

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

PREAMENDED

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

LLS NO. 25-0930.05 Pierce Lively x2059

SENATE BILL 25-310

SENATE SPONSORSHIP

Kirkmeyer and Bridges, Amabile, Carson, Catlin, Mullica, Pelton B.

HOUSE SPONSORSHIP

Bird and Taggart, Sirota

Senate Committees
Appropriations

House Committees
Appropriations

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 3rd Reading
April 30, 2025

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 INITIAL AND CONTINUING EDUCATION AND TRAINING OF
5 PEACE OFFICERS, AND THE COMPENSATION OF PEACE OFFICERS.

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

7 (A) "INITIAL AND CONTINUING EDUCATION" INCLUDES THE
8 PAYMENT OF TUITION OR THE REIMBURSEMENT OF TUITION FOR
9 SUCCESSFUL COMPLETION OF A TRAINING ACADEMY, PROGRAM COSTS FOR
10 PRE-APPRENTICESHIP AND APPRENTICESHIP PROGRAMS FOR PEACE OFFICER
11 CAREERS, SCHOLARSHIPS FOR PEACE OFFICER TRAINING, MAKING STUDENT
12 LOAN PAYMENTS FOR A PEACE OFFICER'S STUDENT LOANS RELATED TO THE
13 COSTS OF BECOMING A PEACE OFFICER, AND PROVIDING CONTINUING
14 EDUCATION OPPORTUNITIES FOR PEACE OFFICERS;

15 (B) "COMPENSATION" INCLUDES PEACE OFFICER PAY AND BONUSES
16 FOR PEACE OFFICER HIRING, REHIRING, MERIT, OR RETENTION; AND

17 (C) "RECRUITMENT" INCLUDES HOUSING ASSISTANCE WHILE
18 ATTENDING PEACE OFFICER TRAINING AND CONTINUING EDUCATION OR
19 OTHER TRAINING PROGRAMS IF IT IS NECESSARY BECAUSE OF THE TIME OR
20 DISTANCE REQUIRED TO COMMUTE, PROVIDING OR ASSISTING IN THE
21 PROVISION OF CHILDCARE FOR PEACE OFFICERS, AND PROVIDING OR
22 ASSISTING IN THE PROVISION OF CARDIOVASCULAR AND OTHER HEALTH
23 SCREENINGS.

24 (k) "SPOUSE" MEANS AN INDIVIDUAL TO WHOM AN ELIGIBLE FIRST
25 RESPONDER IS MARRIED OR WITH WHOM AN ELIGIBLE FIRST RESPONDER
26 HAS ESTABLISHED A CIVIL UNION.

27 (l) "TRAINING ACADEMY" HAS THE SAME MEANING AS SET FORTH

1 IN SECTION 24-31-304 (1).

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

8 (b) (I) (A) ON JULY 1, 2026, THE STATE TREASURER SHALL
9 TRANSFER FIFTEEN MILLION DOLLARS FROM THE GENERAL FUND TO THE
10 FUND.

11 (B) IN STATE FISCAL YEAR 2026-27, THE GENERAL ASSEMBLY MAY
12 APPROPRIATE TWENTY MILLION DOLLARS FROM THE GENERAL FUND TO
13 THE FUND.

14 (II) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER THROUGH
15 JULY 1 OF THE FULFILLMENT YEAR, THE STATE TREASURER SHALL
16 TRANSFER AN AMOUNT EQUAL TO THE GREATER OF FIFTEEN MILLION
17 DOLLARS OR THE ADJUSTED INVESTMENT AMOUNT FROM THE GENERAL
18 FUND TO THE FUND.

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

21 (A) "ADJUSTED INVESTMENT AMOUNT" MEANS, FOR ANY YEAR,
22 THE REPORTED REDUCTION IN THAT YEAR MINUS THE BACKFILL AMOUNT
23 AND PLUS THE PAYBACK AMOUNT.

24 (B) "BACKFILL AMOUNT" MEANS THE CUMULATIVE DIFFERENCE
25 BETWEEN THE REPORTED REDUCTION AND FIFTEEN MILLION DOLLARS IN
26 EVERY PREVIOUS YEAR IN WHICH THE REPORTED REDUCTION WAS LESS
27 THAN FIFTEEN MILLION DOLLARS.

1 (C) "REPORTED REDUCTION" MEANS, FOR ANY YEAR, THE AMOUNT
2 OF THE REDUCTION IN THE WARRANT ISSUED PURSUANT TO SECTION
3 24-51-414 (1) REPORTED TO THE STATE TREASURER BY THE OFFICE OF
4 STATE PLANNING AND BUDGETING PURSUANT TO SECTION 24-51-414
5 (8.5)(a)(II).

6 (D) "PAYBACK AMOUNT" MEANS THE CUMULATIVE DIFFERENCE
7 BETWEEN THE REPORTED REDUCTION AND THE AMOUNT THAT THE STATE
8 TREASURER TRANSFERRED FROM THE GENERAL FUND TO THE FUND IN
9 EVERY PREVIOUS YEAR IN WHICH THE REPORTED REDUCTION WAS
10 GREATER THAN FIFTEEN MILLION DOLLARS.

11 (c) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
12 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
13 FUND TO THE GENERAL FUND.

14 (d) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
15 DEPARTMENT FOR THE DEPARTMENT TO DISTRIBUTE IN ACCORDANCE WITH
16 SUBSECTION (3)(b) OF THIS SECTION.

17 (3) **Peace officer training and support distribution.** (a) **Law**
18 **enforcement agency certification.** ON OR BEFORE DECEMBER 15, 2026,
19 AND EACH DECEMBER 15 THEREAFTER THROUGH THE FULFILLMENT YEAR,
20 A LAW ENFORCEMENT AGENCY MAY SUBMIT A CERTIFICATION TO THE
21 DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.
22 THE CERTIFICATION SHALL INCLUDE:

23 (I) THE NUMBER OF PEACE OFFICERS THAT THE RELEVANT LOCAL
24 GOVERNMENT HAS BUDGETED FOR THE LAW ENFORCEMENT AGENCY IN
25 THE UPCOMING YEAR;

26 (II) THE TOTAL DOLLAR AMOUNT THAT THE RELEVANT LOCAL
27 GOVERNMENT BUDGETED FOR THE LAW ENFORCEMENT AGENCY TO

1 EXPEND FOR A PERMISSIBLE PURPOSE;

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

6 (IV) IF THE LAW ENFORCEMENT AGENCY IS A SHERIFF'S OFFICE, A
7 CERTIFICATION BY THE LAW ENFORCEMENT AGENCY THAT IT WILL ONLY
8 EXPEND MONEY AWARDED BY THE DEPARTMENT FROM THE FUND IN
9 ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (3)(c) OF THIS
10 SECTION.

11 (b) **Distribution formula.** (I) NO LATER THAN DECEMBER 31,
12 2026, AND EACH DECEMBER 31 THEREAFTER THROUGH THE FULFILLMENT
13 YEAR, THE DEPARTMENT SHALL ANNUALLY DISBURSE FROM THE FUND TO
14 EACH ELIGIBLE LAW ENFORCEMENT AGENCY AN AMOUNT EQUAL TO THE
15 BASE AMOUNT PLUS THE TOTAL OF THE NUMBER OF PEACE OFFICERS THAT
16 THE LAW ENFORCEMENT AGENCY IDENTIFIED FOR THAT YEAR PURSUANT
17 TO SUBSECTION (3)(a)(I) OF THIS SECTION MULTIPLIED BY THE PEACE
18 OFFICER ADJUSTMENT.

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

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

22 (B) "ELIGIBLE LAW ENFORCEMENT AGENCY" MEANS, FOR ANY
23 YEAR, A LAW ENFORCEMENT AGENCY THAT SUBMITS A CERTIFICATION TO
24 THE DEPARTMENT IN THAT YEAR PURSUANT TO SUBSECTION (3)(a) OF THIS
25 SECTION.

26 (C) "PEACE OFFICER ADJUSTMENT" MEANS, FOR ANY YEAR, AN
27 AMOUNT EQUAL TO THE AMOUNT THAT THE STATE TREASURER

1 TRANSFERRED TO THE FUND IN THAT YEAR PURSUANT TO SUBSECTION
2 (2)(b) OF THIS SECTION, MINUS THE AMOUNT APPROPRIATED BY THE
3 GENERAL ASSEMBLY PURSUANT TO SUBSECTION (2)(d) OF THIS SECTION
4 FOR THE FISCAL YEAR THAT COMMENCES IN THAT YEAR, MINUS THE BASE
5 AMOUNT MULTIPLIED BY THE NUMBER OF ELIGIBLE LAW ENFORCEMENT
6 AGENCIES THAT YEAR, DIVIDED BY THE TOTAL NUMBER OF PEACE OFFICERS
7 THAT ELIGIBLE LAW ENFORCEMENT AGENCIES IDENTIFIED PURSUANT TO
8 SUBSECTION (3)(a) OF THIS SECTION THAT YEAR.

9 (c) **Supplanting and supplementing.** (I) (A) A LAW
10 ENFORCEMENT AGENCY SHALL ONLY SPEND, AND A LOCAL GOVERNMENT
11 SHALL ONLY BUDGET FOR A LAW ENFORCEMENT AGENCY TO SPEND, ANY
12 MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3) FOR A PERMISSIBLE
13 PURPOSE; AND

14 (B) A LAW ENFORCEMENT AGENCY SHALL SPEND, AND A LOCAL
15 GOVERNMENT SHALL BUDGET FOR A LAW ENFORCEMENT AGENCY TO
16 SPEND, THE MONEY THAT THE LAW ENFORCEMENT AGENCY RECEIVES
17 PURSUANT TO THIS SUBSECTION (3) TO INCREASE FUNDING THAT WOULD,
18 IN THE ABSENCE OF MONEY FROM THE FUND, BE MADE AVAILABLE FROM
19 OTHER STATE OR LOCAL SOURCES. A LAW ENFORCEMENT AGENCY SHALL
20 NOT SPEND, AND A LOCAL GOVERNMENT SHALL NOT BUDGET FOR A LAW
21 ENFORCEMENT AGENCY TO SPEND, MONEY THAT THE LAW ENFORCEMENT
22 AGENCY RECEIVES PURSUANT TO THIS SUBSECTION (3) TO SUPPLANT
23 OTHER MONEY THAT WOULD, IN THE ABSENCE OF THE MONEY RECEIVED
24 PURSUANT TO THIS SUBSECTION (3), BE MADE AVAILABLE FROM OTHER
25 STATE AND LOCAL SOURCES FOR A PERMISSIBLE PURPOSE.

26 (II) A LAW ENFORCEMENT AGENCY OR A LOCAL GOVERNMENT IS
27 PRESUMED TO HAVE VIOLATED SUBSECTION (3)(c)(I)(B) OF THIS SECTION

1 IF THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT REDUCES OR
2 REPLACES THE BUDGETING WITH OR EXPENDITURE OF FEDERAL, LOCAL, OR
3 STATE MONEY IN THE IMMEDIATELY PRECEDING YEAR USED FOR A
4 PERMISSIBLE PURPOSE WITH MONEY RECEIVED PURSUANT TO THIS
5 SUBSECTION (3) BECAUSE THE LOCAL GOVERNMENT ALREADY BUDGETED
6 FOR OR THE LAW ENFORCEMENT AGENCY ALREADY EXPECTED OR
7 RECEIVED MONEY PURSUANT TO THIS SUBSECTION (3); AND

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

12 (A) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT
13 REDUCED OR ELIMINATED EXPENDITURES FOR MULTIPLE PURPOSES OTHER
14 THAN FOR A PERMISSIBLE PURPOSE;

15 (B) THERE WAS A REDUCTION IN FEDERAL, LOCAL, OR STATE
16 MONEY PAID TO THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT
17 FOR A PERMISSIBLE PURPOSE; AND

18 (C) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT
19 REDUCED OR ELIMINATED PERMISSIBLE PURPOSE EXPENDITURES WITHOUT
20 TAKING INTO CONSIDERATION THE RECEIPT OR EXPECTED RECEIPT OF
21 MONEY PURSUANT TO THIS SUBSECTION (3).

22 (IV) THE DEPARTMENT MAY ENFORCE THE REQUIREMENTS OF THIS
23 SUBSECTION (3) THROUGH THE REVIEW OF AUDITS PURSUANT TO SECTION
24 29-1-603 (6)(b) AND MAY TAKE CORRECTIVE ACTION BY WORKING WITH
25 A LAW ENFORCEMENT AGENCY TO ENSURE COMPLIANCE WITH THIS
26 SUBSECTION (3).

27 ==

1 **(4) First responder death benefit administration.** (a) (I) If the
2 EXECUTIVE DIRECTOR DETERMINES THAT A FIRST RESPONDER HAS DIED ON
3 OR AFTER NOVEMBER 5, 2024, AS THE DIRECT AND PROXIMATE RESULT OF
4 A PERSONAL INJURY SUSTAINED WHILE PERFORMING THEIR OFFICIAL
5 DUTIES OR BECAUSE OF AN OCCUPATIONAL DISEASE ARISING OUT OF AND
6 IN THE COURSE OF THEIR EMPLOYMENT OR SERVICE AS A FIRST RESPONDER,
7 THE DEPARTMENT SHALL PAY A BENEFIT OF ONE MILLION DOLLARS FROM
8 THE DEATH BENEFIT FUND CREATED IN SUBSECTION (4)(e)(I) OF THIS
9 SECTION AS FOLLOWS, IF THE INDICATED PAYEE IS LIVING ON THE DATE ON
10 WHICH THE EXECUTIVE DIRECTOR MAKES THE DETERMINATION DESCRIBED
11 IN THIS SUBSECTION (4)(a)(I):

12 (A) If there is no child who survived the first responder,
13 to the surviving spouse of the first responder;

14 (B) If there is at least one child who survived the first
15 responder and a surviving spouse of the first responder, fifty
16 percent to the surviving child or children, in equal shares, and
17 fifty percent to the surviving spouse;

18 (C) If there is no surviving spouse of the first responder,
19 to the surviving child or children, in equal shares;

20 (D) If there is no surviving spouse of the first responder
21 and no surviving child, to the surviving individual or individuals
22 designated by the first responder in the most recently executed
23 designation of beneficiary on file at the time of death with the
24 governing body or state agency, apportioned in accordance with
25 the designation of beneficiary or, if apportionment is not
26 indicated, in equal shares;

27 (E) If there is no surviving spouse of the first responder,

1 NO SURVIVING CHILD OF THE ELIGIBLE FIRST RESPONDER, AND NO
2 INDIVIDUAL QUALIFYING UNDER SUBSECTION (4)(a)(I)(D) OF THIS
3 SECTION, TO THE SURVIVING BENEFICIARIES UNDER THE MOST RECENTLY
4 EXECUTED LIFE INSURANCE POLICY OF THE FIRST RESPONDER ON FILE AT
5 THE TIME OF DEATH WITH THE GOVERNING BODY OR STATE AGENCY,
6 APPORTIONED IN ACCORDANCE WITH THE INSURANCE POLICY OR, IF
7 APPORTIONMENT IS NOT INDICATED, IN EQUAL SHARES; OR

8 (F) IF THERE IS NO INDIVIDUAL QUALIFYING UNDER SUBSECTIONS
9 (4)(a)(I)(A) TO (4)(a)(I)(E) OF THIS SECTION, TO THE SURVIVING PARENT
10 OR PARENTS, IN EQUAL SHARES, OF THE FIRST RESPONDER; AND

11 (II) IF THE EXECUTIVE DIRECTOR IS UNABLE TO IDENTIFY AN
12 INDIVIDUAL DESCRIBED BY SUBSECTIONS (4)(a)(I)(A) TO (4)(a)(I)(F) OF
13 THIS SECTION FOR A FIRST RESPONDER, THEN NO PAYMENT IS MADE
14 PURSUANT TO THIS SECTION FOR THAT FIRST RESPONDER.

15 (b) IF THE EXECUTIVE DIRECTOR DETERMINES THAT A FIRST
16 RESPONDER HAS DIED ON OR AFTER NOVEMBER 5, 2024, AS THE DIRECT
17 AND PROXIMATE RESULT OF A PERSONAL INJURY SUSTAINED WHILE
18 PERFORMING THEIR OFFICIAL DUTIES OR BECAUSE OF AN OCCUPATIONAL
19 DISEASE ARISING OUT OF AND IN THE COURSE OF THEIR EMPLOYMENT OR
20 SERVICE AS A FIRST RESPONDER, IF THAT FIRST RESPONDER HAS DIED
21 AFTER SEPARATION FROM SERVICE AS A FIRST RESPONDER, WHILE ON AN
22 AUTHORIZED LEAVE OF ABSENCE AS A FIRST RESPONDER, OR WHILE
23 PERFORMING QUALIFIED MILITARY SERVICE, AS DEFINED IN 26 U.S.C. SEC.
24 414 (u)(5), THE DEPARTMENT SHALL PAY A BENEFIT TO A PAYEE IN
25 CONNECTION WITH THAT FIRST RESPONDER IN ACCORDANCE WITH
26 SUBSECTION (4)(a) OF THIS SECTION.

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

1 OFFSET OR REDUCE PAYMENTS AVAILABLE FROM ANY OTHER SOURCE,
2 INCLUDING A PUBLIC DISABILITY PLAN OR INSURANCE PLAN, PRIVATE
3 DISABILITY PLAN OR INSURANCE PLAN, OR BENEFITS PROVIDED UNDER
4 COLORADO'S WORKERS' COMPENSATION LAW.

5 (d) (I) THE EXECUTIVE DIRECTOR SHALL DETERMINE WHETHER A
6 FIRST RESPONDER WHOSE DEATH RESULTS IN A PAYMENT PURSUANT TO
7 THIS SUBSECTION (4) QUALIFIES FOR LINE-OF-DUTY STATUS UNDER
8 SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986"
9 AND WHETHER ANY OF THE EXCEPTIONS SPECIFIED IN SECTION 101 (h)(2)
10 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986" ARE APPLICABLE
11 AND SHALL INFORM THE TAXPAYER WHO RECEIVES THE PAYMENT AND THE
12 DEPARTMENT OF REVENUE OF THE EXECUTIVE DIRECTOR'S DECISION.

13 (II) A TAXPAYER WHO RECEIVES A PAYMENT PURSUANT TO THIS
14 SUBSECTION (4), AND DOES NOT QUALIFY FOR LINE-OF-DUTY STATUS
15 UNDER SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF
16 1986", SHALL, PURSUANT TO SECTION 39-22-104 (4)(dd), SUBTRACT THE
17 AMOUNT OF THE PAYMENT FROM THE TAXPAYER'S FEDERAL TAXABLE
18 INCOME, AND THE EXECUTIVE DIRECTOR SHALL PROVIDE THE TAXPAYER
19 AND THE DEPARTMENT OF REVENUE ANY INFORMATION DEEMED
20 NECESSARY BY THE DEPARTMENT OF REVENUE FOR THIS TAX
21 SUBTRACTION.

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

26 (II) IN ACCORDANCE WITH SECTION 24-36-114 (1), THE STATE
27 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE

1 DEPOSIT AND INVESTMENT OF MONEY IN THE DEATH BENEFIT FUND TO THE
2 GENERAL FUND.

3 (III) (A) MONEY IN THE FUND IS ANNUALLY APPROPRIATED TO THE
4 DEPARTMENT FOR PAYING BENEFITS PURSUANT TO THIS SUBSECTION (4)
5 AND FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS
6 SUBSECTION (4).

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

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

14 (B) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER, IF THE
15 BALANCE OF THE DEATH BENEFIT FUND IS LESS THAN TEN MILLION
16 DOLLARS, ON JULY 2 OF THAT YEAR, THE STATE TREASURER SHALL
17 TRANSFER AN AMOUNT FROM THE GENERAL FUND TO THE DEATH BENEFIT
18 FUND EQUAL TO THE DIFFERENCE BETWEEN TEN MILLION DOLLARS AND
19 THE BALANCE OF THE DEATH BENEFIT FUND.

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

24 (6) **Rules.** THE EXECUTIVE DIRECTOR SHALL ADOPT RULES THAT
25 SPECIFY STANDARDS AND ESTABLISH PROCEDURES AS NECESSARY TO
26 DETERMINE WHETHER SECTION 101 (h) OF THE FEDERAL "INTERNAL
27 REVENUE CODE OF 1986", AS AMENDED, APPLIES TO A PAYMENT

1 AWARDED PURSUANT TO SUBSECTION (4) OF THIS SECTION AND MAY
2 ADOPT ADDITIONAL RULES AS NECESSARY TO IMPLEMENT THIS SECTION.

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

5 **24-51-414. Direct distribution - definitions.** (1) (a) Except as
6 otherwise provided in ~~subsections (6), (7), and (8)~~ SUBSECTIONS (6), (7),
7 (8), AND (8.5) of this section, on July 1, 2018, on July 1, 2019, on July 1,
8 2021, and on July 1 each year thereafter until there are no unfunded
9 actuarial accrued liabilities of any division of the association that receives
10 the distribution pursuant to this section, the state treasurer shall issue a
11 warrant to the association in an amount equal to two hundred twenty-five
12 million dollars. Such amount shall be paid to the association from the
13 general fund, or any other fund, subject to section 24-51-413.

14 (4) (a) The association shall allocate the direct distribution to the
15 trust funds of each division of the association as it would an employer
16 contribution, in a manner that is proportionate to the annual payroll of
17 each division as reported to the association; except that the association
18 shall not allocate any portion of the direct distribution amount to the local
19 government division of the association.

20 (b) (I) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4)
21 TO THE CONTRARY, ON OR AFTER JULY 1, 2025, IF THE ALLOCATION
22 METHODOLOGY DESCRIBED IN THIS SUBSECTION (4) WOULD RESULT IN THE
23 BLENDED TOTAL CONTRIBUTION AMOUNT EQUALING LESS THAN
24 NINETY-EIGHT PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION
25 THE ASSOCIATION MAY INSTEAD ALLOCATE THE DIRECT DISTRIBUTION TO
26 THE TRUST FUNDS OF EACH DIVISION OF THE ASSOCIATION IN AN
27 ACTUARIAL MANNER AS NECESSARY TO ACHIEVE AT LEAST NINETY-EIGHT

1 PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION; EXCEPT THAT
2 THE ASSOCIATION SHALL NOT ALLOCATE ANY PORTION OF THE DIRECT
3 DISTRIBUTION AMOUNT TO THE LOCAL GOVERNMENT DIVISION OF THE
4 ASSOCIATION.

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

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

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

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

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

1 (8.5)(a)(I).

2 (II) ON OR BEFORE JUNE 30, 2027, AND EACH JUNE 30 THEREAFTER
3 THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE PLANNING AND
4 BUDGETING SHALL REPORT TO THE STATE TREASURER THE AMOUNT BY
5 WHICH THE WARRANT ISSUED TO THE ASSOCIATION PURSUANT TO
6 SUBSECTION (1) OF THIS SECTION IS REDUCED PURSUANT TO SUBSECTION
7 (8.5)(a)(I) OF THIS SECTION.

8 (b) (I) ON OR BEFORE JUNE 30, 2034, AND EACH JUNE 30
9 THEREAFTER THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE
10 PLANNING AND BUDGETING SHALL CALCULATE, FOR THE PURPOSES OF
11 DETERMINING THE ADJUSTED WARRANT REDUCTION AMOUNT AND THE
12 FULFILLMENT YEAR:

13 (A) THE TOTAL OF THE AMOUNT THAT THE STATE TREASURER HAS
14 PREVIOUSLY TRANSFERRED TO THE PEACE OFFICER TRAINING AND SUPPORT
15 FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) AND THE AMOUNT THAT
16 THE STATE TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER
17 TRAINING AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b)
18 ON JULY 1 OF THE NEXT STATE FISCAL YEAR; AND

19 (B) THE TOTAL OF THE AMOUNT DESCRIBED IN SUBSECTION
20 (8.5)(b)(I)(A) OF THIS SECTION AND THE AMOUNT THAT THE STATE
21 TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER TRAINING
22 AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) ON JULY 1
23 OF THE NEXT STATE FISCAL YEAR IMMEDIATELY SUCCEEDING THE NEXT
24 STATE FISCAL YEAR.

25 (II) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE
26 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(A) OF
27 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE

1 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE STATE
2 TREASURER, THE ASSOCIATION, THE DEPARTMENT OF PUBLIC SAFETY, AND
3 THE JOINT BUDGET COMMITTEE THAT THE NEXT STATE FISCAL YEAR IS
4 PROJECTED TO BE THE FULFILLMENT YEAR.

5 (III) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE
6 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(B) OF
7 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE
8 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE JOINT
9 BUDGET COMMITTEE OF THE GENERAL ASSEMBLY THAT THE OFFICE OF
10 STATE PLANNING AND BUDGETING PROJECTS THAT THE STATE FISCAL YEAR
11 IMMEDIATELY SUCCEEDING THE NEXT STATE FISCAL YEAR IS PROJECTED
12 TO BE THE FULFILLMENT YEAR.

13 (c) (I) THE ASSOCIATION SHALL DEEM THE AMOUNT OF THE
14 WARRANT ISSUED BY THE STATE TREASURER PURSUANT TO SECTION
15 24-75-201.1 (5)(a)(I), ANY EARNINGS ON THAT AMOUNT, AND ANY
16 ADJUSTMENTS MADE PURSUANT TO SUBSECTION (8.5)(c)(II) OF THIS
17 SECTION AS A DEFERRED INFLOW OF RESOURCES.

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

26 (III) AFTER THE FULFILLMENT YEAR, THE ASSOCIATION MAY
27 RECOGNIZE ANY AMOUNT OF DEFERRED INFLOW OF RESOURCES AS A

1 DIRECT DISTRIBUTION FOR PURPOSES OF SECTION 24-51-413 (1), AS
2 NECESSARY PURSUANT TO SUBSECTION (4)(b) OF THIS SECTION.

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

5 (I) "ADJUSTED WARRANT REDUCTION AMOUNT" MEANS THE
6 AMOUNT NECESSARY TO ENSURE THAT THE STATE TREASURER TRANSFERS
7 A TOTAL AMOUNT EQUAL TO THREE HUNDRED FIFTY MILLION DOLLARS TO
8 THE PEACE OFFICER TRAINING AND SUPPORT FUND PURSUANT TO SECTION
9 24-33.5-121 (2)(b).

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

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

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

20 **24-75-201.1. Restriction on state appropriations - legislative**
21 **declaration - definitions - repeal.** (5) (a) (I) ON OR AFTER JULY 1, 2025,
22 AND BEFORE OCTOBER 1, 2025, THE STATE TREASURER SHALL ISSUE
23 MULTIPLE WARRANTS TO THE PUBLIC EMPLOYEES' RETIREMENT
24 ASSOCIATION TOTALING AN AMOUNT EQUAL TO FIVE HUNDRED MILLION
25 DOLLARS FROM THE GENERAL FUND; AND

26 (II) FOR THE PURPOSE OF DETERMINING THE UNRESTRICTED
27 GENERAL FUND YEAR-END BALANCES PURSUANT TO THIS SECTION, THE

1 FIVE HUNDRED MILLION DOLLARS IN THE WARRANT ISSUED BY THE STATE
2 TREASURER PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION IS
3 INCLUDED IN THOSE BALANCES.

4 (b) (I) UNTIL THE STATE FISCAL YEAR AFTER THE FULFILLMENT
5 YEAR, THE GENERAL ASSEMBLY SHALL NOT REDUCE THE FISCAL YEAR
6 UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT MUST BE
7 RETAINED AS A RESERVE TO AN AMOUNT LESS THAN ONE BILLION DOLLARS
8 WITHOUT ALSO REDUCING THE AMOUNT OF THE WARRANT DESCRIBED IN
9 SECTION 24-51-414;

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

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

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

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

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

3 **24-75-201.5. Revenue shortfalls - required actions by the**
4 **governor with respect to the reserve.** (1) (h) WHENEVER THE REVENUE
5 ESTIMATE FOR THE CURRENT FISCAL YEAR, PREPARED IN ACCORDANCE
6 WITH SECTION 24-75-201.3 (2), INDICATES THAT GENERAL FUND
7 EXPENDITURES FOR THAT FISCAL YEAR BASED ON APPROPRIATIONS THEN
8 IN EFFECT WILL RESULT IN THE USE OF AN AMOUNT OF THE RESERVE
9 REQUIRED BY SECTION 24-75-201.1 (1)(d) THAT WOULD RESULT IN THAT
10 RESERVE EQUALING LESS THAN ONE BILLION DOLLARS, THE GOVERNOR
11 SHALL FORMULATE A PLAN FOR REDUCING SUCH GENERAL FUND
12 EXPENDITURES SO THAT SAID RESERVE, AS OF THE CLOSE OF THE FISCAL
13 YEAR, WILL BE AT LEAST ONE BILLION DOLLARS. THE GOVERNOR SHALL
14 PROMPTLY NOTIFY THE GENERAL ASSEMBLY OF THE PLAN AND PROMPTLY
15 IMPLEMENT THE PLAN IN ACCORDANCE WITH SECTION 24-2-102 (4) OR
16 24-50-109.5 OR ANY OTHER LAWFUL MEANS.

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

19 **29-1-603. Audits required.** (6) (a) FOR THE AUDIT OF A LOCAL
20 GOVERNMENT FOR ANY BUDGET YEAR IN WHICH A LAW ENFORCEMENT
21 AGENCY THAT THE LOCAL GOVERNMENT ESTABLISHES A BUDGET FOR
22 RECEIVES FUNDS FROM THE PEACE OFFICER TRAINING AND SUPPORT FUND
23 ESTABLISHED IN SECTION 24-33.5-121 (2), THE AUDIT REPORT FOR THAT
24 LOCAL GOVERNMENT SHALL INCLUDE EVIDENCE THAT THE LOCAL
25 GOVERNMENT COMPLIED WITH THE REQUIREMENTS OF SECTION
26 24-33.5-121 (3). THE EVIDENCE IN THE AUDIT REPORT SHALL INCLUDE THE
27 AMOUNT DISTRIBUTED BY THE DEPARTMENT OF PUBLIC SAFETY TO THE

1 LAW ENFORCEMENT AGENCY PURSUANT TO SECTION 24-33.5-121 (4), HOW
2 MUCH OF THAT AMOUNT THE LAW ENFORCEMENT AGENCY EXPENDED, AND
3 THE PURPOSES FOR WHICH THE LAW ENFORCEMENT AGENCY EXPENDED
4 THAT AMOUNT.

5 (b) A LOCAL GOVERNMENT SUBJECT TO AN AUDIT DESCRIBED IN
6 SUBSECTION (6)(a) OF THIS SECTION SHALL PROVIDE A COPY OF THAT
7 AUDIT TO THE DEPARTMENT OF PUBLIC SAFETY IN A FORM AND MANNER
8 DETERMINED BY THE DEPARTMENT OF PUBLIC SAFETY. THE DEPARTMENT
9 OF PUBLIC SAFETY SHALL REVIEW A SUBSET OF THE AUDITS RECEIVED
10 PURSUANT TO THIS SUBSECTION (6)(b) FOR COMPLIANCE WITH THE
11 REQUIREMENTS OF SECTION 24-33.5-121 (3).

12 (c) ANY LOCAL GOVERNMENT THAT RECEIVES FUNDS FROM THE
13 PEACE OFFICER TRAINING AND SUPPORT FUND ESTABLISHED IN SECTION
14 24-33.5-121(2) FOR ANY BUDGET YEAR AND THAT FAILS TO COMPLETE AN
15 AUDIT REQUIRED BY THIS SECTION FOR THAT BUDGET YEAR OR THAT FAILS
16 TO PROVIDE A COPY OF THAT AUDIT TO THE DEPARTMENT OF PUBLIC
17 SAFETY AS REQUIRED BY THIS SECTION FOR THAT BUDGET YEAR OR THAT
18 IS EXEMPT FROM PERFORMING AN AUDIT BY SECTION 29-1-604 FOR THAT
19 BUDGET YEAR, SHALL, ON OR BEFORE DECEMBER 31 OF THE YEAR IN
20 WHICH THE AUDIT IS NOT COMPLETED, PROVIDED, OR FOR WHICH THE
21 LOCAL GOVERNMENT IS EXEMPTED FROM THE AUDIT, IN A FORM AND
22 MANNER DETERMINED BY THE DEPARTMENT, PROVIDE A REPORT TO THE
23 DEPARTMENT THAT STATES THE AMOUNT DISTRIBUTED BY THE
24 DEPARTMENT OF PUBLIC SAFETY TO THE LAW ENFORCEMENT AGENCY
25 PURSUANT TO SECTION 24-33.5-121(4), HOW MUCH OF THAT AMOUNT THE
26 LAW ENFORCEMENT AGENCY EXPENDED, AND THE PURPOSES FOR WHICH
27 THE LAW ENFORCEMENT AGENCY EXPENDED THAT AMOUNT.

1 **SECTION 9.** In Colorado Revised Statutes, **repeal as added by**
2 **House Bill 25-1290** 32-9-160 (3).

3 **SECTION 10.** In Colorado Revised Statutes, 39-22-104, **add**
4 (4)(dd) as follows:

5 **39-22-104. Income tax imposed on individuals, estates, and**
6 **trusts - single rate - report - tax preference performance statement**
7 **- legislative declaration - definitions - repeal.** (4) There shall be
8 subtracted from federal taxable income:

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

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

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

26 (B) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
27 MEASURE THE EFFECTIVENESS OF THE SUBTRACTION IN ACHIEVING THE

1 PURPOSE SPECIFIED IN SUBSECTION (4)(dd)(II)(A) OF THIS SECTION BASED
2 ON THE NUMBER AND AGGREGATE AMOUNT OF SUBTRACTIONS CLAIMED;

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

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

19 **SECTION 11. Appropriation.** For the 2025-26 state fiscal year,
20 \$5,046,967 is appropriated to the department of public safety for use by
21 the division of criminal justice. This appropriation is from the death
22 benefit fund created in section 24-33.5-121 (4)(e)(I), C.R.S., and is based
23 on an assumption that the division will require an additional 0.5 FTE. To
24 implement this act, the division may use this appropriation for the death
25 benefit program.

26 **SECTION 12. Safety clause.** The general assembly finds,
27 determines, and declares that this act is necessary for the immediate

- 1 preservation of the public peace, health, or safety or for appropriations for
- 2 the support and maintenance of the departments of the state and state
- 3 institutions.