# First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## REREVISED

This Version Includes All Amendments Adopted in the Second House

LLS NO. 23-0119.01 Jane Ritter x4342

**SENATE BILL 23-168** 

#### SENATE SPONSORSHIP

**Jaquez Lewis and Kolker,** Cutter, Danielson, Fields, Marchman, Sullivan, Coleman, Fenberg, Gonzales, Hansen, Moreno, Rodriguez, Winter F.

### HOUSE SPONSORSHIP

**Mabrey and Parenti,** Bacon, Dickson, Epps, Garcia, Jodeh, Kipp, Titone, Vigil, Amabile, Bird, Boesenecker, Brown, Daugherty, deGruy Kennedy, English, Froelich, Gonzales-Gutierrez, Hamrick, Herod, Joseph, Lindsay, Lindstedt, McCormick, Michaelson Jenet, Ortiz, Ricks, Sirota, Weissman, Willford

**Senate Committees** 

State, Veterans, & Military Affairs

**House Committees** 

Judiciary

#### A BILL FOR AN ACT

101 CONCERNING GUN VIOLENCE VICTIMS' ACCESS TO THE JUDICIAL SYSTEM.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

Current law limits product liability actions against manufacturers of firearms and ammunition to situations in which there was a defect in the design or manufacture of a firearm or ammunition. The bill repeals that limitation.

The bill defines the terms "firearm industry member" (industry member) and "firearm industry product" (industry product) and requires

HOUSE Amended 3rd Reading March 26, 2023

HOUSE Amended 2nd Reading March 25, 2023

SENATE 3rd Reading Unamended March 13, 2023

SENATE 2nd Reading Unamended March 10, 2023 each industry member that is engaged in the manufacture, distribution, importation, marketing, or wholesale or retail sale of an industry product in Colorado to establish and implement reasonable controls and precautions related to the industry product in its control (firearm industry standards of responsible conduct).

A cause of action is created for a person or entity that suffered harm as a result of an industry member violation of the firearm industry standards of responsible conduct, or for the attorney general or the attorney general's designee, for enforcement and remedy of any harms caused as a result of an industry member's violation. An intervening act by a third party, including unlawful misuse of an industry product, does not prevent an industry member from being liable. A cause of action may be brought within 5 years after the date that the violation occurred or the harm was incurred.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, **repeal** part 5 of 3 article 21 of title 13. 4 **SECTION 2.** In Colorado Revised Statutes, add article 27 to title 5 6 as follows: 6 **ARTICLE 27** 7 Firearms and Ammunition Manufacturers 8 **6-27-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 27 IS THE 9 "JESSI REDFIELD GHAWI'S ACT FOR GUN VIOLENCE VICTIMS' ACCESS TO JUSTICE AND FIREARMS INDUSTRY ACCOUNTABILITY". 10 11 **6-27-102. Legislative declaration.** (1) THE GENERAL ASSEMBLY 12 FINDS AND DECLARES THAT: 13 (a) THE STATE OF COLORADO HAS A COMPELLING INTEREST IN 14 PROTECTING THE LIFE, HEALTH, SAFETY, AND WELL-BEING OF COLORADO 15 RESIDENTS; 16 (b) Unlawful and irresponsible conduct by the firearm 17 INDUSTRY POSE SIGNIFICANT RISKS TO THE LIFE, HEALTH, SAFETY, AND

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- 2 (c) OUR STATE AND OUR NATION HAVE A LONG-STANDING
  3 HISTORICAL TRADITION OF PRESCRIBING STANDARDS OF RESPONSIBLE
  4 CONDUCT AND ACCOUNTABILITY FOR INDUSTRIES WHOSE BUSINESS
  5 PRACTICES MAY CAUSE HARM TO THE PUBLIC;
  - (d) THE FEDERAL "PROTECTION OF LAWFUL COMMERCE IN ARMS

    ACT" PRESERVES STATES' CRITICAL AUTHORITY TO ENACT LAWS

    PRESCRIBING AND ENFORCING STANDARDS OF RESPONSIBLE CONDUCT AND

    ACCOUNTABILITY FOR FIREARM INDUSTRY MEMBERS;
    - (e) It is the policy of this state that firearm industry members have a lawful duty and responsibility to take reasonable precautions to prevent foreseeable risks to life, health, safety, and well-being of the citizens of Colorado; and
    - (f) It is further the policy of this state that victims harmed by firearm industry members' wrongful and unlawful conduct, and public officials acting on behalf of the people of Colorado, shall not be barred from pursuing civil actions seeking appropriate justice and fair remedies for those harms in court, including civil actions for harms caused by negligent entrustment of firearm industry products, consistent with any limitations or immunities otherwise provided in state or federal law.
    - (2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS THE POLICY OF THIS STATE THAT PRODUCT LIABILITY FOR INJURY, DAMAGE, OR DEATH CAUSED BY THE DISCHARGE OF A FIREARM OR AMMUNITION IS NOT BASED UPON THE INHERENT POTENTIAL OF A FIREARM TO CAUSE INJURY, DAMAGE, OR DEATH WHEN DISCHARGED. IT SHALL BE

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1	THE FURTHER POLICY OF THIS STATE THAT A CIVIL ACTION IN TORT FOR
2	ANY REMEDY ARISING FROM PHYSICAL OR EMOTIONAL INJURY, PHYSICAL
3	DAMAGE, OR DEATH CAUSED BY THE DISCHARGE OF A FIREARM IS NOT
4	BASED UPON THE INHERENT POTENTIAL OF A FIREARM TO CAUSE INJURY,
5	DAMAGE, OR DEATH WHEN DISCHARGED.
6	<b>6-27-103. Definitions.</b> As used in this article 27, unless the
7	CONTEXT OTHERWISE REQUIRES:
8	(1) "FIREARM INDUSTRY MEMBER" MEANS A PERSON, FIRM,
9	CORPORATION, OR ANY OTHER ENTITY ENGAGED IN THE MANUFACTURE,
10	DISTRIBUTION, IMPORTATION, MARKETING, OR WHOLESALE OR RETAIL
11	SALE OF A FIREARM INDUSTRY PRODUCT.
12	(2) "FIREARM INDUSTRY PRODUCT" MEANS:
13	(a) A FIREARM, AS DEFINED IN SECTION 18-1-901;
14	(b) Ammunition;
15	(c) A COMPLETED OR UNFINISHED FRAME OR RECEIVER;
16	(d) A FIREARM COMPONENT OR MAGAZINE;
17	(e) A DEVICE MARKETED OR SOLD TO THE PUBLIC THAT IS
18	DESIGNED OR ADAPTED TO BE INSERTED INTO, AFFIXED ONTO, OR USED IN
19	CONJUNCTION WITH A FIREARM, IF THE DEVICE IS:
20	$(I) \ Reasonably \ designed \ or \ intended \ to \ be \ used \ to \ increase$
21	A FIREARM'S RATE OF FIRE, CONCEALABILITY, MAGAZINE CAPACITY, OR
22	DESTRUCTIVE CAPACITY; OR
23	(II) REASONABLY DESIGNED OR INTENDED TO INCREASE THE
24	FIREARM'S STABILITY AND HANDLING WHEN THE FIREARM IS REPEATEDLY
25	FIRED; AND
26	(f) ANY MACHINE OR DEVICE THAT IS MARKETED OR SOLD TO THE
27	PUBLIC, OR REASONABLY DESIGNED OR INTENDED TO BE USED TO

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1	MANUFACTURE OR PRODUCE A FIREARM OR ANY OTHER FIREARM
2	INDUSTRY PRODUCT AS DESCRIBED IN THIS SUBSECTION (2).
3	(3) "FIREARM TRAFFICKER" MEANS A PERSON WHO ACQUIRES,
4	TRANSFERS, OR ATTEMPTS TO ACQUIRE OR TRANSFER A FIREARM INDUSTRY
5	PRODUCT FOR PURPOSES OF UNLAWFUL COMMERCE, INCLUDING, BUT NOT
6	LIMITED TO, A SUBSEQUENT TRANSFER TO A PERSON WHO IS PROHIBITED
7	BY STATE OR FEDERAL LAW FROM POSSESSING THE FIREARM INDUSTRY
8	PRODUCT.
9	(4) "Reasonable controls" means reasonable procedures,
10	SAFEGUARDS, AND BUSINESS PRACTICES THAT ARE DESIGNED AND
11	IMPLEMENTED TO DO ALL OF THE FOLLOWING:
12	(a) PREVENT THE SALE OR DISTRIBUTION OF A FIREARM INDUSTRY
13	PRODUCT TO:
14	(I) A STRAW PURCHASER OR FIREARM TRAFFICKER;
15	(II) A PERSON WHO IS PROHIBITED BY STATE OR FEDERAL LAW
16	FROM POSSESSING A FIREARM INDUSTRY PRODUCT; OR
17	$(III)\ A {\tt PERSON} {\tt THE} {\tt FIREARM} {\tt INDUSTRY} {\tt MEMBER} {\tt HAS} {\tt REASON} {\tt ABLE}$
18	CAUSE TO BELIEVE IS AT SUBSTANTIAL RISK OF USING A FIREARM
19	INDUSTRY PRODUCT TO HARM THEMSELVES OR UNLAWFULLY HARM
20	ANOTHER OR OF OTHERWISE UNLAWFULLY POSSESSING OR USING A
21	FIREARM INDUSTRY PRODUCT;
22	(b) Prevent the loss or theft of a firearm industry
23	PRODUCT FROM A FIREARM INDUSTRY MEMBER;
24	(c) Ensure the firearm industry member does not promote
25	OR FACILITATE THE UNLAWFUL MANUFACTURE, SALE, POSSESSION,
26	MARKETING, OR USE OF A FIREARM INDUSTRY PRODUCT; AND
27	(d) Ensure the firearm industry member complies with all

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1	PROVISIONS OF STATE AND FEDERAL LAWS.
2	(5) "STRAW PURCHASER" MEANS AN INDIVIDUAL WHO
3	WRONGFULLY PURCHASES OR OBTAINS A FIREARM INDUSTRY PRODUCT ON
4	BEHALF OF A THIRD PARTY WHO IS THE ACTUAL PURCHASER OR
5	TRANSFEREE. THE TERM "STRAW PURCHASER" DOES NOT APPLY TO AN
6	INDIVIDUAL OBTAINING A FIREARM INDUSTRY PRODUCT AS A BONA FIDE
7	GIFT FOR A PERSON WHO IS NOT PROHIBITED BY STATE OR FEDERAL LAW
8	FROM POSSESSING OR RECEIVING A FIREARM INDUSTRY PRODUCT. FOR THE
9	PURPOSES OF THIS SUBSECTION (5), A GIFT IS NOT A BONA FIDE GIFT IF THE
10	TRANSFEREE HAS OFFERED OR GIVEN THE TRANSFEROR A SERVICE OR
11	THING OF VALUE TO ACQUIRE THE FIREARM INDUSTRY PRODUCT ON THE
12	TRANSFEREE'S BEHALF.
13	(6) "Unfinished frame or receiver" means any forging,
14	CASTING PRINTING, EXTRUSION, MACHINED BODY, OR SIMILAR ARTICLE
15	THAT HAS REACHED A STAGE IN MANUFACTURE WHEN IT MAY BE READILY

- (6) "Unfinished frame or receiver" means any forging, casting printing, extrusion, machined body, or similar article that has reached a stage in manufacture when it may be readily completed, assembled, or converted to be used as the frame or receiver of a functional firearm or that is marketed or sold to the public to become or be used as the frame or receiver of a functional firearm once completed, assembled, or converted.
- 20 6-27-104. Firearm industry standards of responsible conduct.
- 21 (1) This section applies to a firearm industry member engaged in
- 22 THE MANUFACTURE, DISTRIBUTION, IMPORTATION, MARKETING, OR
- WHOLESALE OR RETAIL SALE OF A FIREARM INDUSTRY PRODUCT THAT
- 24 MEETS ANY OF THE FOLLOWING CONDITIONS:

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- (a) THE FIREARM INDUSTRY PRODUCT WAS SOLD, MADE, DISTRIBUTED, OR MARKETED IN THIS STATE;
- (b) THE FIREARM INDUSTRY PRODUCT WAS INTENDED TO BE SOLD,

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1	MADE, DISTRIBUTED, OR MARKETED IN THIS STATE; OR
2	(c) THE FIREARM INDUSTRY PRODUCT WAS USED OR POSSESSED IN
3	THIS STATE, AND IT WAS REASONABLY FORESEEABLE THAT THE PRODUCT
4	WOULD BE USED OR POSSESSED IN THIS STATE.
5	(2) A FIREARM INDUSTRY MEMBER SHALL:
6	(a) ESTABLISH AND IMPLEMENT REASONABLE CONTROLS
7	REGARDING ITS MANUFACTURE, DISTRIBUTION, IMPORTATION,
8	MARKETING, AND WHOLESALE OR RETAIL SALE OF FIREARM INDUSTRY
9	PRODUCTS IN THIS STATE; AND
10	(b) Take reasonable precautions to ensure the firearm
11	INDUSTRY MEMBER DOES NOT SELL OR DISTRIBUTE A FIREARM INDUSTRY
12	PRODUCT TO A DISTRIBUTOR OR RETAILER OF FIREARM INDUSTRY
13	PRODUCTS THAT FAILS TO ESTABLISH AND IMPLEMENT REASONABLE
14	CONTROLS.
15	(3) A FIREARM INDUSTRY MEMBER SHALL NOT MANUFACTURE,
16	DISTRIBUTE, IMPORT, MARKET, OR OFFER FOR WHOLESALE OR RETAIL SALE
17	A FIREARM INDUSTRY PRODUCT THAT IS:
18	(a) Designed, sold, or marketed in a manner that
19	FORESEEABLY PROMOTES CONVERSION OF A LEGAL FIREARM INDUSTRY
20	PRODUCT INTO AN ILLEGAL FIREARM INDUSTRY PRODUCT; OR
21	(b) DESIGNED, SOLD, OR MARKETED IN A MANNER THAT IS
22	TARGETED AT MINORS OR INDIVIDUALS WHO ARE LEGALLY PROHIBITED
23	FROM PURCHASING OR POSSESSING A FIREARM.
24	(4) In addition to subsections (1) to (3) of this section, a
25	FIREARM INDUSTRY MEMBER SHALL COMPLY WITH THE FOLLOWING LAWS
26	WHEN ENGAGED IN THE MANUFACTURE, DISTRIBUTION, IMPORTATION,
27	MARKETING, OR WHOLESALE OR RETAIL SALE OF A FIREARM INDUSTRY

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1	PRODUCT:
2	(a) THE "COLORADO CONSUMER PROTECTION ACT", ARTICLE 1 OF
3	THIS TITLE 6;
4	(b) The "Unfair Practices Act", article 2 of this title 6;
5	(c) The "Colorado Antitrust Act of 1992", article 4 of this
6	TITLE 6; AND
7	(d) ARTICLE 12 OF TITLE 18.
8	6-27-105. Cause of action for violations of standards of
9	responsible conduct. (1) A PERSON OR ENTITY THAT HAS SUFFERED
10	HARM AS A RESULT OF A FIREARM INDUSTRY MEMBER'S ACTS OR
11	OMISSIONS IN VIOLATION OF SECTION 6-27-104 MAY BRING A CIVIL ACTION
12	PURSUANT TO THIS ARTICLE 27 IN A COURT OF COMPETENT JURISDICTION.
13	(2) The attorney general, or the attorney general's
14	DESIGNEE, MAY BRING A CIVIL ACTION IN A COURT OF COMPETENT
15	JURISDICTION TO ENFORCE THIS ARTICLE $27\mathrm{AND}$ REMEDY HARMS CAUSED
16	BY ANY ACTS OR OMISSIONS IN VIOLATION OF SECTION 6-27-104.
17	(3) In an action brought pursuant to this section, if the
18	COURT DETERMINES THAT A FIREARM INDUSTRY MEMBER ENGAGED IN
19	CONDUCT IN VIOLATION OF SECTION 6-27-104, THE COURT SHALL AWARD
20	JUST AND APPROPRIATE RELIEF, WHICH MAY INCLUDE BUT IS NOT LIMITED
21	TO:
22	(a) Injunctive relief sufficient to prevent the firearm
23	INDUSTRY MEMBER AND ANY OTHER DEFENDANT FROM FURTHER
24	VIOLATING THIS ARTICLE 27;
25	(b) COMPENSATORY AND PUNITIVE DAMAGES;
26	(c) Reasonable attorney fees, filing fees, and reasonable
27	COSTS OF ACTION; AND

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1	(d) Any other just and appropriate relief necessary to
2	ENFORCE THIS ARTICLE 27 AND REMEDY THE HARM CAUSED BY THE
3	VIOLATION.
4	(4) IN AN ACTION BROUGHT PURSUANT TO THIS ARTICLE 27, AND
5	NOTWITHSTANDING ANY INTERVENING ACT BY A THIRD PARTY, IF A
6	FIREARM INDUSTRY MEMBER'S KNOWING VIOLATION OF THIS ARTICLE $\overline{27}$
7	CREATES A REASONABLY FORESEEABLE RISK THAT HARM WOULD OCCUR,
8	THE FIREARM INDUSTRY MEMBER'S VIOLATION IS PRESUMED TO BE THE
9	PROXIMATE CAUSE OF THE HARM SUFFERED BY THE PLAINTIFF.
10	(5) AN ACTION BROUGHT PURSUANT TO THIS SECTION MUST BE
11	COMMENCED WITHIN FIVE YEARS AFTER THE DATE THAT THE VIOLATION
12	OCCURRED OR THE HARM WAS INCURRED.
13	(6) A CIVIL ACTION BROUGHT PURSUANT TO THIS SECTION MAY BE
14	BROUGHT IN:
15	(a) THE COUNTY IN WHICH ALL OR A SUBSTANTIAL PART OF THE
16	EVENTS OR OMISSIONS GIVING RISE TO THE CLAIM OCCURRED;
17	(b) The county of residence of any one of the natural
18	PERSON DEFENDANTS AT THE TIME THE CAUSE OF ACTION ACCRUED;
19	(c) THE COUNTY OF THE PRINCIPAL OFFICE IN THIS STATE OF ANY
20	OF THE DEFENDANTS THAT IS NOT A NATURAL PERSON; OR
21	(d) The county of residence for the plaintiff if the
22	PLAINTIFF IS A NATURAL PERSON RESIDING IN COLORADO.
23	<b>6-27-106.</b> Limitations. (1) NOTHING IN THIS ARTICLE 27 LIMITS
24	OR IMPAIRS IN ANY WAY THE RIGHT OF THE ATTORNEY GENERAL, OR ANY
25	PERSON OR ENTITY, TO PURSUE A LEGAL ACTION PURSUANT TO ANY OTHER
26	LAW, CAUSE OF ACTION, TORT THEORY, OR OTHER AUTHORITY.
2.7	(2) NOTHING IN THIS ARTICLE 27 LIMITS OR IMPAIRS IN ANY WAY

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1	AN OBLIGATION OR REQUIREMENT PLACED ON A FIREARM INDUSTRY
2	MEMBER BY ANY OTHER AUTHORITY.
3	(3) This article 27 must be construed and applied in a
4	MANNER THAT IS CONSISTENT WITH THE REQUIREMENTS OF THE
5	CONSTITUTIONS OF COLORADO AND THE UNITED STATES.
6	SECTION 3. Severability. If any provision of this act or the
7	application thereof to any person or circumstance is held invalid, such
8	invalidity does not affect other provisions or applications of the act that
9	can be given effect without the invalid provision or application, and to
10	this end, the provisions of this act are declared to be severable.
11	SECTION 4. Effective date. This act takes effect October 1,
12	2023.
13	SECTION 5. Safety clause. The general assembly hereby finds,
14	determines, and declares that this act is necessary for the immediate
15	preservation of the public peace, health, or safety.

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