

First Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

REVISED

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

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.

HOUSE  
Amended 2nd Reading  
May 3, 2025

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.

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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** 24-33.5-537.

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" MEANS THE PAYMENT  
8 OF TUITION OR THE REIMBURSEMENT OF TUITION FOR SUCCESSFUL  
9 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, OR PROVIDING CONTINUING  
14 EDUCATION OPPORTUNITIES FOR PEACE OFFICERS.

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

17 (C) "RECRUITMENT" MEANS 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, OR 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; AND FOR STATE FISCAL YEARS  
17 COMMENCING ON OR AFTER JULY 1, 2026, THE GENERAL ASSEMBLY MAY  
18 ANNUALLY APPROPRIATE NO MORE THAN TWO AND ONE-HALF PERCENT OF  
19 THE AMOUNT THAT THE STATE TREASURER TRANSFERS TO THE FUND IN  
20 THAT SAME FISCAL YEAR PURSUANT TO SUBSECTION (2)(b) OF THIS  
21 SECTION TO THE DEPARTMENT FOR THE DIRECT AND INDIRECT COSTS OF  
22 ADMINISTERING SUBSECTION (3) OF THIS SECTION.

23 (3) **Peace officer training and support distribution.** (a) **Law**  
24 **enforcement agency certification.** ON OR BEFORE DECEMBER 15, 2026,  
25 AND EACH DECEMBER 15 THEREAFTER THROUGH THE FULFILLMENT YEAR,  
26 A LAW ENFORCEMENT AGENCY MAY SUBMIT A CERTIFICATION TO THE  
27 DEPARTMENT IN A FORM AND MANNER DETERMINED BY THE DEPARTMENT.

1 THE CERTIFICATION SHALL INCLUDE:

2 (I) THE NUMBER OF PEACE OFFICERS THAT THE RELEVANT LOCAL  
3 GOVERNMENT HAS BUDGETED FOR THE LAW ENFORCEMENT AGENCY IN  
4 THE UPCOMING YEAR;

5 (II) THE TOTAL DOLLAR AMOUNT THAT THE RELEVANT LOCAL  
6 GOVERNMENT BUDGETED FOR THE LAW ENFORCEMENT AGENCY TO  
7 EXPEND FOR A PERMISSIBLE PURPOSE;

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

12 (IV) IF THE LAW ENFORCEMENT AGENCY IS A SHERIFF'S OFFICE, A  
13 CERTIFICATION BY THE LAW ENFORCEMENT AGENCY THAT IT WILL ONLY  
14 EXPEND MONEY AWARDED BY THE DEPARTMENT FROM THE FUND IN  
15 ACCORDANCE WITH THE REQUIREMENTS OF SUBSECTION (3)(c) OF THIS  
16 SECTION.

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

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

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



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

5 (C) "PEACE OFFICER ADJUSTMENT" MEANS, FOR ANY YEAR, AN  
6 AMOUNT EQUAL TO THE AMOUNT THAT THE STATE TREASURER  
7 TRANSFERRED TO THE FUND IN THAT YEAR PURSUANT TO SUBSECTION  
8 (2)(b) OF THIS SECTION, MINUS THE AMOUNT ANNUALLY APPROPRIATED BY  
9 THE GENERAL ASSEMBLY PURSUANT TO SUBSECTION (2)(d) OF THIS  
10 SECTION FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS OF  
11 ADMINISTERING THIS SUBSECTION (3) FOR THE FISCAL YEAR THAT  
12 COMMENCES IN THAT YEAR, MINUS THE BASE AMOUNT MULTIPLIED BY THE  
13 NUMBER OF ELIGIBLE LAW ENFORCEMENT AGENCIES THAT YEAR, DIVIDED  
14 BY THE TOTAL NUMBER OF PEACE OFFICERS THAT ELIGIBLE LAW  
15 ENFORCEMENT AGENCIES IDENTIFIED PURSUANT TO SUBSECTION (3)(a) OF  
16 THIS SECTION THAT YEAR.

17 (c) **Supplanting and supplementing.** (I) (A) A LAW  
18 ENFORCEMENT AGENCY SHALL ONLY SPEND, AND A LOCAL GOVERNMENT  
19 SHALL ONLY BUDGET FOR A LAW ENFORCEMENT AGENCY TO SPEND, ANY  
20 MONEY RECEIVED PURSUANT TO THIS SUBSECTION (3) FOR A PERMISSIBLE  
21 PURPOSE; AND

22 (B) A LAW ENFORCEMENT AGENCY SHALL SPEND, AND A LOCAL  
23 GOVERNMENT SHALL BUDGET FOR A LAW ENFORCEMENT AGENCY TO  
24 SPEND, THE MONEY THAT THE LAW ENFORCEMENT AGENCY RECEIVES  
25 PURSUANT TO THIS SUBSECTION (3) TO INCREASE FUNDING THAT WOULD,  
26 IN THE ABSENCE OF MONEY FROM THE FUND, BE MADE AVAILABLE FROM  
27 OTHER STATE OR LOCAL SOURCES. A LAW ENFORCEMENT AGENCY SHALL

1 NOT SPEND, AND A LOCAL GOVERNMENT SHALL NOT BUDGET FOR A LAW  
2 ENFORCEMENT AGENCY TO SPEND, MONEY THAT THE LAW ENFORCEMENT  
3 AGENCY RECEIVES PURSUANT TO THIS SUBSECTION (3) TO SUPPLANT  
4 OTHER MONEY THAT WOULD, IN THE ABSENCE OF THE MONEY RECEIVED  
5 PURSUANT TO THIS SUBSECTION (3), BE MADE AVAILABLE FROM OTHER  
6 STATE AND LOCAL SOURCES FOR A PERMISSIBLE PURPOSE.

7 (II) A LAW ENFORCEMENT AGENCY OR A LOCAL GOVERNMENT IS  
8 PRESUMED TO HAVE VIOLATED SUBSECTION (3)(c)(I)(B) OF THIS SECTION  
9 IF THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT REDUCES OR  
10 REPLACES THE BUDGETING WITH OR EXPENDITURE OF FEDERAL, LOCAL, OR  
11 STATE MONEY IN THE IMMEDIATELY PRECEDING YEAR USED FOR A  
12 PERMISSIBLE PURPOSE WITH MONEY RECEIVED PURSUANT TO THIS  
13 SUBSECTION (3) BECAUSE THE LOCAL GOVERNMENT ALREADY BUDGETED  
14 FOR OR THE LAW ENFORCEMENT AGENCY ALREADY EXPECTED OR  
15 RECEIVED MONEY PURSUANT TO THIS SUBSECTION (3); AND

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

20 (A) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT  
21 REDUCED OR ELIMINATED EXPENDITURES FOR MULTIPLE PURPOSES OTHER  
22 THAN FOR A PERMISSIBLE PURPOSE;

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

26 (C) THE LAW ENFORCEMENT AGENCY OR LOCAL GOVERNMENT  
27 REDUCED OR ELIMINATED PERMISSIBLE PURPOSE EXPENDITURES WITHOUT

1 TAKING INTO CONSIDERATION THE RECEIPT OR EXPECTED RECEIPT OF  
2 MONEY PURSUANT TO THIS SUBSECTION (3).

3 (IV) THE DEPARTMENT MAY ENFORCE THE REQUIREMENTS OF THIS  
4 SUBSECTION (3) THROUGH THE REVIEW OF AUDITS PURSUANT TO SECTION  
5 29-1-603 (6)(b) AND MAY TAKE CORRECTIVE ACTION BY WORKING WITH  
6 A LAW ENFORCEMENT AGENCY TO ENSURE COMPLIANCE WITH THIS  
7 SUBSECTION (3).

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

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

22 (B) IF THERE IS AT LEAST ONE CHILD WHO SURVIVED THE FIRST  
23 RESPONDER AND A SURVIVING SPOUSE OF THE FIRST RESPONDER, FIFTY  
24 PERCENT TO THE SURVIVING CHILD OR CHILDREN, IN EQUAL SHARES, AND  
25 FIFTY PERCENT TO THE SURVIVING SPOUSE;

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

1           (D) IF THERE IS NO SURVIVING SPOUSE OF THE FIRST RESPONDER  
2       AND NO SURVIVING CHILD, TO THE SURVIVING INDIVIDUAL OR INDIVIDUALS  
3       DESIGNATED BY THE FIRST RESPONDER IN THE MOST RECENTLY EXECUTED  
4       DESIGNATION OF BENEFICIARY ON FILE AT THE TIME OF DEATH WITH THE  
5       GOVERNING BODY OR STATE AGENCY, APPORTIONED IN ACCORDANCE WITH  
6       THE DESIGNATION OF BENEFICIARY OR, IF APPORTIONMENT IS NOT  
7       INDICATED, IN EQUAL SHARES;

8           (E) IF THERE IS NO SURVIVING SPOUSE OF THE FIRST RESPONDER,  
9       NO SURVIVING CHILD OF THE ELIGIBLE FIRST RESPONDER, AND NO  
10      INDIVIDUAL QUALIFYING UNDER SUBSECTION (4)(a)(I)(D) OF THIS  
11      SECTION, TO THE SURVIVING BENEFICIARIES UNDER THE MOST RECENTLY  
12      EXECUTED LIFE INSURANCE POLICY OF THE FIRST RESPONDER ON FILE AT  
13      THE TIME OF DEATH WITH THE GOVERNING BODY OR STATE AGENCY,  
14      APPORTIONED IN ACCORDANCE WITH THE INSURANCE POLICY OR, IF  
15      APPORTIONMENT IS NOT INDICATED, IN EQUAL SHARES; OR

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

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

23          (b) IF THE EXECUTIVE DIRECTOR DETERMINES THAT A FIRST  
24      RESPONDER HAS DIED ON OR AFTER NOVEMBER 5, 2024, AS THE DIRECT  
25      AND PROXIMATE RESULT OF A PERSONAL INJURY SUSTAINED WHILE  
26      PERFORMING THEIR OFFICIAL DUTIES OR BECAUSE OF AN OCCUPATIONAL  
27      DISEASE ARISING OUT OF AND IN THE COURSE OF THEIR EMPLOYMENT OR

1 SERVICE AS A FIRST RESPONDER, IF THAT FIRST RESPONDER HAS DIED  
2 AFTER SEPARATION FROM SERVICE AS A FIRST RESPONDER, WHILE ON AN  
3 AUTHORIZED LEAVE OF ABSENCE AS A FIRST RESPONDER, OR WHILE  
4 PERFORMING QUALIFIED MILITARY SERVICE, AS DEFINED IN 26 U.S.C. SEC.  
5 414 (u)(5), THE DEPARTMENT SHALL PAY A BENEFIT TO A PAYEE IN  
6 CONNECTION WITH THAT FIRST RESPONDER IN ACCORDANCE WITH  
7 SUBSECTION (4)(a) OF THIS SECTION.

8 (c) A PAYMENT UNDER THIS SECTION SHALL NOT BE USED TO  
9 OFFSET OR REDUCE PAYMENTS AVAILABLE FROM ANY OTHER SOURCE,  
10 INCLUDING A PUBLIC DISABILITY PLAN OR INSURANCE PLAN, PRIVATE  
11 DISABILITY PLAN OR INSURANCE PLAN, OR BENEFITS PROVIDED UNDER  
12 COLORADO'S WORKERS' COMPENSATION LAW.

13 (d) (I) THE EXECUTIVE DIRECTOR SHALL DETERMINE WHETHER A  
14 FIRST RESPONDER WHOSE DEATH RESULTS IN A PAYMENT PURSUANT TO  
15 THIS SUBSECTION (4) QUALIFIES FOR LINE-OF-DUTY STATUS UNDER  
16 SECTION 101 (h) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986"  
17 AND WHETHER ANY OF THE EXCEPTIONS SPECIFIED IN SECTION 101 (h)(2)  
18 OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986" ARE APPLICABLE  
19 AND SHALL INFORM THE TAXPAYER WHO RECEIVES THE PAYMENT AND THE  
20 DEPARTMENT OF REVENUE OF THE EXECUTIVE DIRECTOR'S DECISION.

21 (II) A TAXPAYER WHO RECEIVES A PAYMENT PURSUANT TO THIS  
22 SUBSECTION (4) THAT DOES NOT QUALIFY FOR THE FEDERAL INCOME TAX  
23 EXEMPTION DESCRIBED IN SECTION 101 (h) OF THE FEDERAL "INTERNAL  
24 REVENUE CODE OF 1986", INCLUDING A PAYMENT THAT DOES NOT  
25 QUALIFY AS A RESULT OF THE EXCEPTIONS DESCRIBED IN SECTION 101  
26 (h)(2) OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", SHALL,  
27 PURSUANT TO SECTION 39-22-104 (4)(dd), SUBTRACT THE AMOUNT OF THE

1 PAYMENT FROM THE TAXPAYER'S FEDERAL TAXABLE INCOME. THE  
2 EXECUTIVE DIRECTOR SHALL PROVIDE THE TAXPAYER AND THE  
3 DEPARTMENT OF REVENUE ANY INFORMATION DEEMED NECESSARY BY THE  
4 DEPARTMENT OF REVENUE FOR THIS TAX SUBTRACTION.

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

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

13 (III) (A) MONEY IN THE FUND IS ANNUALLY APPROPRIATED TO THE  
14 DEPARTMENT FOR PAYING BENEFITS PURSUANT TO THIS SUBSECTION (4)  
15 AND FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS  
16 SUBSECTION (4).

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

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

24 (B) ON JULY 1, 2027, AND EACH JULY 1 THEREAFTER, IF THE  
25 BALANCE OF THE DEATH BENEFIT FUND IS LESS THAN TEN MILLION  
26 DOLLARS, ON JULY 2 OF THAT YEAR, THE STATE TREASURER SHALL  
27 TRANSFER AN AMOUNT FROM THE GENERAL FUND TO THE DEATH BENEFIT

1 FUND EQUAL TO THE DIFFERENCE BETWEEN TEN MILLION DOLLARS AND  
2 THE BALANCE OF THE DEATH BENEFIT FUND.

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

7 (6) **Rules.** THE EXECUTIVE DIRECTOR SHALL ADOPT RULES THAT  
8 SPECIFY STANDARDS AND ESTABLISH PROCEDURES AS NECESSARY TO  
9 DETERMINE WHETHER SECTION 101 (h) OF THE FEDERAL "INTERNAL  
10 REVENUE CODE OF 1986", AS AMENDED, APPLIES TO A PAYMENT  
11 AWARDED PURSUANT TO SUBSECTION (4) OF THIS SECTION AND MAY  
12 ADOPT ADDITIONAL RULES AS NECESSARY TO IMPLEMENT THIS SECTION.

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

15 **24-51-414. Direct distribution - definitions.** (1) (a) Except as  
16 otherwise provided in ~~subsections (6), (7), and (8)~~ SUBSECTIONS (6), (7),  
17 (8), AND (8.5) of this section, on July 1, 2018, on July 1, 2019, on July 1,  
18 2021, and on July 1 each year thereafter until there are no unfunded  
19 actuarial accrued liabilities of any division of the association that receives  
20 the distribution pursuant to this section, the state treasurer shall issue a  
21 warrant to the association in an amount equal to two hundred twenty-five  
22 million dollars. Such amount shall be paid to the association from the  
23 general fund, or any other fund, subject to section 24-51-413.

24 (4) (a) The association shall allocate the direct distribution to the  
25 trust funds of each division of the association as it would an employer  
26 contribution, in a manner that is proportionate to the annual payroll of  
27 each division as reported to the association; except that the association

1 shall not allocate any portion of the direct distribution amount to the local  
2 government division of the association.

3 (b)(I) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION (4)  
4 TO THE CONTRARY, ON OR AFTER JULY 1, 2025, IF THE ALLOCATION  
5 METHODOLOGY DESCRIBED IN THIS SUBSECTION (4) WOULD RESULT IN THE  
6 BLENDED TOTAL CONTRIBUTION AMOUNT EQUALING LESS THAN  
7 NINETY-EIGHT PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION  
8 THE ASSOCIATION MAY INSTEAD ALLOCATE THE DIRECT DISTRIBUTION TO  
9 THE TRUST FUNDS OF EACH DIVISION OF THE ASSOCIATION IN AN  
10 ACTUARIAL MANNER AS NECESSARY TO ACHIEVE AT LEAST NINETY-EIGHT  
11 PERCENT OF THE BLENDED TOTAL REQUIRED CONTRIBUTION; EXCEPT THAT  
12 THE ASSOCIATION SHALL NOT ALLOCATE ANY PORTION OF THE DIRECT  
13 DISTRIBUTION AMOUNT TO THE LOCAL GOVERNMENT DIVISION OF THE  
14 ASSOCIATION.

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

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

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

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

23 (8.5) (a) (I) THE AMOUNT OF A WARRANT TO BE ISSUED ON JULY  
24 1, 2027, AND EACH JULY 1 THEREAFTER THROUGH THE FULFILLMENT  
25 YEAR, TO THE ASSOCIATION PURSUANT TO SUBSECTION (1) OF THIS  
26 SECTION IS REDUCED BY THE LEAST OF THIRTY-FIVE MILLION DOLLARS,  
27 THE DEFERRED INFLOW OF RESOURCES AMOUNT, THE DEFERRED INFLOW



1 OF RESOURCES AMOUNT MULTIPLIED BY THE ANNUAL RATE OF RETURN ON  
2 INVESTMENTS FOR THE ASSOCIATION IN THE IMMEDIATELY PRECEDING  
3 ASSOCIATION FISCAL YEAR AS PUBLISHED IN THE RELEVANT ANNUAL  
4 ACTUARIAL VALUATION REPORT PURSUANT TO SECTION 25-41-204 (7), OR  
5 THE AMOUNT NECESSARY FOR THE TOTAL AMOUNT TRANSFERRED BY THE  
6 STATE TREASURER TO THE PEACE OFFICER TRAINING AND SUPPORT FUND  
7 PURSUANT TO SECTION 24-33.5-121 (2)(b) TO EQUAL THREE HUNDRED  
8 FIFTY MILLION DOLLARS; EXCEPT THAT, IF THE AMOUNT OF THE WARRANT  
9 IS REDUCED PURSUANT TO SECTION 24-75-201.1 (5)(b)(II), THE AMOUNT  
10 OF THE WARRANT IS NOT ALSO REDUCED PURSUANT TO THIS SUBSECTION  
11 (8.5)(a)(I).

12 (II) ON OR BEFORE JUNE 30, 2027, AND EACH JUNE 30 THEREAFTER  
13 THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE PLANNING AND  
14 BUDGETING SHALL REPORT TO THE STATE TREASURER THE AMOUNT BY  
15 WHICH THE WARRANT ISSUED TO THE ASSOCIATION PURSUANT TO  
16 SUBSECTION (1) OF THIS SECTION IS REDUCED PURSUANT TO SUBSECTION  
17 (8.5)(a)(I) OF THIS SECTION.

18 (b) (I) ON OR BEFORE JUNE 30, 2034, AND EACH JUNE 30  
19 THEREAFTER THROUGH THE FULFILLMENT YEAR, THE OFFICE OF STATE  
20 PLANNING AND BUDGETING SHALL CALCULATE, FOR THE PURPOSES OF  
21 DETERMINING THE ADJUSTED WARRANT REDUCTION AMOUNT AND THE  
22 FULFILLMENT YEAR:

23 (A) THE TOTAL OF THE AMOUNT THAT THE STATE TREASURER HAS  
24 PREVIOUSLY TRANSFERRED TO THE PEACE OFFICER TRAINING AND SUPPORT  
25 FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) AND THE AMOUNT THAT  
26 THE STATE TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER  
27 TRAINING AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b)

1 ON JULY 1 OF THE NEXT STATE FISCAL YEAR; AND

2 (B) THE TOTAL OF THE AMOUNT DESCRIBED IN SUBSECTION  
3 (8.5)(b)(I)(A) OF THIS SECTION AND THE AMOUNT THAT THE STATE  
4 TREASURER IS PROJECTED TO TRANSFER TO THE PEACE OFFICER TRAINING  
5 AND SUPPORT FUND PURSUANT TO SECTION 24-33.5-121 (2)(b) ON JULY 1  
6 OF THE NEXT STATE FISCAL YEAR IMMEDIATELY SUCCEEDING THE NEXT  
7 STATE FISCAL YEAR.

8 (II) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE  
9 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(A) OF  
10 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE  
11 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE STATE  
12 TREASURER, THE ASSOCIATION, THE DEPARTMENT OF PUBLIC SAFETY, AND  
13 THE JOINT BUDGET COMMITTEE THAT THE NEXT STATE FISCAL YEAR IS  
14 PROJECTED TO BE THE FULFILLMENT YEAR.

15 (III) IF THE TOTAL AMOUNT CALCULATED BY THE OFFICE OF STATE  
16 PLANNING AND BUDGETING PURSUANT TO SUBSECTION (8.5)(b)(I)(B) OF  
17 THIS SECTION EXCEEDS THREE HUNDRED FIFTY MILLION DOLLARS, THE  
18 OFFICE OF STATE PLANNING AND BUDGETING SHALL REPORT TO THE JOINT  
19 BUDGET COMMITTEE OF THE GENERAL ASSEMBLY THAT THE OFFICE OF  
20 STATE PLANNING AND BUDGETING PROJECTS THAT THE STATE FISCAL YEAR  
21 IMMEDIATELY SUCCEEDING THE NEXT STATE FISCAL YEAR IS PROJECTED  
22 TO BE THE FULFILLMENT YEAR.

23 (c) (I) THE ASSOCIATION SHALL DEEM THE AMOUNT OF THE  
24 WARRANTS ISSUED BY THE STATE TREASURER PURSUANT TO SECTION  
25 24-75-201.1 (5)(a)(I), ANY EARNINGS ON THAT AMOUNT, AND ANY  
26 ADJUSTMENTS MADE PURSUANT TO SUBSECTION (8.5)(c)(II) OF THIS  
27 SECTION AS A DEFERRED INFLOW OF RESOURCES.

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

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

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

15           (I) "ADJUSTED WARRANT REDUCTION AMOUNT" MEANS THE  
16 AMOUNT NECESSARY TO ENSURE THAT THE STATE TREASURER TRANSFERS  
17 A TOTAL AMOUNT EQUAL TO THREE HUNDRED FIFTY MILLION DOLLARS TO  
18 THE PEACE OFFICER TRAINING AND SUPPORT FUND PURSUANT TO SECTION  
19 24-33.5-121 (2)(b).

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

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

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

3           **24-75-201.1. Restriction on state appropriations - legislative**  
4       **declaration - definitions - repeal.** (5) (a) (I) ON OR AFTER JULY 1, 2025,  
5       AND BEFORE OCTOBER 1, 2025, THE STATE TREASURER SHALL ISSUE  
6       MULTIPLE WARRANTS TO THE PUBLIC EMPLOYEES' RETIREMENT  
7       ASSOCIATION TOTALING AN AMOUNT EQUAL TO FIVE HUNDRED MILLION  
8       DOLLARS FROM THE GENERAL FUND; AND

9           (II) FOR THE PURPOSE OF DETERMINING THE UNRESTRICTED  
10       GENERAL FUND YEAR-END BALANCES PURSUANT TO THIS SECTION, THE  
11       FIVE HUNDRED MILLION DOLLARS IN THE WARRANT ISSUED BY THE STATE  
12       TREASURER PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION IS  
13       INCLUDED IN THOSE BALANCES.

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

20          (II) IF, DURING A STATE FISCAL YEAR BEFORE THE YEAR AFTER THE  
21       FULFILLMENT YEAR, THE GENERAL ASSEMBLY REDUCES THE FISCAL YEAR  
22       UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT MUST BE  
23       RETAINED AS A RESERVE TO AN AMOUNT LESS THAN ONE BILLION  
24       DOLLARS, NOTWITHSTANDING ANY LAW TO THE CONTRARY, THE GENERAL  
25       ASSEMBLY SHALL REDUCE THE TOTAL AMOUNT OF THE WARRANT  
26       DESCRIBED IN SECTION 24-51-414 FOR ONE OR MORE FISCAL YEARS BY A  
27       TOTAL AMOUNT EQUAL TO THE DIFFERENCE, NOT TO EXCEED THE

1 REMAINING DEFERRED INFLOW OF RESOURCES AMOUNT, BETWEEN THE  
2 FISCAL YEAR UNRESTRICTED GENERAL FUND YEAR-END BALANCES THAT  
3 MUST BE RETAINED AS A RESERVE AND ONE BILLION DOLLARS; AND

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

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

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

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

13 **24-75-201.5. Revenue shortfalls - required actions by the**  
14 **governor with respect to the reserve.** (1) (h) WHENEVER THE REVENUE  
15 ESTIMATE FOR THE CURRENT FISCAL YEAR, PREPARED IN ACCORDANCE  
16 WITH SECTION 24-75-201.3 (2), INDICATES THAT GENERAL FUND  
17 EXPENDITURES FOR THAT FISCAL YEAR BASED ON APPROPRIATIONS THEN  
18 IN EFFECT WILL RESULT IN THE USE OF AN AMOUNT OF THE RESERVE  
19 REQUIRED BY SECTION 24-75-201.1 (1)(d) THAT WOULD RESULT IN THAT  
20 RESERVE EQUALING LESS THAN ONE BILLION DOLLARS, THE GOVERNOR  
21 SHALL FORMULATE A PLAN FOR REDUCING SUCH GENERAL FUND  
22 EXPENDITURES SO THAT SAID RESERVE, AS OF THE CLOSE OF THE FISCAL  
23 YEAR, WILL BE AT LEAST ONE BILLION DOLLARS. THE GOVERNOR SHALL  
24 PROMPTLY NOTIFY THE GENERAL ASSEMBLY OF THE PLAN AND PROMPTLY  
25 IMPLEMENT THE PLAN IN ACCORDANCE WITH SECTION 24-2-102 (4) OR  
26 24-50-109.5 OR ANY OTHER LAWFUL MEANS.

27 **SECTION 8.** In Colorado Revised Statutes, 29-1-603, **add** (6) as

1 follows:

2           **29-1-603. Audits required.** (6) (a) FOR THE AUDIT OF A LOCAL  
3 GOVERNMENT FOR ANY BUDGET YEAR IN WHICH A LAW ENFORCEMENT  
4 AGENCY THAT THE LOCAL GOVERNMENT ESTABLISHES A BUDGET FOR  
5 RECEIVES FUNDS FROM THE PEACE OFFICER TRAINING AND SUPPORT FUND  
6 ESTABLISHED IN SECTION 24-33.5-121 (2), THE AUDIT REPORT FOR THAT  
7 LOCAL GOVERNMENT SHALL INCLUDE EVIDENCE THAT THE LOCAL  
8 GOVERNMENT COMPLIED WITH THE REQUIREMENTS OF SECTION  
9 24-33.5-121 (3). THE EVIDENCE IN THE AUDIT REPORT SHALL INCLUDE THE  
10 AMOUNT DISTRIBUTED BY THE DEPARTMENT OF PUBLIC SAFETY TO THE  
11 LAW ENFORCEMENT AGENCY PURSUANT TO SECTION 24-33.5-121 (4), HOW  
12 MUCH OF THAT AMOUNT THE LAW ENFORCEMENT AGENCY EXPENDED, AND  
13 THE PURPOSES FOR WHICH THE LAW ENFORCEMENT AGENCY EXPENDED  
14 THAT AMOUNT.

15           (b) A LOCAL GOVERNMENT SUBJECT TO AN AUDIT DESCRIBED IN  
16 SUBSECTION (6)(a) OF THIS SECTION SHALL PROVIDE A COPY OF THAT  
17 AUDIT TO THE DEPARTMENT OF PUBLIC SAFETY IN A FORM AND MANNER  
18 DETERMINED BY THE DEPARTMENT OF PUBLIC SAFETY. THE DEPARTMENT  
19 OF PUBLIC SAFETY SHALL REVIEW A SUBSET OF THE AUDITS RECEIVED  
20 PURSUANT TO THIS SUBSECTION (6)(b) FOR COMPLIANCE WITH THE  
21 REQUIREMENTS OF SECTION 24-33.5-121 (3).

22           (c) ANY LOCAL GOVERNMENT THAT RECEIVES FUNDS FROM THE  
23 PEACE OFFICER TRAINING AND SUPPORT FUND ESTABLISHED IN SECTION  
24 24-33.5-121(2) FOR ANY BUDGET YEAR AND THAT FAILS TO COMPLETE AN  
25 AUDIT REQUIRED BY THIS SECTION FOR THAT BUDGET YEAR OR THAT FAILS  
26 TO PROVIDE A COPY OF THAT AUDIT TO THE DEPARTMENT OF PUBLIC  
27 SAFETY AS REQUIRED BY THIS SECTION FOR THAT BUDGET YEAR OR THAT

1 IS EXEMPT FROM PERFORMING AN AUDIT BY SECTION 29-1-604 FOR THAT  
2 BUDGET YEAR, SHALL, ON OR BEFORE DECEMBER 31 OF THE YEAR IN  
3 WHICH THE AUDIT IS NOT COMPLETED, PROVIDED, OR FOR WHICH THE  
4 LOCAL GOVERNMENT IS EXEMPTED FROM THE AUDIT, IN A FORM AND  
5 MANNER DETERMINED BY THE DEPARTMENT, PROVIDE A REPORT TO THE  
6 DEPARTMENT THAT STATES THE AMOUNT DISTRIBUTED BY THE  
7 DEPARTMENT OF PUBLIC SAFETY TO THE LAW ENFORCEMENT AGENCY  
8 PURSUANT TO SECTION 24-33.5-121(4), HOW MUCH OF THAT AMOUNT THE  
9 LAW ENFORCEMENT AGENCY EXPENDED, AND THE PURPOSES FOR WHICH  
10 THE LAW ENFORCEMENT AGENCY EXPENDED THAT AMOUNT.

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

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

15 **39-22-104. Income tax imposed on individuals, estates, and**  
16 **trusts - single rate - report - tax preference performance statement**  
17 **- legislative declaration - definitions - repeal.** (4) There shall be  
18 subtracted from federal taxable income:

19 (dd) (I) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
20 JANUARY 1, 2026, FOR A TAXPAYER WHO RECEIVES A PAYMENT PURSUANT  
21 TO SECTION 24-33.5-121 (4) THAT DOES NOT QUALIFY FOR THE FEDERAL  
22 INCOME TAX EXEMPTION DESCRIBED IN SECTION 101 (h) OF THE INTERNAL  
23 REVENUE CODE, INCLUDING A PAYMENT THAT DOES NOT QUALIFY AS A  
24 RESULT OF THE EXCEPTIONS DESCRIBED IN SECTION 101 (h)(2) OF THE  
25 INTERNAL REVENUE CODE, AN AMOUNT EQUAL TO THE AMOUNT RECEIVED  
26 PURSUANT TO SECTION 24-33.5-121 (4); AND

27 (II) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH

1 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE  
2 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY  
3 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND  
4 DECLARES THAT:

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

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

14 (III) THE DEPARTMENT OF REVENUE SHALL MAINTAIN  
15 INFORMATION ABOUT THE NUMBER OF TAXPAYERS WHO CLAIM THE  
16 SUBTRACTION IN A TAX YEAR AND THE AGGREGATE AMOUNT OF  
17 SUBTRACTIONS CLAIMED IN A TAX YEAR, IN ADDITION TO ANY OTHER  
18 INFORMATION DETERMINED NECESSARY BY THE DEPARTMENT OF  
19 REVENUE, TO EVALUATE THE EFFECTIVENESS OF THE TAX SUBTRACTION  
20 ALLOWED IN THIS SUBSECTION (4)(dd) IN ACHIEVING THE PURPOSE  
21 SPECIFIED IN SUBSECTION (4)(dd)(II)(A) OF THIS SECTION, AND SHALL  
22 PROVIDE THIS INFORMATION UPON REQUEST OF THE GENERAL ASSEMBLY  
23 OR THE STATE AUDITOR; AND

24 (IV) NOTWITHSTANDING SECTION 39-21-304 (4), THE TAX  
25 SUBTRACTION ALLOWED IN THIS SUBSECTION (4)(dd) EXTENDS  
26 INDEFINITELY UNTIL NO LESS THAN FIVE YEARS AFTER THE EXECUTIVE  
27 DIRECTOR OF THE DEPARTMENT OF PUBLIC SAFETY DISBURSES THE LAST



1 PAYMENT IN CONNECTION WITH THE DEATH OF A FIRST RESPONDER  
2 PURSUANT TO SECTION 24-33.5-121 (4).

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

10 **SECTION 12. Safety clause.** The general assembly finds,  
11 determines, and declares that this act is necessary for the immediate  
12 preservation of the public peace, health, or safety or for appropriations for  
13 the support and maintenance of the departments of the state and state  
14 institutions.