

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0369.01 Josh Schultz x5486

HOUSE BILL 25-1212

HOUSE SPONSORSHIP

Rutinel and Soper,

SENATE SPONSORSHIP

(None),

House Committees
Judiciary

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PUBLIC SAFETY PROTECTION FROM THE RISKS OF
102 ARTIFICIAL INTELLIGENCE SYSTEMS.

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>.)

The bill prohibits a developer that has trained a foundation artificial intelligence model (foundation model) from preventing a worker from, or retaliating against a worker for, disclosing or threatening to disclose information to the developer, the attorney general, or appropriate state or federal authorities if the worker has reasonable cause to believe the information indicates one of the following:

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.

- The developer is out of compliance with law applicable to public safety or security;
- The developer's activities pose a substantial risk to public safety or security, even if the developer is not out of compliance with any law; or
- The developer has made false or misleading statements concerning public safety or security or concerning the developer's management of risks to public safety or security.

A developer must provide notice to all workers working on a foundation model of the workers' rights and responsibilities under the bill.

The bill requires a developer to create and provide an internal process through which a worker may anonymously disclose information to the developer regarding a risk to public safety or security enabled by the developer's foundation model. The developer shall provide a monthly update to the worker who made the disclosure regarding the status of the developer's investigation of the disclosure and the actions taken by the developer in response to the disclosure.

An aggrieved worker may commence a civil action in district court against a developer for a violation of the bill. A court may order relief against a developer that is found to have violated the bill, including:

- Reinstatement or rehiring of a worker, with or without back pay;
- The greater of either \$10,000 or any lost pay resulting from the violation;
- Punitive damages; and
- Reasonable attorney fees to an aggrieved worker.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 13.6 to
3 title 8 as follows:

4 **ARTICLE 13.6**

5 **Whistleblower Protections for Workers**

6 **Working in Artificial Intelligence**

7 **8-13.6-101. Definitions.** AS USED IN THIS ARTICLE 13.6, UNLESS
8 THE CONTEXT OTHERWISE REQUIRES:

9 (1) "ARTIFICIAL INTELLIGENCE" HAS THE SAME MEANING AS
10 "ARTIFICIAL INTELLIGENCE SYSTEM" AS SET FORTH IN SECTION 6-1-1701

1 (2).

2 (2) "DEVELOPER" MEANS AN EMPLOYER AS DEFINED IN SECTION
3 8-4-101 (6) OR AN ENTITY THAT CONTRACTS WITH FIVE OR MORE
4 INDEPENDENT CONTRACTORS IN THE STATE EACH YEAR AND THAT HAS
5 TRAINED AT LEAST ONE FOUNDATION MODEL AT A COMPUTATIONAL COST
6 OF AT LEAST ONE HUNDRED MILLION DOLLARS AS MEASURED BY THE
7 AVERAGE COST OF AN EQUIVALENT AMOUNT OF CLOUD COMPUTING AT THE
8 TIME THAT TRAINING COMMENCES.

9 (3) "EMPLOYER" HAS THE MEANING SET FORTH IN THE FEDERAL
10 "FAIR LABOR STANDARDS ACT OF 1938", 29 U.S.C. SEC. 203 (d).

11 (4) "FOUNDATION MODEL" MEANS AN ARTIFICIAL INTELLIGENCE
12 MODEL THAT:

13 (a) IS TRAINED ON BROAD DATA;

14 (b) USES SELF-SUPERVISION IN THE TRAINING PROCESS; AND

15 (c) IS APPLICABLE ACROSS A WIDE RANGE OF CONTEXTS.

16 (5) (a) "WORKER" MEANS AN INDIVIDUAL WHO PERFORMS
17 SERVICES FOR AND UNDER THE CONTROL AND DIRECTION OF A DEVELOPER
18 FOR WAGES OR OTHER REMUNERATION.

19 (b) "WORKER" INCLUDES:

20 (I) AN EMPLOYEE AS DEFINED IN SECTION 8-4-101 (5);

21 (II) AN INDEPENDENT CONTRACTOR; OR

22 (III) A CORPORATE OFFICER.

23 **8-13.6-102. Prohibition against retaliatory action related to a**
24 **substantial risk to public safety or security - limitation on worker**
25 **contracts.** (1) A DEVELOPER SHALL NOT PREVENT A WORKER FROM, OR
26 RETALIATE AGAINST A WORKER FOR, DISCLOSING OR THREATENING TO
27 DISCLOSE INFORMATION TO THE DEVELOPER, THE ATTORNEY GENERAL, OR

1 APPROPRIATE STATE OR FEDERAL AUTHORITIES, INCLUDING THROUGH
2 TERMS AND CONDITIONS OF EMPLOYMENT OR SEEKING TO ENFORCE TERMS
3 AND CONDITIONS OF EMPLOYMENT, IF THE WORKER HAS REASONABLE
4 CAUSE TO BELIEVE THE INFORMATION INDICATES ONE OF THE FOLLOWING:

5 (a) THE DEVELOPER IS OUT OF COMPLIANCE WITH LAW APPLICABLE
6 TO PUBLIC SAFETY OR SECURITY;

7 (b) THE DEVELOPER'S ACTIVITIES POSE A SUBSTANTIAL RISK TO
8 PUBLIC SAFETY OR SECURITY, EVEN IF THE DEVELOPER IS NOT OUT OF
9 COMPLIANCE WITH ANY LAW; OR

10 (c) THE DEVELOPER HAS MADE FALSE OR MISLEADING STATEMENTS
11 CONCERNING PUBLIC SAFETY OR SECURITY OR THE DEVELOPER'S
12 MANAGEMENT OF RISKS TO PUBLIC SAFETY OR SECURITY.

13 (2) THIS SECTION DOES NOT APPLY TO A WORKER WHO DISCLOSES
14 INFORMATION:

15 (a) THAT THE WORKER KNOWS TO BE FALSE; OR

16 (b) WITH RECKLESS DISREGARD FOR THE TRUTH OR FALSITY OF THE
17 INFORMATION.

18 (3)(a) A DEVELOPER SHALL NOT REQUIRE OR ATTEMPT TO REQUIRE
19 A WORKER TO SIGN A CONTRACT OR OTHER AGREEMENT THAT WOULD
20 LIMIT OR PREVENT THE WORKER FROM DISCLOSING INFORMATION ABOUT
21 RISKS TO PUBLIC SAFETY OR SECURITY OR TO OTHERWISE ABIDE BY A
22 WORKPLACE POLICY THAT WOULD LIMIT OR PREVENT SUCH DISCLOSURES.

23 (b) A CONTRACT OR AGREEMENT THAT VIOLATES SUBSECTION
24 (3)(a) OF THIS SECTION IS VOID AND UNENFORCEABLE AS CONTRARY TO
25 PUBLIC POLICY. A DEVELOPER'S ATTEMPT TO IMPOSE SUCH A CONTRACT OR
26 AGREEMENT IS AN ADVERSE ACTION IN VIOLATION OF THIS ARTICLE 13.6.

27 **8-13.6-103. Written notice required.** (1) A DEVELOPER SHALL

1 PROVIDE A CLEAR NOTICE TO ALL WORKERS WORKING ON A FOUNDATION
2 MODEL OF THE WORKERS' RIGHTS AND RESPONSIBILITIES UNDER THIS
3 ARTICLE 13.6. A DEVELOPER COMPLIES WITH THIS SECTION IF THE
4 DEVELOPER DOES EITHER OF THE FOLLOWING:

5 (a) (I) AT ALL TIMES, DISPLAYS WITHIN ALL WORKPLACES
6 MAINTAINED BY THE DEVELOPER A NOTICE TO ALL WORKERS OF THEIR
7 RIGHTS AND RESPONSIBILITIES UNDER THIS ARTICLE 13.6;

8 (II) ENSURES THAT ALL NEW WORKERS RECEIVE THE NOTICE
9 DESCRIBED IN SUBSECTION (1)(a)(I) OF THIS SECTION; AND

10 (III) ENSURES THAT WORKERS WHO PERIODICALLY WORK
11 REMOTELY RECEIVE THE NOTICE DESCRIBED IN SUBSECTION (1)(a)(I) OF
12 THIS SECTION; OR

13 (b) AT LEAST ONCE EVERY CALENDAR YEAR, PROVIDES WRITTEN
14 NOTICE TO ALL WORKERS OF THEIR RIGHTS AND RESPONSIBILITIES UNDER
15 THIS ARTICLE 13.6 AND ENSURES THAT THE NOTICE IS RECEIVED AND
16 ACKNOWLEDGED BY ALL WORKERS.

17 **8-13.6-104. Internal reporting process.** (1) (a) A DEVELOPER
18 SHALL PROVIDE A REASONABLE INTERNAL PROCESS THROUGH WHICH A
19 WORKER MAY ANONYMOUSLY DISCLOSE INFORMATION TO THE DEVELOPER
20 IF THE WORKER BELIEVES IN GOOD FAITH THAT THE INFORMATION
21 INDICATES THE CONDITIONS DESCRIBED IN SECTION 8-13.6-102 (1).

22 (b) THE INTERNAL REPORTING PROCESS MUST INCLUDE A MONTHLY
23 UPDATE TO THE WORKER WHO MADE THE DISCLOSURE REGARDING THE
24 STATUS OF THE DEVELOPER'S INVESTIGATION OF THE DISCLOSURE AND THE
25 ACTIONS TAKEN BY THE DEVELOPER IN RESPONSE TO THE DISCLOSURE.
26 THE MONTHLY UPDATES MUST CONTINUE UNTIL THE MATTER IS RESOLVED,
27 AT WHICH TIME THE DEVELOPER SHALL PROVIDE A FINAL UPDATE TO THE

1 WORKER.

2 (2) (a) THE DEVELOPER SHALL MAINTAIN A DISCLOSURE OR
3 RESPONSE OF THE INTERNAL REPORTING PROCESS FOR A MINIMUM OF
4 SEVEN YEARS AFTER THE DATE WHEN THE RESPONSE IS CREATED.

5 (b) AT LEAST ONCE PER QUARTER, THE DEVELOPER SHALL SHARE
6 EACH DISCLOSURE AND RESPONSE WITH THE OFFICERS AND DIRECTORS OF
7 THE DEVELOPER WHO DO NOT HAVE A CONFLICT OF INTEREST.

8 **8-13.6-105. Relief authorized.** (1) AN AGGRIEVED WORKER MAY
9 COMMENCE A CIVIL ACTION IN DISTRICT COURT AGAINST A DEVELOPER FOR
10 A VIOLATION OF THIS ARTICLE 13.6.

11 (2) IN A CIVIL ACTION COMMENCED BY AN AGGRIEVED WORKER
12 UNDER THIS SECTION, THE COURT MAY ORDER AFFIRMATIVE RELIEF TO THE
13 AGGRIEVED WORKER AGAINST A DEVELOPER THAT IS FOUND TO HAVE
14 VIOLATED THIS ARTICLE 13.6, INCLUDING:

15 (a) REINSTATEMENT OR REHIRING OF THE WORKER, WITH OR
16 WITHOUT BACK PAY;

17 (b) THE GREATER OF EITHER:

18 (I) TEN THOUSAND DOLLARS; OR

19 (II) ANY LOST PAY RESULTING FROM THE VIOLATION, INCLUDING
20 BACK PAY IF THE AGGRIEVED WORKER IS REINSTATED OR REHIRED AND
21 FRONT PAY IF THE AGGRIEVED WORKER IS NOT REINSTATED OR REHIRED;
22 AND

23 (c) ANY OTHER EQUITABLE RELIEF THE COURT DEEMS
24 APPROPRIATE.

25 (3) (a) THE COURT MAY AWARD AN AGGRIEVED WORKER PUNITIVE
26 DAMAGES AGAINST A DEVELOPER IF THE AGGRIEVED WORKER
27 DEMONSTRATES BY CLEAR AND CONVINCING EVIDENCE THAT THE

1 DEVELOPER ENGAGED IN A DISCRIMINATORY, ADVERSE, OR RETALIATORY
2 EMPLOYMENT PRACTICE WITH MALICE OR RECKLESS INDIFFERENCE TO THE
3 RIGHTS OF THE AGGRIEVED WORKER. HOWEVER, IF THE DEVELOPER
4 DEMONSTRATES GOOD FAITH EFFORTS TO COMPLY WITH THIS ARTICLE 13.6
5 AND TO PREVENT DISCRIMINATORY, ADVERSE, AND RETALIATORY
6 EMPLOYMENT PRACTICES IN THE WORKPLACE, THE COURT SHALL NOT
7 AWARD PUNITIVE DAMAGES AGAINST THE DEVELOPER.

8 (b) IN DETERMINING THE APPROPRIATE LEVEL OF DAMAGES TO
9 AWARD AN AGGRIEVED WORKER, THE COURT SHALL CONSIDER THE
10 GRAVITY OF THE RISK TO PUBLIC SAFETY OR SECURITY, THE SIZE AND
11 ASSETS OF THE DEVELOPER, AND THE EGREGIOUSNESS OF THE
12 DISCRIMINATORY, ADVERSE, OR RETALIATORY EMPLOYMENT PRACTICE.

13 (4) IF AN AGGRIEVED WORKER SEEKS PUNITIVE DAMAGES
14 PURSUANT TO SUBSECTION (3) OF THIS SECTION, ANY PARTY TO THE CIVIL
15 ACTION MAY DEMAND A TRIAL BY JURY.

16 (5) THE COURT SHALL AWARD REASONABLE ATTORNEY FEES TO AN
17 AGGRIEVED WORKER IF THE AGGRIEVED WORKER PREVAILS IN AN ACTION
18 BROUGHT PURSUANT TO THIS ARTICLE 13.6.

19 **8-13.6-106. No effect on other law.** THIS ARTICLE 13.6 DOES NOT
20 LIMIT PROTECTIONS PROVIDED TO WORKERS BY ANY OTHER LAW.

21 **SECTION 2. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
23 the expiration of the ninety-day period after final adjournment of the
24 general assembly; except that, if a referendum petition is filed pursuant
25 to section 1 (3) of article V of the state constitution against this act or an
26 item, section, or part of this act within such period, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2026 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

4 (2) This act applies to conduct occurring on or after the applicable
5 effective date of this act.