

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

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 25-0930.05 Pierce Lively x2059

SENATE BILL 25-310

SENATE SPONSORSHIP

Kirkmeyer and Bridges, Amabile

HOUSE SPONSORSHIP

Bird and Taggart, Sirota

Senate Committees

Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE IMPLEMENTATION OF PROPOSITION 130, AND, IN**
102 **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/>.)

Joint Budget Committee. At the November 2024 statewide election, voters approved proposition 130, which requires the state to provide \$350 million in additional funding to local law enforcement agencies to improve recruitment, training, and retention of local law enforcement officers and to provide a \$1 million death benefit to the family of a first responder who is killed in the line of duty. The bill

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
Amended 2nd Reading
April 29, 2025

modifies and implements proposition 130.

The bill creates the peace officer training and support fund (fund). The bill establishes a formula by which the department of public safety (department) disburses \$350 million in additional funding to local law enforcement agencies from the fund for permissible purposes. Permissible purposes include the recruitment of peace officers, the hiring of additional peace officers to address specific geographic areas or specific types of criminal activity, the initial and continuing education and training for peace officers, and the compensation of peace officers. No later than January 15, 2026, the department is required to adopt policies and procedures to assist in the determination whether the expenditure of money received from the fund is for a permissible purpose.

Beginning July 1, 2026, the formula requires the department to disburse an amount to each law enforcement agency equal to the total of \$15,000 and an amount multiplied by the number of P.O.S.T.-certified officers, noncertified deputy sheriffs, and detention officers budgeted by a local government for the law enforcement agency. Law enforcement agencies and local governments may not use these funds to supplant or supplement other spending. Local governments must include evidence of compliance with the supplanting and supplementing requirement in their annual audit and provide a copy of this audit to the department. The department must review an audit provided by a local government for compliance with the requirements of the bill.

The bill also establishes funding for the fund. First, the bill directs the state treasurer to transfer \$15 million from the general fund to the fund on July 1, 2026. Second, the bill directs the state treasurer to issue a warrant from the general fund of \$500 million to the public employees' retirement association (PERA) on July 1, 2025. Beginning July 1, 2027, until the state treasurer has transferred a total of \$350 million from the general fund to the fund:

- The amount of each annual direct distribution made by the state to PERA is reduced by the amount of PERA's earnings from the \$500 million, up to a maximum of \$35 million; and
- The state treasurer annually transfers an amount equal to the amount of PERA's earnings from the \$500 million, up to a maximum of \$35 million, from the general fund to the fund.

However, beginning July 1, 2027, and each July 1 thereafter until the state treasurer has transferred a total of \$350 million from the general fund to the fund, the state treasurer is required to transfer at least \$15 million from the general fund to the fund regardless of the amount of PERA's earnings from the \$500 million.

The bill clarifies that the \$500 million in the warrant that the state treasurer transfers to PERA is included in the general fund reserve.

Accordingly, the bill prohibits a future general assembly from lowering the general fund reserve to an amount less than \$1 billion. If the general assembly does so reduce the reserve, the general assembly shall also make corresponding reductions to the direct distributions made by the state to PERA. The bill also requires the governor to adjust general fund expenditures so that they do not result in the general fund reserve being reduced to an amount less than \$1 billion.

The bill establishes a process by which the department distributes a \$1 million death benefit to the family of a first responder who dies on or after November 5, 2024, as either the direct and proximate result of a personal injury sustained while performing official duties as a first responder or because of an occupational disease arising out of and in the course of the first responder's employment or service as a first responder. These payments are paid out of the death benefit fund, which is created in the bill. The bill requires the state treasurer to transfer \$5 million from the general fund to the death benefit fund on both July 1, 2026, and July 1, 2027, and to make annual transfers from the general fund thereafter as necessary to ensure that the fund maintains a balance of \$10 million. The bill also requires a survivor of an eligible first responder to deduct an amount equal to these payments from their federal taxable income for the purpose of determining their state income tax liability unless the survivor qualifies for a corresponding federal income tax deduction.

The bill also requires the department to provide technical assistance to law enforcement agencies and local governments in complying with the requirements of the bill and allows the executive director of the department to adopt rules as necessary to implement the bill.

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

2 **SECTION 1.** In Colorado Revised Statutes, **repeal** 24-33.5-503
3 (1)(gg).

4 **SECTION 2.** In Colorado Revised Statutes, **repeal** 24-33.5-535.

5 **SECTION 3.** In Colorado Revised Statutes, **repeal** 24-33.5-538.

6 **SECTION 4.** In Colorado Revised Statutes, **add** 24-33.5-121 as
7 follows:

8 **24-33.5-121. Peace officer training and support fund - peace**
9 **officer training and support distribution - first responder death**
10 **benefit administration - death benefit fund - rules - definitions -**

1 **repeal. (1) Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
2 OTHERWISE REQUIRES:

3 (a) "CHILD" MEANS A FIRST RESPONDER'S ADOPTED CHILD,
4 STEPCHILD, OR BIOLOGICAL CHILD AND INCLUDES A BIOLOGICAL CHILD
5 BORN AFTER THE ELIGIBLE FIRST RESPONDER'S DEATH.

6 (b) "FIREFIGHTER" HAS THE SAME MEANING AS SET FORTH IN
7 SECTION 29-5-501 (2).

8 (c) "FIRST RESPONDER" MEANS A PEACE OFFICER, FIREFIGHTER, OR
9 EMERGENCY MEDICAL SERVICE PROVIDER.

10 (d) "FULFILLMENT YEAR" MEANS THE STATE FISCAL YEAR DURING
11 WHICH THE STATE TREASURER HAS TRANSFERRED A TOTAL OF THREE
12 HUNDRED FIFTY MILLION DOLLARS TO THE FUND PURSUANT TO
13 SUBSECTION (2)(b) OF THIS SECTION.

14 (e) "FUND" MEANS THE PEACE OFFICER TRAINING AND SUPPORT
15 FUND ESTABLISHED IN SUBSECTION (2) OF THIS SECTION.

16 (f) "LAW ENFORCEMENT AGENCY" MEANS A COUNTY SHERIFF'S
17 OFFICE, A MUNICIPAL POLICE DEPARTMENT, A TOWN MARSHAL'S OFFICE, OR
18 A MUNICIPAL COURT.

19 (g) "OCCUPATIONAL DISEASE" MEANS, BUT IS NOT LIMITED TO,
20 CANCERS, RESPIRATORY ILLNESSES, CARDIOVASCULAR CONDITIONS, AND
21 OTHER DISEASES OR CONDITIONS THAT ARE REASONABLY DETERMINED TO
22 HAVE ARISEN FROM EXPOSURE TO HAZARDOUS SUBSTANCES, EXTREME
23 PHYSICAL EXERTION, OR TRAUMATIC EVENTS WHILE SERVING AS A FIRST
24 RESPONDER.

25 (h) "PARENT" MEANS A FIRST RESPONDER'S BIOLOGICAL PARENT OR
26 ADOPTIVE PARENT.

27 (i) "PEACE OFFICER" MEANS A CERTIFIED PEACE OFFICER

1 DESCRIBED IN SECTION 16-2.5-102 AND A NONCERTIFIED DEPUTY SHERIFF
2 OR DETENTION OFFICER AS DESCRIBED IN SECTION 16-2.5-103 (2).

3 (j) (I) "PERMISSIBLE PURPOSE" MEANS THE RECRUITMENT OF PEACE
4 OFFICERS, THE HIRING OF ADDITIONAL PEACE OFFICERS TO ADDRESS
5 SPECIFIC GEOGRAPHIC AREAS OR SPECIFIC TYPES OF CRIMINAL ACTIVITY,
6 THE INITIAL AND CONTINUING EDUCATION AND TRAINING FOR PEACE
7 OFFICERS, AND THE COMPENSATION OF PEACE OFFICERS.

8 (II) AS USED IN THIS SUBSECTION (1)(j):

9 (A) "COMPENSATION" INCLUDES PEACE OFFICER PAY,
10 REIMBURSEMENT TO A PEACE OFFICER FOR TUITION PAID TO ATTEND A
11 TRAINING ACADEMY, AND BONUSES FOR PEACE OFFICER HIRING, REHIRING,
12 MERIT, OR RETENTION; AND

13 (B) "RECRUITMENT" INCLUDES THE DIRECT AND INDIRECT COSTS
14 ASSOCIATED WITH THE PROCESS OF SEEKING OUT AND ATTRACTING PEACE
15 OFFICERS.

16 (k) "SPOUSE" MEANS AN INDIVIDUAL TO WHOM AN ELIGIBLE FIRST
17 RESPONDER IS MARRIED OR WITH WHOM AN ELIGIBLE FIRST RESPONDER
18 HAS ESTABLISHED A CIVIL UNION.

19 (l) "TRAINING ACADEMY" HAS THE SAME MEANING AS SET FORTH
20 IN SECTION 24-31-304 (1).

21 (2) **Peace officer training and support fund.** (a) THE PEACE
22 OFFICER TRAINING AND SUPPORT FUND IS CREATED IN THE STATE
23 TREASURY. THE FUND CONSISTS OF GIFTS, GRANTS, DONATIONS, MONEY
24 CREDITED TO THE FUND PURSUANT TO THIS SECTION, AND ANY OTHER
25 MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER
26 TO THE FUND.

27 (b) (I) (A) ON JULY 1, 2026, THE STATE TREASURER SHALL

1 TRANSFER FIFTEEN MILLION DOLLARS FROM THE GENERAL FUND TO THE
2 FUND.

3 (B) IN STATE FISCAL YEAR 2026-27, THE GENERAL ASSEMBLY MAY
4 APPROPRIATE TWENTY MILLION DOLLARS FROM THE GENERAL FUND TO
5 THE FUND.

6 (II) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER THROUGH
7 JULY 1 OF THE FULFILLMENT YEAR, THE STATE TREASURER SHALL
8 TRANSFER AN AMOUNT EQUAL TO THE GREATER OF FIFTEEN MILLION
9 DOLLARS OR THE ADJUSTED INVESTMENT AMOUNT FROM THE GENERAL
10 FUND TO THE FUND.

11 (III) AS USED IN THIS SUBSECTION (2)(b), UNLESS THE CONTEXT
12 OTHERWISE REQUIRES:

13 (A) "ADJUSTED INVESTMENT AMOUNT" MEANS, FOR ANY YEAR,
14 THE REPORTED REDUCTION IN THAT YEAR MINUS THE BACKFILL AMOUNT
15 AND PLUS THE PAYBACK AMOUNT.

16 (B) "BACKFILL AMOUNT" MEANS THE CUMULATIVE DIFFERENCE
17 BETWEEN THE REPORTED REDUCTION AND FIFTEEN MILLION DOLLARS IN
18 EVERY PREVIOUS YEAR IN WHICH THE REPORTED REDUCTION WAS LESS
19 THAN FIFTEEN MILLION DOLLARS.

20 (C) "REPORTED REDUCTION" MEANS, FOR ANY YEAR, THE AMOUNT
21 OF THE REDUCTION IN THE WARRANT ISSUED PURSUANT TO SECTION
22 24-51-414 (1) REPORTED TO THE STATE TREASURER BY THE OFFICE OF
23 STATE PLANNING AND BUDGETING PURSUANT TO SECTION 24-51-414
24 (8.5)(a)(II).

25 (D) "PAYBACK AMOUNT" MEANS THE CUMULATIVE DIFFERENCE
26 BETWEEN THE REPORTED REDUCTION AND THE AMOUNT THAT THE STATE
27 TREASURER TRANSFERRED FROM THE GENERAL FUND TO THE FUND IN

1 EVERY PREVIOUS YEAR IN WHICH THE REPORTED REDUCTION WAS
2 GREATER THAN FIFTEEN MILLION DOLLARS.

3 (c) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
4 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
5 FUND TO THE GENERAL FUND.

6 (d) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
7 DEPARTMENT FOR THE DEPARTMENT TO DISTRIBUTE IN ACCORDANCE WITH
8 SUBSECTION (3)(b) OF THIS SECTION.

9 (3) **Peace officer training and support distribution.** (a) **Law**
10 **enforcement agency certification.** ON OR BEFORE DECEMBER 15, 2026,
11 AN EACH DECEMBER 15 THEREAFTER THROUGH THE FULFILLMENT YEAR,
12 A LAW ENFORCEMENT AGENCY MAY SUBMIT A CERTIFICATION TO THE
13 DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.
14 THE CERTIFICATION SHALL INCLUDE:

15 (I) THE NUMBER OF PEACE OFFICERS THAT THE RELEVANT LOCAL
16 GOVERNMENT HAS BUDGETED FOR THE LAW ENFORCEMENT AGENCY IN
17 THE UPCOMING YEAR;

18 (II) THE TOTAL DOLLAR AMOUNT THAT THE RELEVANT LOCAL
19 GOVERNMENT BUDGETED FOR THE LAW ENFORCEMENT AGENCY TO
20 EXPEND FOR A PERMISSIBLE PURPOSE;

21 (III) A RESOLUTION OR ORDINANCE ADOPTED BY THE RELEVANT
22 LOCAL GOVERNMENT THAT THE LOCAL GOVERNMENT WILL ONLY EXPEND
23 MONEY AWARDED BY THE DEPARTMENT FROM THE FUND IN ACCORDANCE
24 WITH THE REQUIREMENTS OF SUBSECTION (3)(c) OF THIS SECTION; AND

25 (IV) IF THE LAW ENFORCEMENT AGENCY IS A SHERIFF'S OFFICE, A
26 CERTIFICATION BY THE LAW ENFORCEMENT AGENCY THAT IT WILL ONLY
27 EXPEND MONEY AWARDED BY THE DEPARTMENT FROM THE FUND IN

1 ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (3)(c) OF THIS
2 SECTION.

3 (b) **Distribution formula.** (I) NO LATER THAN DECEMBER 31,
4 2026, AND EACH DECEMBER 31 THEREAFTER THROUGH THE FULFILLMENT
5 YEAR, THE DEPARTMENT SHALL ANNUALLY DISBURSE FROM THE FUND TO
6 EACH ELIGIBLE LAW ENFORCEMENT AGENCY AN AMOUNT EQUAL TO THE
7 BASE AMOUNT PLUS THE TOTAL OF THE NUMBER OF PEACE OFFICERS THAT
8 THE LAW ENFORCEMENT AGENCY IDENTIFIED FOR THAT YEAR PURSUANT
9 TO SUBSECTION (3)(a)(I) OF THIS SECTION MULTIPLIED BY THE PEACE
10 OFFICER ADJUSTMENT.

11 (II) AS USED IN THIS SUBSECTION (3)(b), UNLESS THE CONTEXT
12 OTHERWISE REQUIRES:

13 (A) "BASE AMOUNT" MEANS FIFTEEN THOUSAND DOLLARS.

14 (B) "ELIGIBLE LAW ENFORCEMENT AGENCY" MEANS, FOR ANY
15 YEAR, A LAW ENFORCEMENT AGENCY THAT SUBMITS A CERTIFICATION TO
16 THE DEPARTMENT IN THAT YEAR PURSUANT TO SUBSECTION (3)(a) OF THIS
17 SECTION.

18 (C) "PEACE OFFICER ADJUSTMENT" MEANS, FOR ANY YEAR, AN
19 AMOUNT EQUAL TO THE AMOUNT THAT THE STATE TREASURER
20 TRANSFERRED TO THE FUND IN THAT YEAR PURSUANT TO SUBSECTION
21 (2)(b) OF THIS SECTION, MINUS THE AMOUNT APPROPRIATED BY THE
22 GENERAL ASSEMBLY PURSUANT TO SUBSECTION (2)(d) OF THIS SECTION
23 FOR THE FISCAL YEAR THAT COMMENCES IN THAT YEAR, MINUS THE BASE
24 AMOUNT MULTIPLIED BY THE NUMBER OF ELIGIBLE LAW ENFORCEMENT
25 AGENCIES THAT YEAR, DIVIDED BY THE TOTAL NUMBER OF PEACE OFFICERS
26 THAT ELIGIBLE LAW ENFORCEMENT AGENCIES IDENTIFIED PURSUANT TO
27 SUBSECTION (3)(a) OF THIS SECTION THAT YEAR.

1 (c) **Supplanting and supplementing.** (I) (A) A LAW
2 ENFORCEMENT AGENCY SHALL ONLY SPEND, AND A LOCAL GOVERNMENT
3 SHALL ONLY BUDGET FOR A LAW ENFORCEMENT AGENCY TO SPEND, ANY
4 MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3) FOR A PERMISSIBLE
5 PURPOSE; AND

6 (B) A LAW ENFORCEMENT AGENCY SHALL SPEND, AND A LOCAL
7 GOVERNMENT SHALL BUDGET FOR A LAW ENFORCEMENT AGENCY TO
8 SPEND, THE MONEY THAT THE LAW ENFORCEMENT AGENCY RECEIVES
9 PURSUANT TO THIS SUBSECTION (3) TO INCREASE FUNDING THAT WOULD,
10 IN THE ABSENCE OF MONEY FROM THE FUND, BE MADE AVAILABLE FROM
11 OTHER STATE OR LOCAL SOURCES. A LAW ENFORCEMENT AGENCY SHALL
12 NOT SPEND, AND A LOCAL GOVERNMENT SHALL NOT BUDGET FOR A LAW
13 ENFORCEMENT AGENCY TO SPEND, MONEY THAT THE LAW ENFORCEMENT
14 AGENCY RECEIVES PURSUANT TO THIS SUBSECTION (3) TO SUPPLANT
15 OTHER MONEY THAT WOULD, IN THE ABSENCE OF THE MONEY RECEIVED
16 PURSUANT TO THIS SUBSECTION (3), BE MADE AVAILABLE FROM OTHER
17 STATE AND LOCAL SOURCES FOR A PERMISSIBLE PURPOSE.

18 (II) A LAW ENFORCEMENT AGENCY OR A LOCAL GOVERNMENT IS
19 PRESUMED TO HAVE VIOLATED SUBSECTION (3)(c)(I)(B) OF THIS SECTION
20 IF THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT REDUCES OR
21 REPLACES THE BUDGETING WITH OR EXPENDITURE OF, LOCAL, OR STATE
22 MONEY IN THE IMMEDIATELY PRECEDING YEAR USED FOR A PERMISSIBLE
23 PURPOSE WITH MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3)
24 BECAUSE THE LOCAL GOVERNMENT ALREADY BUDGETED FOR OR THE LAW
25 ENFORCEMENT AGENCY ALREADY EXPECTED OR RECEIVED MONEY
26 PURSUANT TO THIS SUBSECTION (3); AND

27 (III) A LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT

1 REBUTS A PRESUMPTION ESTABLISHED PURSUANT TO SUBSECTION (3)(c)(II)
2 OF THIS SECTION IF THE LAW ENFORCEMENT AGENCY OR LOCAL
3 GOVERNMENT ESTABLISHES BY CONTEMPORANEOUS RECORDS THAT:

4 (A) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT
5 REDUCED OR ELIMINATED EXPENDITURES FOR MULTIPLE PURPOSES OTHER
6 THAN FOR A PERMISSIBLE PURPOSE;

7 (B) THERE WAS A REDUCTION IN, LOCAL, OR STATE MONEY PAID TO
8 THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT FOR A
9 PERMISSIBLE PURPOSE; AND

10 (C) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT
11 REDUCED OR ELIMINATED PERMISSIBLE PURPOSE EXPENDITURES WITHOUT
12 TAKING INTO CONSIDERATION THE RECEIPT OR EXPECTED RECEIPT OF
13 MONEY PURSUANT TO THIS SUBSECTION (3).

14 (IV) NO STATE AGENCY HAS A DUTY TO ENFORCE THE
15 REQUIREMENTS OF THIS SUBSECTION (3)(c) AND NO STATE AGENCY IS
16 LIABLE FOR A VIOLATION OF THE REQUIREMENTS OF THIS SUBSECTION
17 (3)(c).

18 (V) NO LATER THAN JANUARY 15, 2026, THE DEPARTMENT SHALL
19 ADOPT POLICIES AND PROCEDURES TO ASSIST IN THE DETERMINATION OF
20 WHETHER THE EXPENDITURE OF MONEY RECEIVED PURSUANT TO THIS
21 SUBSECTION (3) IS FOR A PERMISSIBLE PURPOSE.

22 (4) **First responder death benefit administration.** (a) (I) IF THE
23 EXECUTIVE DIRECTOR DETERMINES THAT A FIRST RESPONDER HAS DIED ON
24 OR AFTER NOVEMBER 5, 2024, AS THE DIRECT AND PROXIMATE RESULT OF
25 A PERSONAL INJURY SUSTAINED WHILE PERFORMING THEIR OFFICIAL
26 DUTIES OR BECAUSE OF AN OCCUPATIONAL DISEASE ARISING OUT OF AND
27 IN THE COURSE OF THEIR EMPLOYMENT OR SERVICE AS A FIRST RESPONDER,

1 THE DEPARTMENT SHALL PAY A BENEFIT OF ONE MILLION DOLLARS FROM
2 THE DEATH BENEFIT FUND CREATED IN SUBSECTION (4)(e)(I) OF THIS
3 SECTION AS FOLLOWS, IF THE INDICATED PAYEE IS LIVING ON THE DATE ON
4 WHICH THE EXECUTIVE DIRECTOR MAKES THE DETERMINATION DESCRIBED
5 IN THIS SUBSECTION (4)(a)(I):

6 (A) IF THERE IS NO CHILD WHO SURVIVED THE FIRST RESPONDER,
7 TO THE SURVIVING SPOUSE OF THE FIRST RESPONDER;

8 (B) IF THERE IS AT LEAST ONE CHILD WHO SURVIVED THE FIRST
9 RESPONDER AND A SURVIVING SPOUSE OF THE FIRST RESPONDER, FIFTY
10 PERCENT TO THE SURVIVING CHILD OR CHILDREN, IN EQUAL SHARES, AND
11 FIFTY PERCENT TO THE SURVIVING SPOUSE;

12 (C) IF THERE IS NO SURVIVING SPOUSE OF THE FIRST RESPONDER,
13 TO THE SURVIVING CHILD OR CHILDREN, IN EQUAL SHARES;

14 (D) IF THERE IS NO SURVIVING SPOUSE OF THE FIRST RESPONDER
15 AND NO SURVIVING CHILD, TO THE SURVIVING INDIVIDUAL OR INDIVIDUALS
16 DESIGNATED BY THE FIRST RESPONDER IN THE MOST RECENTLY EXECUTED
17 DESIGNATION OF BENEFICIARY ON FILE AT THE TIME OF DEATH WITH THE
18 GOVERNING BODY OR STATE AGENCY, APPORTIONED IN ACCORDANCE WITH
19 THE DESIGNATION OF BENEFICIARY OR, IF APPORTIONMENT IS NOT
20 INDICATED, IN EQUAL SHARES;

21 (E) IF THERE IS NO SURVIVING SPOUSE OF THE FIRST RESPONDER,
22 NO SURVIVING CHILD OF THE ELIGIBLE FIRST RESPONDER, AND NO
23 INDIVIDUAL QUALIFYING UNDER SUBSECTION (4)(a)(I)(D) OF THIS
24 SECTION, TO THE SURVIVING BENEFICIARIES UNDER THE MOST RECENTLY
25 EXECUTED LIFE INSURANCE POLICY OF THE FIRST RESPONDER ON FILE AT
26 THE TIME OF DEATH WITH THE GOVERNING BODY OR STATE AGENCY,
27 APPORTIONED IN ACCORDANCE WITH THE INSURANCE POLICY OR, IF

1 APPORTIONMENT IS NOT INDICATED, IN EQUAL SHARES; OR

2 (F) IF THERE IS NO INDIVIDUAL QUALIFYING UNDER SUBSECTIONS

3 (4)(a)(I)(A) TO (4)(a)(I)(E) OF THIS SECTION, TO THE SURVIVING PARENT

4 OR PARENTS, IN EQUAL SHARES, OF THE FIRST RESPONDER; AND

5 (II) IF THE EXECUTIVE DIRECTOR IS UNABLE TO IDENTIFY AN

6 INDIVIDUAL DESCRIBED BY SUBSECTIONS (4)(a)(I)(A) TO (4)(a)(I)(F) OF

7 THIS SECTION FOR A FIRST RESPONDER, THEN NO PAYMENT IS MADE

8 PURSUANT TO THIS SECTION FOR THAT FIRST RESPONDER.

9 (b) IF THE EXECUTIVE DIRECTOR DETERMINES THAT A FIRST

10 RESPONDER HAS DIED ON OR AFTER NOVEMBER 5, 2024, AS THE DIRECT

11 AND PROXIMATE RESULT OF A PERSONAL INJURY SUSTAINED WHILE

12 PERFORMING THEIR OFFICIAL DUTIES OR BECAUSE OF AN OCCUPATIONAL

13 DISEASE ARISING OUT OF AND IN THE COURSE OF THEIR EMPLOYMENT OR

14 SERVICE AS A FIRST RESPONDER, IF THAT FIRST RESPONDER HAS DIED

15 AFTER SEPARATION FROM SERVICE AS A FIRST RESPONDER, WHILE ON AN

16 AUTHORIZED LEAVE OF ABSENCE AS A FIRST RESPONDER, OR WHILE

17 PERFORMING QUALIFIED MILITARY SERVICE, AS DEFINED IN 26 U.S.C. SEC.

18 414 (u)(5), THE DEPARTMENT SHALL PAY A BENEFIT TO A PAYEE IN

19 CONNECTION WITH THAT FIRST RESPONDER IN ACCORDANCE WITH

20 SUBSECTION (4)(a) OF THIS SECTION.

21 (c) A PAYMENT UNDER THIS SECTION SHALL NOT BE USED TO

22 OFFSET OR REDUCE PAYMENTS AVAILABLE FROM ANY OTHER SOURCE,

23 INCLUDING A PUBLIC DISABILITY PLAN OR INSURANCE PLAN, PRIVATE

24 DISABILITY PLAN OR INSURANCE PLAN, OR BENEFITS PROVIDED UNDER

25 COLORADO'S WORKERS' COMPENSATION LAW.

26 (d) (I) THE EXECUTIVE DIRECTOR SHALL DETERMINE WHETHER A

27 FIRST RESPONDER WHOSE DEATH RESULTS IN A PAYMENT PURSUANT TO

1 THIS SUBSECTION (4) QUALIFIES FOR LINE-OF-DUTY STATUS UNDER
2 SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986"
3 AND WHETHER ANY OF THE EXCEPTIONS SPECIFIED IN SECTION 101 (h)(2)
4 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986" ARE APPLICABLE
5 AND SHALL INFORM THE TAXPAYER WHO RECEIVES THE PAYMENT AND THE
6 DEPARTMENT OF REVENUE OF THE EXECUTIVE DIRECTOR'S DECISION.

7 (II) A TAXPAYER WHO RECEIVES A PAYMENT PURSUANT TO THIS
8 SUBSECTION (4), AND DOES NOT QUALIFY FOR LINE-OF-DUTY STATUS
9 UNDER SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF
10 1986", SHALL, PURSUANT TO SECTION 39-22-104 (4)(dd), SUBTRACT THE
11 AMOUNT OF THE PAYMENT FROM THE TAXPAYER'S FEDERAL TAXABLE
12 INCOME, AND THE EXECUTIVE DIRECTOR SHALL PROVIDE THE TAXPAYER
13 AND THE DEPARTMENT OF REVENUE ANY INFORMATION DEEMED
14 NECESSARY BY THE DEPARTMENT OF REVENUE FOR THIS TAX
15 SUBTRACTION.

16 (e) (I) THE DEATH BENEFIT FUND IS CREATED IN THE STATE
17 TREASURY. THE FUND CONSISTS OF GIFTS, GRANTS, AND DONATIONS
18 CREDITED TO THE FUND AND ANY OTHER MONEY THAT THE GENERAL
19 ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

20 (II) IN ACCORDANCE WITH SECTION 24-36-114 (1), THE STATE
21 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
22 DEPOSIT AND INVESTMENT OF MONEY IN THE DEATH BENEFIT FUND TO THE
23 GENERAL FUND.

24 (III) (A) MONEY IN THE FUND IS ANNUALLY APPROPRIATED TO THE
25 DEPARTMENT FOR PAYING BENEFITS PURSUANT TO THIS SUBSECTION (4)
26 AND FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS
27 SUBSECTION (4).

1 (B) THE DEPARTMENT MAY EXPEND NO MORE THAN TWO PERCENT
2 OF THE MONEY THAT THE GENERAL ASSEMBLY ANNUALLY APPROPRIATES
3 TO THE DEATH BENEFIT FUND FOR THE DIRECT AND INDIRECT COSTS OF
4 ADMINISTERING THIS SUBSECTION (4).

5 (IV) (A) ON JULY 1, 2025, AND JULY 1, 2026, THE STATE
6 TREASURER SHALL TRANSFER FIVE MILLION DOLLARS FROM THE GENERAL
7 FUND TO THE DEATH BENEFIT FUND.

8 (B) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER, IF THE
9 BALANCE OF THE DEATH BENEFIT FUND IS LESS THAN TEN MILLION
10 DOLLARS, ON JULY 2 OF THAT YEAR, THE STATE TREASURER SHALL
11 TRANSFER AN AMOUNT FROM THE GENERAL FUND TO THE DEATH BENEFIT
12 FUND EQUAL TO THE DIFFERENCE BETWEEN TEN MILLION DOLLARS AND
13 THE BALANCE OF THE DEATH BENEFIT FUND.

14 (5) **Technical assistance.** THE DEPARTMENT SHALL, SUBJECT TO
15 AVAILABLE APPROPRIATIONS, PROVIDE TECHNICAL ASSISTANCE TO LAW
16 ENFORCEMENT AGENCIES AND LOCAL GOVERNMENTS IN COMPLYING WITH
17 THE REQUIREMENTS OF THIS SECTION AND SECTION 29-1-603.

18 (6) **Rules.** THE EXECUTIVE DIRECTOR SHALL ADOPT RULES THAT
19 SPECIFY STANDARDS AND ESTABLISH PROCEDURES AS NECESSARY TO
20 DETERMINE WHETHER SECTION 101 (h) OF THE FEDERAL "INTERNAL
21 REVENUE CODE OF 1986", AS AMENDED, APPLIES TO A PAYMENT
22 AWARDED PURSUANT TO SUBSECTION (4) OF THIS SECTION AND MAY
23 ADOPT ADDITIONAL RULES AS NECESSARY TO IMPLEMENT THIS SECTION.

24 **SECTION 5.** In Colorado Revised Statutes, 24-51-414, **amend**
25 (1)(a) and (4); and **add** (8.5) as follows:

26 **24-51-414. Direct distribution - definitions.** (1) (a) Except as
27 otherwise provided in ~~subsections (6), (7), and (8)~~ SUBSECTIONS (6), (7),

1 (8), AND (8.5) of this section, on July 1, 2018, on July 1, 2019, on July 1,
2 2021, and on July 1 each year thereafter until there are no unfunded
3 actuarial accrued liabilities of any division of the association that receives
4 the distribution pursuant to this section, the state treasurer shall issue a
5 warrant to the association in an amount equal to two hundred twenty-five
6 million dollars. Such amount shall be paid to the association from the
7 general fund, or any other fund, subject to section 24-51-413.

8 (4) (a) The association shall allocate the direct distribution to the
9 trust funds of each division of the association as it would an employer
10 contribution, in a manner that is proportionate to the annual payroll of
11 each division as reported to the association; except that the association
12 shall not allocate any portion of the direct distribution amount to the local
13 government division of the association.

14 (b) (I) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4)
15 TO THE CONTRARY, ON OR AFTER JULY 1, 2025, IF THE ALLOCATION
16 METHODOLOGY DESCRIBED IN THIS SUBSECTION (4) WOULD RESULT IN THE
17 BLENDED TOTAL CONTRIBUTION AMOUNT EQUALING LESS THAN
18 NINETY-EIGHT PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION
19 THE ASSOCIATION MAY INSTEAD ALLOCATE THE DIRECT DISTRIBUTION TO
20 THE TRUST FUNDS OF EACH DIVISION OF THE ASSOCIATION IN AN
21 ACTUARIAL MANNER AS NECESSARY TO ACHIEVE AT LEAST NINETY-EIGHT
22 PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION; EXCEPT THAT
23 THE ASSOCIATION SHALL NOT ALLOCATE ANY PORTION OF THE DIRECT
24 DISTRIBUTION AMOUNT TO THE LOCAL GOVERNMENT DIVISION OF THE
25 ASSOCIATION.

26 (II) AS USED IN THIS SUBSECTION (4)(b), UNLESS THE CONTEXT
27 OTHERWISE REQUIRES:

1 (A) "BLENDED TOTAL CONTRIBUTION AMOUNT" HAS THE SAME
2 MEANING AS IN SECTION 24-51-413 (1)(a).

3 (B) "BLENDED TOTAL REQUIRED CONTRIBUTION" HAS THE SAME
4 MEANING AS IN SECTION 24-51-413 (1)(b).

5 (C) "FULFILLMENT YEAR" HAS THE SAME MEANING AS SET FORTH
6 IN SUBSECTION (8.5)(d)(III) OF THIS SECTION.

7 (8.5) (a) (I) THE AMOUNT OF A WARRANT TO BE ISSUED ON JULY
8 1, 2027, AND EACH JULY 1 THEREAFTER THROUGH THE FULFILLMENT
9 YEAR, TO THE ASSOCIATION PURSUANT TO SUBSECTION (1) OF THIS
10 SECTION IS REDUCED BY THE LEAST OF THIRTY-FIVE MILLION DOLLARS,
11 THE DEFERRED INFLOW OF RESOURCES AMOUNT, THE DEFERRED INFLOW
12 OF RESOURCES AMOUNT MULTIPLIED BY THE ANNUAL RATE OF RETURN ON
13 INVESTMENTS FOR THE ASSOCIATION IN THE IMMEDIATELY PRECEDING
14 ASSOCIATION FISCAL YEAR AS PUBLISHED IN THE RELEVANT ANNUAL
15 ACTUARIAL VALUATION REPORT PURSUANT TO SECTION 25-41-204 (7), OR
16 THE AMOUNT NECESSARY FOR THE TOTAL AMOUNT TRANSFERRED BY THE
17 STATE TREASURER TO THE PEACE OFFICER TRAINING AND SUPPORT FUND
18 PURSUANT TO SECTION 24-33.5-121 (2)(b) TO EQUAL THREE HUNDRED
19 FIFTY MILLION DOLLARS; EXCEPT THAT, IF THE AMOUNT OF THE WARRANT
20 IS REDUCED PURSUANT TO SECTION 24-75-201.1 (5)(b)(II), THE AMOUNT
21 OF THE WARRANT IS NOT ALSO REDUCED PURSUANT TO THIS SUBSECTION
22 (8.5)(a)(I).

23 (II) ON OR BEFORE JUNE 30, 2027, AND EACH JUNE 30 THEREAFTER
24 THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE PLANNING AND
25 BUDGETING SHALL REPORT TO THE STATE TREASURER THE AMOUNT BY
26 WHICH THE WARRANT ISSUED TO THE ASSOCIATION PURSUANT TO
27 SUBSECTION (1) OF THIS SECTION IS REDUCED PURSUANT TO SUBSECTION

1 (8.5)(a)(I) OF THIS SECTION.

2 (b) (I) ON OR BEFORE JUNE 30, 2034, AND EACH JUNE 30
3 THEREAFTER THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE
4 PLANNING AND BUDGETING SHALL CALCULATE, FOR THE PURPOSES OF
5 DETERMINING THE ADJUSTED WARRANT REDUCTION AMOUNT AND THE
6 FULFILLMENT YEAR:

7 (A) THE TOTAL OF THE AMOUNT THAT THE STATE TREASURER HAS
8 PREVIOUSLY TRANSFERRED TO THE PEACE OFFICER TRAINING AND SUPPORT
9 FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) AND THE AMOUNT THAT
10 THE STATE TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER
11 TRAINING AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b)
12 ON JULY 1 OF THE NEXT STATE FISCAL YEAR; AND

13 (B) THE TOTAL OF THE AMOUNT DESCRIBED IN SUBSECTION
14 (8.5)(b)(I)(A) OF THIS SECTION AND THE AMOUNT THAT THE STATE
15 TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER TRAINING
16 AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) ON JULY 1
17 OF THE NEXT STATE FISCAL YEAR IMMEDIATELY SUCCEEDING THE NEXT
18 STATE FISCAL YEAR.

19 (II) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE
20 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(A) OF
21 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE
22 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE STATE
23 TREASURER, THE ASSOCIATION, THE DEPARTMENT OF PUBLIC SAFETY, AND
24 THE JOINT BUDGET COMMITTEE THAT THE NEXT STATE FISCAL YEAR IS
25 PROJECTED TO BE THE FULFILLMENT YEAR.

26 (III) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE
27 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(B) OF

1 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE
2 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE JOINT
3 BUDGET COMMITTEE OF THE GENERAL ASSEMBLY THAT THE OFFICE OF
4 STATE PLANNING AND BUDGETING PROJECTS THAT THE STATE FISCAL YEAR
5 IMMEDIATELY SUCCEEDING THE NEXT STATE FISCAL YEAR IS PROJECTED
6 TO BE THE FULFILLMENT YEAR.

7 (c) (I) THE ASSOCIATION SHALL DEEM THE AMOUNT OF THE
8 WARRANT ISSUED BY THE STATE TREASURER PURSUANT TO SECTION
9 24-75-201.1 (5)(a)(I), ANY EARNINGS ON THAT AMOUNT, AND ANY
10 ADJUSTMENTS MADE PURSUANT TO SUBSECTION (8.5)(c)(II) OF THIS
11 SECTION AS A DEFERRED INFLOW OF RESOURCES.

12 (II) FOR 2027, AND EACH YEAR THEREAFTER THROUGH THE
13 FULFILLMENT YEAR, IF, PURSUANT TO SUBSECTION (8.5)(a)(I) OF THIS
14 SECTION OR SECTION 24-75-201.1 (5)(b)(II), THERE IS A REDUCTION IN THE
15 AMOUNT OF THE WARRANT TO BE ISSUED TO THE ASSOCIATION PURSUANT
16 TO SUBSECTION (1) OF THIS SECTION, THE ASSOCIATION SHALL RECOGNIZE
17 A PORTION OF THE DEFERRED INFLOW OF RESOURCES AMOUNT EQUAL TO
18 THE AMOUNT OF THAT REDUCTION AS A DIRECT DISTRIBUTION SUBJECT TO
19 ALLOCATION PURSUANT TO SUBSECTION (4) OF THIS SECTION.

20 (III) AFTER THE FULFILLMENT YEAR, THE ASSOCIATION MAY
21 RECOGNIZE ANY AMOUNT OF DEFERRED INFLOW OF RESOURCES AS A
22 DIRECT DISTRIBUTION FOR PURPOSES OF SECTION 24-51-413 (1), AS
23 NECESSARY PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION.

24 (d) AS USED IN THIS SUBSECTION (8.5), UNLESS THE CONTEXT
25 OTHERWISE REQUIRES:

26 (I) "ADJUSTED WARRANT REDUCTION AMOUNT" MEANS THE
27 AMOUNT NECESSARY TO ENSURE THAT THE STATE TREASURER TRANSFERS

1 A TOTAL AMOUNT EQUAL TO THREE HUNDRED FIFTY MILLION DOLLARS TO
2 THE PEACE OFFICER TRAINING AND SUPPORT FUND PURSUANT TO SECTION
3 24-33.5-121 (2)(b).

4 (II) "DEFERRED INFLOW OF RESOURCES AMOUNT" MEANS THE
5 AMOUNT DESIGNATED AS A DEFERRED INFLOW OF RESOURCES BY THE
6 ASSOCIATION PURSUANT TO SUBSECTION (8.5)(c)(I) OF THIS SECTION.

7 (III) "FULFILLMENT YEAR" MEANS THE FIRST STATE FISCAL YEAR
8 DURING WHICH THE TOTAL AMOUNT TRANSFERRED BY THE STATE
9 TREASURER TO THE PEACE OFFICER TRAINING AND SUPPORT FUND
10 PURSUANT TO SECTION 24-33.5-121 (2)(b) EQUALS OR EXCEEDS THREE
11 HUNDRED FIFTY MILLION DOLLARS.

12 **SECTION 6.** In Colorado Revised Statutes, 24-75-201.1, **amend**
13 (5) as follows:

14 **24-75-201.1. Restriction on state appropriations - legislative**
15 **declaration - definitions - repeal.** (5) (a) (I) ON JULY 1, 2025, THE
16 STATE TREASURER SHALL ISSUE A WARRANT TO THE PUBLIC EMPLOYEES'
17 RETIREMENT ASSOCIATION IN THE AMOUNT OF FIVE HUNDRED MILLION
18 DOLLARS FROM THE GENERAL FUND; AND

19 (II) FOR THE PURPOSE OF DETERMINING THE UNRESTRICTED
20 GENERAL FUND YEAR-END BALANCES PURSUANT TO THIS SECTION, THE
21 FIVE HUNDRED MILLION DOLLARS IN THE WARRANT ISSUED BY THE STATE
22 TREASURER PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION IS
23 INCLUDED IN THOSE BALANCES.

24 (b) (I) UNTIL THE STATE FISCAL YEAR AFTER THE FULFILLMENT
25 YEAR, THE GENERAL ASSEMBLY SHALL NOT REDUCE THE FISCAL YEAR
26 UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT MUST BE
27 RETAINED AS A RESERVE TO AN AMOUNT LESS THAN ONE BILLION DOLLARS

1 WITHOUT ALSO REDUCING THE AMOUNT OF THE WARRANT DESCRIBED IN
2 SECTION 24-51-414;

3 (II) IF, DURING A STATE FISCAL YEAR BEFORE THE YEAR AFTER THE
4 FULFILLMENT YEAR, THE GENERAL ASSEMBLY REDUCES THE FISCAL YEAR
5 UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT MUST BE
6 RETAINED AS A RESERVE TO AN AMOUNT LESS THAN ONE BILLION
7 DOLLARS, NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE GENERAL
8 ASSEMBLY SHALL REDUCE THE TOTAL AMOUNT OF THE WARRANT
9 DESCRIBED IN SECTION 24-51-414 FOR ONE OR MORE FISCAL YEARS BY A
10 TOTAL AMOUNT EQUAL TO THE DIFFERENCE, NOT TO EXCEED THE
11 REMAINING DEFERRED INFLOW OF RESOURCES AMOUNT, BETWEEN THE
12 FISCAL YEAR UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT
13 MUST BE RETAINED AS A RESERVE AND ONE BILLION DOLLARS; AND

14 (III) AS USED IN SUBSECTION (1)(d) OF THIS SECTION AND IN THIS
15 SUBSECTION (5)(b), UNLESS THE CONTEXT OTHERWISE REQUIRES:

16 (A) "DEFERRED INFLOW OF RESOURCES AMOUNT" HAS THE SAME
17 MEANING AS IN SECTION 24-51-414 (8.5)(e)(II).

18 (B) "FULFILLMENT YEAR" MEANS THE FIRST STATE FISCAL YEAR
19 DURING WHICH THE STATE TREASURER HAS TRANSFERRED A TOTAL OF
20 THREE HUNDRED FIFTY MILLION DOLLARS TO THE FUND.

21 **SECTION 7.** In Colorado Revised Statutes, 24-75-201.5, **add**
22 (1)(h) as follows:

23 **24-75-201.5. Revenue shortfalls - required actions by the**
24 **governor with respect to the reserve.** (1) (h) WHENEVER THE REVENUE
25 ESTIMATE FOR THE CURRENT FISCAL YEAR, PREPARED IN ACCORDANCE
26 WITH SECTION 24-75-201.3 (2), INDICATES THAT GENERAL FUND
27 EXPENDITURES FOR THAT FISCAL YEAR BASED ON APPROPRIATIONS THEN

1 IN EFFECT WILL RESULT IN THE USE OF AN AMOUNT OF THE RESERVE
2 REQUIRED BY SECTION 24-75-201.1 (1)(d) THAT WOULD RESULT IN THAT
3 RESERVE EQUALING LESS THAN ONE BILLION DOLLARS, THE GOVERNOR
4 SHALL FORMULATE A PLAN FOR REDUCING SUCH GENERAL FUND
5 EXPENDITURES SO THAT SAID RESERVE, AS OF THE CLOSE OF THE FISCAL
6 YEAR, WILL BE AT LEAST ONE BILLION DOLLARS. THE GOVERNOR SHALL
7 PROMPTLY NOTIFY THE GENERAL ASSEMBLY OF THE PLAN AND PROMPTLY
8 IMPLEMENT THE PLAN IN ACCORDANCE WITH SECTION 24-2-102 (4) OR
9 24-50-109.5 OR ANY OTHER LAWFUL MEANS.

10 **SECTION 8.** In Colorado Revised Statutes, 29-1-603, **add** (6) as
11 follows:

12 **29-1-603. Audits required.** (a) FOR THE AUDIT OF A LOCAL
13 GOVERNMENT FOR ANY BUDGET YEAR IN WHICH A LAW ENFORCEMENT
14 AGENCY THAT THE LOCAL GOVERNMENT ESTABLISHES A BUDGET FOR
15 RECEIVES FUNDS FROM THE PEACE OFFICER TRAINING AND SUPPORT FUND
16 ESTABLISHED IN SECTION 24-33.5-121 (2), THE AUDIT REPORT FOR THAT
17 LOCAL GOVERNMENT SHALL INCLUDE EVIDENCE THAT THE LOCAL
18 GOVERNMENT COMPLIED WITH THE REQUIREMENTS OF SECTION
19 24-33.5-121 (3). THE EVIDENCE IN THE AUDIT REPORT SHALL INCLUDE THE
20 AMOUNT DISTRIBUTED BY THE DEPARTMENT OF PUBLIC SAFETY TO THE
21 LAW ENFORCEMENT AGENCY PURSUANT TO SECTION 24-33.5-121 (4), HOW
22 MUCH OF THAT AMOUNT THE LAW ENFORCEMENT AGENCY EXPENDED, AND
23 THE PURPOSES FOR WHICH THE LAW ENFORCEMENT AGENCY EXPENDED
24 THAT AMOUNT.

25 (b) A LOCAL GOVERNMENT SUBJECT TO AN AUDIT DESCRIBED IN
26 SUBSECTION (6)(a) OF THIS SECTION SHALL PROVIDE A COPY OF THAT
27 AUDIT TO THE DEPARTMENT OF PUBLIC SAFETY IN A FORM AND MANNER

1 DETERMINED BY THE DEPARTMENT OF PUBLIC SAFETY. THE DEPARTMENT
2 OF PUBLIC SAFETY SHALL REVIEW AN AUDIT RECEIVED PURSUANT TO THIS
3 SUBSECTION (6)(b) FOR COMPLIANCE WITH THE REQUIREMENTS OF SECTION
4 24-33.5-121 (3).

5 **SECTION 9.** In Colorado Revised Statutes, 39-22-104, **add**
6 (4)(dd) as follows:

7 **39-22-104. Income tax imposed on individuals, estates, and**
8 **trusts - single rate - report - tax preference performance statement**
9 **- legislative declaration - definitions - repeal.** (4) There shall be
10 subtracted from federal taxable income:

11 (dd) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER
12 JANUARY 1, 2026, FOR A TAXPAYER WHO RECEIVES A PAYMENT PURSUANT
13 TO SECTION 24-33.5-121 (4) AS A RESULT OF THE DEATH OF A PEACE
14 OFFICER THAT DOES NOT QUALIFY FOR LINE-OF-DUTY STATUS UNDER
15 SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986",
16 AN AMOUNT EQUAL TO THE AMOUNT RECEIVED PURSUANT TO SECTION
17 24-33.5-121 (4); AND

18 (II) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH
19 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE
20 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY
21 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND
22 DECLARES THAT:

23 (A) THE PURPOSE OF THE INCOME TAX SUBTRACTION CREATED IN
24 THIS SUBSECTION (4)(dd) IS TO PROVIDE TAX RELIEF FOR CERTAIN
25 INDIVIDUALS, SPECIFICALLY TAXPAYERS WHO HAVE RECEIVED A PAYMENT
26 IN CONNECTION WITH THE DEATH OF A FIRST RESPONDER PURSUANT TO
27 SECTION 24-33.5-121 (4); AND

1 (B) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
2 MEASURE THE EFFECTIVENESS OF THE SUBTRACTION IN ACHIEVING THE
3 PURPOSE SPECIFIED IN SUBSECTION (4)(dd)(II)(A) OF THIS SECTION BASED
4 ON THE NUMBER AND AGGREGATE AMOUNT OF SUBTRACTIONS CLAIMED;

5 (III) THE DEPARTMENT OF REVENUE SHALL MAINTAIN
6 INFORMATION ABOUT THE NUMBER OF TAXPAYERS WHO CLAIM THE
7 SUBTRACTION IN A TAX YEAR AND THE AGGREGATE AMOUNT OF
8 SUBTRACTIONS CLAIMED IN A TAX YEAR, IN ADDITION TO ANY OTHER
9 INFORMATION DETERMINED NECESSARY BY THE DEPARTMENT OF
10 REVENUE, TO EVALUATE THE EFFECTIVENESS OF THE TAX SUBTRACTION
11 ALLOWED IN THIS SUBSECTION (4)(dd) IN ACHIEVING THE PURPOSE
12 SPECIFIED IN SUBSECTION (4)(dd)(II)(A) OF THIS SECTION, AND SHALL
13 PROVIDE THIS INFORMATION UPON REQUEST OF THE GENERAL ASSEMBLY
14 OR THE STATE AUDITOR; AND

15 (IV) NOTWITHSTANDING SECTION 39-21-304 (4), THE TAX
16 SUBTRACTION ALLOWED IN THIS SUBSECTION (4)(dd) EXTENDS
17 INDEFINITELY UNTIL NO LESS THAN FIVE YEARS AFTER THE EXECUTIVE
18 DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY DISBURSES THE LAST
19 PAYMENT IN CONNECTION WITH THE DEATH OF A FIRST RESPONDER
20 PURSUANT TO SECTION 24-33.5-121 (4).

21 **SECTION 10. Appropriation.** For the 2025-26 state fiscal year,
22 \$5,046,967 is appropriated to the department of public safety for use by
23 the division of criminal justice. This appropriation is from the death
24 benefit fund created in section 24-33.5-121 (4)(e)(I), C.R.S., and is based
25 on an assumption that the division will require an additional 0.5 FTE. To
26 implement this act, the division may use this appropriation for the death
27 benefit program.

1 **SECTION 11. Safety clause.** The general assembly finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, or safety or for appropriations for
4 the support and maintenance of the departments of the state and state
5 institutions.