

STATE OF COLORADO

Colorado General Assembly

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MEMORANDUM

To: John Mathews and Larry James Blackshear

From: Legislative Council Staff and Office of Legislative Legal Services

Date: January 23, 2026

Subject: Proposed Initiative Measure 2025-2026 #218, Concerning Separation of Pinnacol Assurance from the State to Fund Workforce Development

Section 1-40-105 (1), Colorado Revised Statutes, requires the directors of the Legislative Council Staff and the Office of Legislative Legal Services to "review and comment" on initiative petitions for proposed laws and amendments to the Colorado Constitution. We hereby submit our comments and questions to you regarding the appended proposed initiative.

The purpose of this statutory requirement of the directors of Legislative Council Staff and the Office of Legislative Legal Services is to provide comments and questions intended to aid designated representatives, and the proponents they represent, in determining the language of their proposal and to avail the public of the contents of the proposal. Our first objective is to be sure we understand your intended purposes of the proposal. We hope that the comments and questions in this memorandum provide a basis for discussion and understanding of the proposal. Discussion between designated representatives or their legal representatives and employees of the Legislative Council Staff and the Office of Legislative Legal Services is encouraged during review and comment meetings, but comments or discussion from anyone else is not permitted.

Purposes

The major purposes of the proposed amendments to the Colorado Revised Statutes appear to be:

1. To convert Pinnacol Assurance from a political subdivision of the state to an independent mutual insurance company;

2. To require Pinnacol Assurance to pay the state a one-time \$150 million payment as part of the conversion;
3. To require Pinnacol Assurance to pay premium taxes as an independent mutual insurance company;
4. To require the commissioner of insurance to facilitate and support Pinnacol Assurance's conversion into an independent mutual insurance company;
5. To require Pinnacol Assurance to terminate its affiliation with the public employees' retirement association and to make a payment to the association in connection with its termination of affiliation;
6. To require the commissioner of insurance to develop and oversee the administration of a risk plan to provide workers' compensation insurance coverage to employers that are unable to procure coverage in the voluntary market;
7. To require Pinnacol Assurance to provide such workers' compensation insurance coverage until June 1, 2028;
8. To create a skilled workers and trades fund into which the one-time \$150 million payment from Pinnacol Assurance and the annual premium taxes paid by Pinnacol Assurance are credited; and
9. To create a board to administer the skilled workers and trades fund for the purpose of reimbursing certain education providers for scholarships awarded to Colorado residents seeking job training in an essential job category through a qualifying program.

Substantive Comments and Questions

The substance of the proposed initiative raises the following comments and questions:

1. Article V, section 1 (5.5) of the Colorado Constitution requires all proposed initiatives to have a single subject. What is the single subject of the proposed initiative?
2. Section 8-45-201 (1)(a) of the proposed ballot initiative references "these essential jobs"; however, specific jobs are not referenced until the next provision,

subsection (1)(b), so the use of "these" is not yet clear in subsection (1)(a). You might consider removing the word "these" for clarity.

3. The definitions set forth in section 8-40-201, C.R.S., apply to all of the sections in articles 40 to 47 of title 8, C.R.S.. As the proposed ballot initiative would be placed in article 45 of title 8, C.R.S., definitions such as "employee," "employer," and "employment" set forth in section 8-40-201, C.R.S., would apply to the use of those words in the proposed ballot initiative. Are you ok with the application of those definitions to the proposed ballot initiative?

Payments from Pinnacol Assurance

4. Section 8-45-202 (2) of the proposed ballot initiative provides for payments from Pinnacol Assurance in association with its conversion into an independent mutual insurance company, including a one-time payment of \$150 million and annual payments of premium taxes. Subsection (15) of that section provides that the "payments from Pinnacol Assurance required by subsection (2)(a) shall not be included within the state's annual revenue and spending limitations under section 20 of article X of the constitution."
 - a. To clarify, you intend this exemption from state revenue and spending limits to apply only to the \$150 million one-time payment, and not to the ongoing premium tax payments, is that correct? If that is correct, you should change the word "payments" in subsection (15) to "payment" to reflect the singular, one-time payment.
 - b. What is the constitutional basis for exempting the payment required under subsection (2)(a) from state annual revenue and spending limitations under section 20 of article X of the Colorado Constitution?
 - c. In 2021, a bill to require Pinnacol Assurance to convert to a private insurance company, H.B. 21-1213, was introduced. That 2021 bill required a one-time payment of \$305 million dollars, more than twice as much as indicated in the proposed ballot initiative. What is the reason for choosing \$150 million dollars as the one-time payment amount?
 - d. Subsection (2)(b) provides that state premium taxes paid by Pinnacol Assurance on and after July 1, 2027, will go to the new skilled workers and trades fund, but no language directly requires Pinnacol Assurance to pay

premium taxes. You should consider adding language to explicitly require Pinnacol Assurance to pay premium taxes on and after July 1, 2027.

- e. Section 10-3-209, C.R.S., governs the payment of premium taxes by insurance companies. Subsection (1)(a) of that section requires insurance companies to "pay to the division of insurance a tax on the gross amount of all premiums collected or contracted for on policies or contracts of insurance covering property or risks in this state **during the previous calendar year.**" (**Emphasis added**) Since section 8-45-202 (2)(b) of the proposed ballot initiative references premium taxes paid "beginning on July 1, 2027," do you intend Pinnacol Assurance to pay premium taxes in 2027 with respect to premiums collected or contracted for policies or contracts of insurance in 2026?
- f. Section 10-3-209 (4), C.R.S., provides that all premium taxes collected shall be deposited into the general fund except as provided in subsections (4)(a)(I) and (4)(a)(II) of that section. You might consider amending section 10-3-209 (4), C.R.S., in the proposed ballot initiative to exempt Pinnacol Assurance's payment of premium taxes to the skilled workers and trades fund. Alternatively, you could preface the language in section 8-45-202 (2)(b) of the proposed ballot initiative with language stating "notwithstanding section 10-3-209 (4)," as shown below, to exempt the premium tax payments from being deposited into the general fund.

NOTWITHSTANDING SECTION 10-3-209 (4), BEGINNING ON JULY 1, 2027, ...

Effectuating the conversion

- 5. Section 8-45-202 (3) of the proposed ballot initiative provides that the directors and officers of Pinnacol Assurance serving on December 31, 2026, continue as directors and officers following full separation of Pinnacol Assurance from the state into an independent mutual insurance company until elections are held under the new bylaws. Assuming that Pinnacol Assurance's full separation from the state is accomplished on the deadline for such separation, July 1, 2027:
 - a. What if there are vacancies on the board of directors as of December 31, 2026? Can those vacancies be filled by the governor pursuant to the governor's existing authority under section 8-45-101 (2)(a), C.R.S.? If so, do

those newly appointed board directors lose their membership on the board as of July 1, 2027, based on the language in subsection (3)?

- b. If the governor can appoint directors to fill vacancies on the board after December 31, 2026, do you intend that the Senate confirm those appointees pursuant to section 8-45-101 (2)(a), C.R.S.?
 - c. Presuming that the directors who are appointed by the governor serve "at the pleasure" of the governor, do you intend that the governor could remove a member of the board of directors after December 31, 2026, but before July 1, 2027?
6. Section 8-45-202 (4) of the proposed ballot initiative requires the commissioner of insurance to "take all necessary acts to facilitate and support" the full separation of Pinnacol Assurance from the state.
- a. What does "support" mean in this context? Is it distinct from "facilitate"?
 - b. With respect to the commissioner's work to reissue the certificate of authority and ratify and reauthorize existing filings, rates, forms, etc.:
 - i. Is there a deadline by which the commissioner must complete this work? Is it July 1, 2027?
 - ii. How would the administrative costs involved in this work be compensated? Do you intend that the commissioner may charge Pinnacol Assurance for this work? If so, you might consider expressly authorizing the commissioner to charge Pinnacol Assurance a fee to cover the commissioner's direct and indirect costs in performing these administrative tasks.
 - iii. Should a portion of the one-time \$150 million payment from Pinnacol Assurance be used to cover the commissioner's administrative costs in implementing Pinnacol Assurance's separation from the state? If so, you might consider transferring a portion of the \$150 million payment described in section 8-45-202 (2)(a) of the proposed ballot initiative to the division of insurance cash fund created in section 10-1-103 (3), C.R.S., to cover the commissioner's direct and indirect costs in implementing section 8-45-202.

Legal effects of the separation

7. Section 8-45-202 (5) of the proposed ballot initiative references the assets, liabilities, and causes of action "that exist before July 1, 2027." Subsections (6) and (7) of that section, however, use the phrase "that exist as of June 30, 2027." Do you intend these distinct date references to mean the same thing? If so, you might consider changing the language of subsection (5) to align with the language in subsections (6) and (7) to reference "that exist as of June 30, 2027."
8. In section 8-45-202 (6) of the proposed ballot initiative, you might consider adding "employees" to the list "money, property, rights, and privileges" to make it clear that the employees of Pinnacol Assurance as a political subdivision of the state continue to be its employees when it converts to an independent mutual insurance company.
9. Section 8-45-202 (8) of the proposed ballot initiative provides that "no person shall have any claim against Pinnacol Assurance or the state of Colorado arising from this full separation." Similarly, subsection (12) prohibits a person from bringing a cause of action or claim against Pinnacol Assurance, its officers, or its board of directors arising from the conversion into an independent mutual insurance company. What if there is an assertion that Pinnacol Assurance, its officers or board of directors, or the state did not comply with the requirements set forth in the proposed ballot initiative regarding the conversion into an independent mutual insurance company? Do you intend that a claim or cause of action could be filed on that basis? If so, you might consider adding language in subsections (8) and (12) to that effect.
10. Please also consider that, with the way that section 8-45-202 (8), (12), and (13) of the proposed ballot initiative are phrased, "no person" is the subject of those provisions and, thus, "no person" is subject to the prohibitions set forth in those subsections. Such language could then be interpreted to mean that a person is not prohibited to act in the manner described in the provisions. If that is not your intent, consider rephrasing as "A person shall not" Please review the phrase "no money in the fund shall be used ..." in section 8-83-1105 of the proposed ballot initiative for a similar issue.
11. Section 8-45-202 (10) of the proposed ballot initiative prohibits the state, agencies of the state, and political subdivisions of the state from levying any tax or fee "based upon" Pinnacol Assurance's full separation, except as provided in

subsection (2) regarding the one-time \$150 million fee and the payment of premium taxes.

- a. Despite this language, could the commissioner of insurance charge Pinnacol Assurance a fee related to the commissioner's administrative costs to facilitate and support the separation?
 - b. Based on the fee calculations set forth in section 10-3-207, C.R.S., the commissioner might assess a greater fee for Pinnacol Assurance as an independent mutual insurance company than as a political subdivision of the state. Would such a greater fee be impermissibly "based upon" the separation in violation of subsection (10)?
12. Section 8-45-202 (11) of the proposed ballot initiative provides that, after its separation from the state, Pinnacol Assurance "shall not receive any subsidy or financial support from the state."
 - a. What kind of subsidy or financial support do you intend to prohibit?
 - b. Would Pinnacol Assurance's purchase of insurance premium tax credits pursuant to section 24-36-403 (1), C.R.S., as a means to offset its premium tax liability, qualify as receiving "any subsidy or financial support from the state"?
 - c. If insurance companies are eligible for financial support through a state grant program, is the language of subsection (11) intended to prevent Pinnacol Assurance from receiving such financial support from the state?
13. Section 8-45-202 (13) of the proposed ballot initiative provides limitations on causes of action and claims against an officer, director, employee, or contractor of Pinnacol Assurance in their personal capacity "unless such act or omission was not performed in good faith and without intent to defraud." The quoted phrase could be interpreted to state "unless such act or omission was ... without intent to defraud," implying that such cause or action or claim could be brought only if the officer, director, employee, or contractor **lacked** intent to defraud. To clarify the language, you might consider rewording the phrase to state "unless such act or omission was performed in bad faith and with intent to defraud."

PERA disaffiliation

14. Section 8-45-202 (14) of the proposed ballot initiative provides that Pinnacol Assurance's affiliation with the public employees' retirement association (PERA) shall terminate effective June 30, 2027, and provides that the reserve payment from Pinnacol Assurance to PERA shall be determined in accordance with the procedures governing termination of affiliation pursuant to part 3 of article 51 of title 24, C.R.S.
- a. Do you intend that all of the procedures governing termination of affiliation set forth in sections 24-51-313 to 24-51-317, C.R.S., apply to Pinnacol Assurance's termination of affiliation? For example, do you intend that the employee vote required pursuant to section 24-51-313 (1), C.R.S., approving termination of affiliation be required? If not, you should consider explicitly stating which procedures would not apply to the process for Pinnacol Assurance's termination of affiliation.
 - b. With respect to the determination of the reserve payment, section 24-51-315 (2), C.R.S., authorizes the PERA board to deny an application to terminate affiliation if "the termination of affiliation shall have an adverse financial impact on the actuarial soundness of the local government division trust fund." Subsection (14)(b) provides that the PERA board cannot disapprove or deny the termination of Pinnacol Assurance's affiliation with PERA. What then happens if an actuary determines that Pinnacol Assurance's termination of affiliation with PERA would "have an adverse financial impact on the actuarial soundness of the local government division trust fund"?
 - c. Section 24-51-315 (3), C.R.S., provides that expenses incurred by the PERA board in relation to a termination of affiliation application shall be paid by the employer making such application. Do you intend Pinnacol Assurance to pay the PERA board's costs in relation to the termination of affiliation application?
 - d. Do you intend that Pinnacol Assurance, upon termination of affiliation with PERA, would establish an alternative pension plan or system for its employees pursuant to section 24-51-319, C.R.S.?
 - e. Section 8-45-202 (14)(c)(II) of the proposed ballot initiative states that the termination "shall not impair or reduce the vested or accrued rights or benefits of former or current employees of Pinnacol Assurance who are or

were members of [PERA]." Do you intend this to mean that the benefits that Pinnacol Assurance former and current employees have accrued through PERA would transfer to an alternative pension plan or system established by Pinnacol Assurance?

Commissioner of insurance risk plan

15. Do you want to define the insurance-related terms used in section 8-45-203 of the proposed ballot initiative, such as "insurer," "carrier," and "servicing carrier"?
16. How do you intend the commissioner of insurance's risk plan to be paid for?
17. Is there a deadline by which the commissioner shall develop the risk plan? If so, you should consider specifying that in section 8-45-203 of the proposed ballot initiative.
18. Section 8-45-203 (2) of the proposed ballot initiative provides that an employer qualifies for coverage under the risk plan if the employer was declined coverage by at least two unaffiliated insurers, but goes on to state that the employer must present evidence to the commissioner showing that the insurers "are unwilling to provide coverage at any premium level that is reasonably related to the risk presented by the employer."
 - a. Who determines if an unaffiliated insurer's offer of coverage is "reasonably related" to the risk presented by an employer?
 - b. What if an insurer is willing to provide coverage at a premium level that is determined not to be reasonably related to the risk presented by the employer? Would that qualify as declining coverage?
19. With respect to a third party that the commissioner may designate to develop and administer the risk plan pursuant to section 8-45-203 (4) of the proposed ballot initiative and the assignment of a licensed servicing carrier or carriers to service employers that qualify for the risk plan pursuant to subsection (5) of that section, do you intend the commissioner to select a third party and designate one or more servicing carriers in accordance with the requirements of the "Procurement Code," articles 101 to 112 of title 24, C.R.S.?

20. With respect to the commissioner selecting one or more licensed servicing carriers to service employers that qualify for the plan pursuant to section 8-45-203 (5) of the proposed ballot initiative:
- a. Do you intend that the licensed service carriers would apply for selection by the commissioner?
 - b. If, instead, the commissioner may select among servicing carriers that have not applied to service employers that qualify for the plan, do you intend that a servicing carrier selected would be given an opportunity to challenge the selection? If so, you might consider adding language regarding the process by which a challenge to the selection could be effectuated.
21. Is the intent of the language of section 8-45-203 (6) of the proposed ballot initiative to require Pinnacol Assurance to serve as workers' compensation insurer of last resort from July 1, 2027, until June 1, 2028? If so, it appears that the proposed ballot initiative will then require Pinnacol Assurance to pay premium taxes from July 1, 2027, to June 1, 2028, while Pinnacol Assurance is serving as workers' compensation insurer of last resort. Is this your intent?
22. Section 25 of article V of the Colorado Constitution prohibits special legislation, which means a law that is applicable only to one individual or entity. The constitutional provision provides that "where a general law can be made applicable no special law shall be enacted." Section 8-45-203 (6) of the proposed ballot initiative requires Pinnacol Assurance, as an independent mutual insurance company that has been separated from the state, to bid on a contract for assignment as a licensed servicing carrier and to provide the market for the risk plan until June 1, 2028. Do these requirements that are placed on a single private entity constitute special legislation?

Repeal of part 1 of article 45 of title 8

23. Numerous sections of statute outside of part 1 of article 45 of title 8, C.R.S., cross-reference all or a provision of that part 1. Many other statutes specifically reference Pinnacol Assurance. In conjunction with the repeal of part 1 of article 45 of title 8, C.R.S., you should amend those other sections of statute in the proposed ballot initiative to remove the references to all or a provision of that part 1 and the references to Pinnacol Assurance as conforming amendments to the repeal of part 1 of article 45 of title 8, C.R.S..

24. Alternatively, you could add language in the proposed ballot initiative similar to the language in section 33-9-108 (5)(b), C.R.S., authorizing the revisor of statutes to "amend or delete provisions of the Colorado Revised Statutes so as to make the statutes consistent" with the repeal of part 1 of article 45 of title 8, C.R.S.

Creation of skilled workers and trades fund and qualifying program

25. Since the money in the skilled workers and trades fund comes from Pinnacol Assurance, what is the nexus between workers' compensation and training for skilled workers and trades?
26. The language in section 8-83-1101 (3) of the proposed ballot initiative stating that the money in the new fund "shall not be transferred to or revert to the general fund of the state at the end of any fiscal year" is placed in the legislative declaration. You should consider moving the language to section 8-83-1102, where the fund is created, or section 8-83-1105, requiring that the fund remain inviolate, of the proposed ballot initiative, since the language appears to be an intent to create a prohibition that has the force of law, and is not merely declaratory language.
27. In section 8-83-1102 of the proposed ballot initiative, creating the skilled workers and trades fund:
- a. The head note needs to be changed from "Jobs of Tomorrow Fund created" to "skilled workers and trades fund created," as shown below, to reflect the name of the fund being created in that section.

8-83-1102. Skilled workers and trades fund created.

- b. You should indicate whether you intend the fund to be continuously appropriated or annually appropriated for the board's use. A continuous appropriation authorizes the agency administering a fund to continuously access the money in the fund, without requiring the General Assembly to determine a specific amount of money that the agency may access in the fund. An annual appropriation requires the General Assembly, each state fiscal year, to determine a specific amount of money in the fund that the agency may access.
28. For section 8-83-1103 of the proposed ballot initiative, you should add language beneath the head note stating "As used in this part 11, unless the context

otherwise requires," formatted as shown below. That language will help the reader understand that the definitions listed are specific to part 11 of article 83 of title 8 and that, if a specific reference to a defined term in that article does not work with the definition, the term may instead be interpreted based on its context. For example, in section 8-83-1101 of the proposed ballot initiative, when subsection (3) references the "general fund," the "unless the context otherwise requires" language would help avoid an interpretation that the reference must then mean the "general skilled workers and trades fund," since the word "fund" is defined to mean the skilled workers and trades fund.

8-83-1102. Definitions.

AS USED IN THIS PART 11, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "BOARD" MEANS ...

29. It would be helpful to the reader to add to the definition of "board" in section 8-83-1103 (1) of the proposed ballot initiative that the board is created in section 8-83-1106.

30. In the definition of "education provider" in section 8-83-1103 (3) of the proposed ballot initiative:

- a. Should the reference in subsection (3)(b) to "programs" instead use the term defined in subsection (6), "qualifying program"?
- b. In subsection (3)(c)(III), there is a typo. The word "mees" should be changed to "meets."

31. In section 8-83-1104 of the proposed ballot initiative:

- a. Where it states the "following shall be deposited into and held within the fund," you might consider instead stating "the state treasurer shall credit the money to the fund" to better align with drafting conventions. Moreover, the statement that the money shall be "held within" the fund could imply that the money cannot then be disbursed out of the fund.
- b. In subsection (1), you might consider clarifying the reference to "section 8-45-202" to more specifically reference "section 8-45-202 (2)(a)."

- c. In subsection (3), you might consider changing the reference to "all interest derived from money held in the fund" to instead state "all interest and income derived from the deposit and investment of money in the fund" to better capture all of the potential earnings arising from depositing money in the fund.
 - d. Subsection (4) references "contributions, grants, gifts, bequests, donations, and federal, state, or local grants." You might consider adding language in section 8-83-1106 expressly authorizing the board to request, accept, and expend gifts, grants, and donations, including federal, state, and local grants.
 - e. For subsection (6), which references "other funds as may be allocated by the general assembly," you might consider rewording that language to reference "other money appropriated or transferred to the fund by the general assembly" to expressly reference the two means by which the General Assembly would move money into the fund.
32. There are two sections 8-83-1106. Please renumber the second one related to the board as "8-83-1107" and the last section of part 11 to "8-83-1108."
33. For the first section 8-83-1106 of the proposed ballot initiative, subsection (1) limits administrative expenditures from the fund to 5% per year and subsection (2) limits expenditures for "computer-based data management and evaluation systems" to 5% per year. The computer data management and systems described would seem to count as, or be integrally related to, "administrative expenditures," so that it might be difficult for the board to differentiate between the two types of expenditures. You might consider providing the board greater flexibility by authorizing no more than 10% of fund expenditures "for administrative expenses, including computer-based data management and evaluation systems."
34. For section 8-83-1106 of the proposed ballot initiative that relates to the board:
- a. What is the name of the board?
 - b. Pursuant to subsection (2), no two public members of the board may reside in the same congressional district. If a public member of the board moves out of their congressional district into the congressional district of another board member, does that create a vacancy on the board?

- c. There are two subsections (4) listed in this section. The second subsection (4) should be renumbered to subsection (5) and subsequent subsections renumbered accordingly.
- d. In subsection (4)(c), what does it mean that the board's annual report shall be "published and distributed ... to the citizens"? How would the annual report be so distributed? To remove this ambiguity about how the annual report is shared, you might consider instead stating "to cause to be published an annual report, including a financial report, and to cause the report to be distributed to the governor and the general assembly. The annual report will set out the board's progress"
- e. In subsection (4)(c), what does it mean that the board would "consult with the general assembly from time to time"? How would this be accomplished? Is the intent to have the General Assembly advise the board?
- f. The second subsection (4) states that the board's organization, powers, revenues, and expenses "shall not be affected by any order or resolution of the general assembly."
 - i. The General Assembly does not act by order, but by legislation in the form of bills and resolutions. You might consider replacing the word "order" with "bill."
 - ii. As the law-making body for the state, the General Assembly exercises legislative authority over all persons in the state, including over political subdivisions. What does it then mean that the board's organization, powers, revenues, and expenses "shall not be affected" by the enactments of the General Assembly?
- g. Subsection (5) requires the state auditor to annually audit the board. Based on audits conducted by the state auditor, the Legislative Audit Committee may recommend legislation for the General Assembly to enact pursuant to section 2-3-101 (3)(b), C.R.S.. If the board's organization, powers, revenues, and expenses are not subject to enactments of the General Assembly, what is the intended purpose of the annual audit?

Technical Comments

The following comments address technical issues raised by the form of the proposed initiatives. These comments will be read aloud at the public meeting only if the designated representatives so request. You will have the opportunity to ask questions about these comments at the review and comment meeting. Please consider revising the proposed initiative as follows:

1. We use small capital letters (SMALL CAPS) to indicate new statutory language, which you've done throughout the proposed ballot initiative. There are, however, a few portions of the ballot initiative that should not be shown in small caps to align with our drafting conventions. They are:
 - a. What we refer to as "head notes." These are the bold headings added after the section number that generally describe what is in the section. For example, where it states in the proposed ballot initiative "**8-45-201. LEGISLATIVE DECLARATION.**", the section number and the reference to "legislative declaration" make up the head note for that section. The head note should be drafted in normal text without small caps, so should appear as:

8-45-201. Legislative declaration.
 - b. The letters indicating a paragraph should be drafted without use of small caps, so that, for example, under subsection (1) of section 8-45-201 of the proposed ballot initiative, the paragraphs should be identified, as shown below, as "(a)," "(b)," "(c)," etc. and not as "(A)," "(B)," "(C)," etc.

8-45-201. Legislative declaration. (1) THE PEOPLE OF THE STATE
OF COLORADO HEREBY FIND AND DECLARE THAT:

(a) COLORADO'S WORKFORCE SHORTAGES THREATEN

(b) THIS MEASURE PROVIDES COLORADANS WITH ... ;

(c) COLORADO CAN LEAD THE NATION

Please also make this change in sections 8-45-201 (2), (4), and (14); 8-45-203 (5) and (6); 8-83-1103 (3) and (4); and 8-83-1106 (4) of the proposed ballot initiative.

2. The following technical comments pertain to section 8-45-201 of the proposed ballot initiative:
 - a. In subsection (1), there is an introductory portion ("The people of the state of Colorado hereby find and declare that:") followed by a list of paragraphs. The paragraphs that only have one sentence should end in a semicolon instead of a period, since they are part of a list under the introductory portion of that subsection (1). Therefore, subsections (1)(b) (the second one listed), (1)(d), (1)(f), and (1)(g) should all end in a semicolon.
 - b. Subsection (1)(b) is listed twice. The second reference should be changed to (1)(c) and the subsequent paragraphs relettered accordingly.
 - c. Should the proposed ballot initiative pass, the legislative declaration will be added to the Colorado Revised Statutes, where the two references to "this measure" in subsection (1)(b) could be confusing for readers. Please consider rephrasing to "this part 2."
 - d. Our publications process does not allow the use of em dashes. Please consider replacing the em dashes in (the first and second) subsections (1)(b) with commas.
 - e. According to our style guide, "health care" is two words. Please update subsection (1)(e) accordingly.
 - f. In subsection (1)(f), the comma after "employers" should be removed.
3. The following technical comments pertain to section 8-45-202 of the proposed ballot initiative:
 - a. In subsection (2)(a):
 - i. It is standard drafting practice to spell out numbers in statute, as you have done in subsection (2)(a); however, it is not standard drafting practice to also include the same number in digits in parentheses. Please consider removing the digits in parentheses in this subsection (2)(a) and in sections 8-83-1103 (3)(b) and 8-83-1106 (1) and (2).

In a similar issue, please spell out "three thousand dollars" in section 8-83-1106.

- ii. The first letters of the words "skilled workers and trades fund" should not be capitalized. The name of the fund should instead be shown in small caps as "SKILLED WORKERS AND TRADES FUND." Please also make this change in subsection (2)(b). Please make this same change throughout part 11 of article 83 of title 8 of the proposed ballot initiative.

Similarly, the first letter of the word "fund" should not be capitalized in section 8-83-1105.

The name of the fund should be in bold-faced type and lowercase letters in the head notes for sections 8-83-1102 and 8-83-1106.

b. In subsection (4)(b):

- i. The beginning of subsection (4)(b) is punctuated incorrectly. Because "all of Pinnacol's Assurance's existing" applies to "filings, rates, and forms" but not to "any and all other administrative matters on file," the beginning of the sentence should be written as follows:

RATIFYING AND REAUTHORIZING ALL OF PINNACOL
ASSURANCE'S EXISTING FILINGS, RATES, AND FORMS AND ANY AND
ALL OTHER ADMINISTRATIVE MATTERS ON FILE ...

- ii. Consider whether the phrase "any and all" is redundant and whether using only "any" or "all" would suffice.
- iii. The comma after "and" at the end of subsection should be removed.

c. In subsections (4), (6), and (7), you punctuate "including but not limited to" in two different ways:

including, but not limited to

including but not limited to

However you would prefer to punctuate the phrase, please consider doing it consistently throughout the proposed ballot initiative. There are other versions of the same phrase in section 8-45-203.

- d. Subsection (10) cross-references "subsection (2)." For clarity, and to comply with standard drafting practice, you should add "of this section" after "(2)," so that the cross-reference reads "subsection (2) of this section." Please make a similar change in subsection (15) and in section 8-45-203 (6)(a).
- e. It is standard drafting practice to not capitalize standalone titles of government officers or names of agencies. Therefore, in subsection (14), the first letters of the words "PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION" should not be capitalized. The name of the association should instead be shown in all small caps as "PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION." Please make this change in subsections (14)(a) and (14)(b).

Please also note that the name of the association is not "public employees retirement association," as is shown twice in subsection (14)(b), but "public **employees'** retirement association." (**Emphasis added**)

- f. In subsection (14)(b), the comma before "except that" should be changed to a semicolon. Please make the same change in section 8-83-1106 (2).
- g. The template to cite the Colorado Constitution in statute is as follows:

section # of article # of the state constitution

Please update the reference to the Colorado Constitution in subsection (15) to read:

SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION

Please also update the reference to the Colorado Constitution in section 8-83-1106 (2) and (7).

- 4. The following technical comments pertain to section 8-45-203 of the proposed ballot initiative:
 - a. Throughout this section, the words "risk plan" and "plan" appear to be used synonymously. For instance, subsections (1)(a), (4), and (6)(a) reference the "risk plan," but subsections (2), (3), and (5) reference the "plan." Consider consistently using "risk plan" throughout the section.
 - b. In subsection (4), the phrase "effective date of this act" should be changed to "effective date of this part 2" or "effective date of this section."

- c. For the items listed in subsections (5)(a) to (5)(e), the first letter of the first word for each listed item should be capitalized. For example, subsection (5)(a) would then appear as:

(a) A MINIMUM RATING OF EXCELLENT BY A NATIONALLY RECOGNIZED
STATISTICAL RATINGS ORGANIZATION;

- 5. To comply with canned language for repealing provisions in statute, the language in section 8-45-146 of the proposed ballot initiative should read:

8-45-146. Repeal of part.

THIS PART 1 IS REPEALED, EFFECTIVE JULY 1, 2027.

- 6. The following technical comments pertain to part 11 of article 83 of title 8 of the proposed ballot initiative:
 - a. You appear to use the words “funds” and “money” synonymously in section 8-83-1101 (2) and (3). Consider using “money,” as in statute a “fund” is where “money” is credited. Consider reviewing the use of “funds” in sections 8-83-1104 (6) and 8-83-1107 as well.
 - b. The definitions in section 8-83-1103 should be reordered to be in alphabetical order.
 - (1) “BOARD” ...
 - (2) “EDUCATION PROVIDER” ...
 - (3) “ELIGIBLE AWARE RECIPIENT” ...
 - (4) “ESSENTIAL JOB CATEGORY” ...
 - (5) “FUND” ...
 - (6) “QUALIFYING PROGRAM” ...
 - c. In section 8-83-1103 (3)(c)(I), “for an apprenticeship programs” should be changed to read “for an apprenticeship program.”
 - d. The comma after “or” at the end of section 8-83-1103 (3)(c)(II) should be removed.
 - e. In section 8-83-1103 (3)(c)(III):

- i. Subsection (3)(c)(III) should be organized as shown below, including by capitalizing the first letter of the first word of each subdivision:

(III) IT MUST MEET ALL OF THE FOLLOWING CRITERIA:

(A) IT MEETS ...

(B) IT PROVIDES ...

(C) THE PROGRAM ...

- ii. Please note that the subject of the introductory portion to subsection (3)(c)(III) is “the entity,” but the subject in (3)(c)(III)(C) is “the program.” Please consider rephrasing to reconnect this provision to the introductory portion, such as “THE ENTITY’S PROGRAM IS”

- iii. The reference to the federal act and the United States Code should be formatted as follows:

IT MEETS THE REQUIREMENTS OF THE FEDERAL “HIGHER EDUCATION ACT OF 1965”, 20 U.S.C. SEC. 1001 (a)(1), (1)(2), AND (4), AS AMENDED.

- f. The first letter of the first word of each provision that follows a colon should be capitalized. Therefore, in section 8-83-1103 (4), the first letter of the first word in each provision should be capitalized. Additionally, subsections (4)(b) and (4)c) should read independently off of the introductory portion, which is “Eligible award recipient” means:”. Consider reorganizing as shown below:

(4) “ELIGIBLE AWARE RECIPIENT” MEANS A COLORADO RESIDENT WHO:

(a) IS SEEKING ... ; AND

(b) DEMONSTRATES FINANCIAL NEED

- g. The list in section 8-83-1103 (5) that follows “such as” is not parallel, meaning all of the items are people (firefighters, nurses, craftspersons, etc.) except “emerging technology jobs.” Consider how you might rephrase

“emerging technology jobs” to include people, such as “people working emerging technology jobs.”

Additionally, subsection (5) should end in a period.

- h. Section 8-83-1104 needs to be reorganized as shown below:

8-83-1104. Money allocated to the fund.

(1) THE FOLLOWING SHALL BE DEPOSITED INTO AND HELD WITHIN THE
FUND:

(a) THE PAYMENT REQUIRED BY ...

(b) THE PREMIUM TAXES ...

(c) ALL INTEREST DERIVED FROM MONEY ...

...

This same kind of reorganization is needed in section 8-83-1106.

- i. In (the second) section 8-83-1106:

- i. In subsection (1), the first letter of a word that follows a colon should be capitalized, as shown below:

SIX MEMBERS OF THE BOARD SHALL BE MEMBERS OF THE
PUBLIC AS FOLLOWS: THREE MEMBERS WHO ARE

- ii. In subsection (4)(a), is the intent to separate the end of the subsection into roman numerals (I) and (II)? If so, please, make the following formatting and punctuation changes:

... OTHER THAN:

(I) TEMPORARILY TO HOLD REAL PROPERTY DONATED TO IT;
AND

(II) TO ACQUIRE LEASED OFFICE SPACE;

Please also review subsection (3)(f) to see if you need to make similar changes or if you need to include the roman numerals at all.

- iii. In subsection (3)(b), if the reference to “this article” is correct, please update to read “this article 83.” If the reference should instead be to the newly created part, please instead change to read “this part 11.”
- j. In section 8-83-1106 (4)(d) and 8-83-1107, the references to "this part" should be clarified to read "this part 11."