

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0516.01 Christopher McMichael x4775

HOUSE BILL 26-1270

HOUSE SPONSORSHIP

Titone and Velasco,

SENATE SPONSORSHIP

(None),

House Committees

Agriculture, Water & Natural Resources

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE OWNERSHIP OF AGRICULTURAL DATA.

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 establishes ownership rights of agricultural data and requirements for transactions involving agricultural data. There are 2 types of agricultural data: Raw agricultural data and transformed agricultural data. Raw agricultural data is defined as unprocessed information and data generated from agricultural production operations, agricultural equipment operations, or agricultural land that consists of factual observations and measurements and that has not been converted to transformed agricultural data. Transformed agricultural data is defined

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.

as raw agricultural data that has been analyzed or otherwise transformed through the application of algorithms or analytical methods to produce information that could be considered intellectual property.

The bill establishes that an agricultural producer (producer) that generates raw agricultural data from the producer's agricultural operations retains ownership of the raw agricultural data and is entitled to sell that data to a data service provider and receive fair compensation for that raw agricultural data. The bill also establishes that a producer that provides raw agricultural data to a data service provider that then converts the raw agricultural data to transformed agricultural data still retains ownership of the transformed agricultural data and may copyright, distribute, license, or sell the transformed agricultural data. A producer may also enter into agreements with multiple data service providers regarding the use of the producer's raw agricultural data and transformed agricultural data.

The bill establishes limits on what a data service provider may do with a producer's transformed agricultural data. A data service provider must not:

- Prevent a producer from monetizing the producer's transformed agricultural data;
- Limit or restrict the markets for transformed agricultural data that a producer may participate in;
- Impose contractual provisions that grant the data service provider exclusive rights to the producer's data without fair market value compensation; or
- Discriminate or retaliate against a producer based on the producer's decisions regarding the monetization of the producer's data.

The bill establishes an excise tax on transactions involving transformed agricultural data that occur within the state or transactions involving transformed agricultural data generated by producers in the state. On and after July 1, 2027, an excise tax of 3% of the net taxable sales from a data transaction will be collected on data transactions, unless the transaction meets certain exceptions. The money collected from the excise tax will be deposited into the Colorado agricultural future loan program cash fund, which supports young producers in Colorado. The bill contains certain provisions related to how the department of agriculture will collect, implement, and enforce the excise tax. The excise tax will be referred to voters for approval at the statewide election held in November 2026.

The bill authorizes the attorney general or a district attorney to enforce the provisions of the bill as an unfair and deceptive trade practice under the "Colorado Consumer Protection Act".

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

1 **SECTION 1. Short title.** The short title of this act is the
2 "Agricultural Data Ownership and Market Competition Act".

3 **SECTION 2. Legislative declaration.**

4 (1) The general assembly finds and declares that:

5 (a) American agricultural producers generate billions of dollars'
6 worth of data annually, including yield monitor data, soil analyses, field
7 prescriptions, weather correlations, precision agriculture measurements,
8 livestock health metrics, and operational performance data;

9 (b) Agricultural producers currently surrender this valuable data
10 to equipment manufacturers, platform companies, and data service
11 providers through opaque terms of service, often receiving no
12 compensation for the data and maintaining no control of usage of the
13 data;

14 (c) Seed companies, insurers, commodity traders, agricultural
15 technology firms, financial institutions, government agencies, and others
16 pay premium prices to equipment manufacturers, platform companies,
17 and data service providers for agricultural data insights while agricultural
18 producers receive no portion of this value;

19 (d) Data monopolies concentrate market power with equipment
20 manufacturers and platform companies, which harms agricultural
21 producers and rural communities;

22 (e) Agriculture is a critical sector of vital importance to Colorado's
23 economy, food security, and community development;

24 (f) Raw agricultural data, consisting of factual observations and
25 measurements generated directly from agricultural equipment and
26 operations, cannot be copyrighted under federal law; however, when raw
27 agricultural data is transformed through creative processes, analytical

1 methods, or proprietary algorithms, this transformed agricultural data may
2 be considered intellectual property and is eligible for full ownership
3 protection;

4 (g) Establishing clear agricultural data ownership principles that
5 recognize agricultural producers' full copyright ownership of transformed
6 agricultural data will empower agricultural producers to capture fair
7 market value for their data while promoting transparency, competition,
8 and innovation in the agricultural sector;

9 (h) Preventing excessive market concentration in agricultural data
10 collection and transformation is essential to preserving competitive
11 markets, ensuring fair prices for agricultural producers, and avoiding the
12 harms associated with monopolistic practices;

13 (i) Implementing excise tax compliance mechanisms for
14 transformed agricultural data transactions will generate state revenue,
15 create transparency regarding data value, and empower agricultural
16 producers to understand the worth of their agricultural data assets; and

17 (j) Therefore, it is in the best interests of Coloradans to establish
18 clear and comprehensive regulations on agricultural data ownership and
19 usage that support agricultural producers, the agricultural industry, and
20 local communities.

21 **SECTION 3.** In Colorado Revised Statutes, **add** article 2.5 to title
22 35 as follows:

23 **ARTICLE 2.5**

24 **Agricultural Data Ownership and**
25 **Market Competition**

26 **35-2.5-101. Definitions.**

27 AS USED IN THIS ARTICLE 2.5, UNLESS THE CONTEXT OTHERWISE

1 REQUIRES:

2 (1) "AGRICULTURAL EQUIPMENT" HAS THE MEANING SET FORTH IN
3 SECTION 6-1-1502 (1).

4 (2) "AGRICULTURAL PRODUCER" MEANS A PERSON ENGAGED IN
5 AGRICULTURAL PRODUCTION OPERATIONS AS A LANDOWNER, TENANT
6 FARMER, CONTRACT GROWER, LIVESTOCK OWNER, OR OTHER
7 AGRICULTURAL OPERATOR.

8 (3) "AGRICULTURAL PRODUCTION OPERATIONS" MEANS ANY
9 ACTIVITY CONDUCTED FOR THE PURPOSE OF PRODUCING AGRICULTURAL
10 COMMODITIES, INCLUDING CROP PRODUCTION, LIVESTOCK PRODUCTION,
11 AQUACULTURE, VITICULTURE, OR SIMILAR ACTIVITIES.

12 (4) "COMMISSIONER" MEANS THE COMMISSIONER OF
13 AGRICULTURE.

14 (5) "DATA OWNER" MEANS A PERSON THAT HOLDS OWNERSHIP
15 RIGHTS IN RAW AGRICULTURAL DATA OR OWNERSHIP RIGHTS IN
16 TRANSFORMED AGRICULTURAL DATA PURSUANT TO SECTION 35-2.5-102.

17 (6) (a) "DATA SERVICE PROVIDER" MEANS A PERSON THAT
18 COLLECTS, RECEIVES, ACCESSES, TRANSMITS, STORES, PROCESSES,
19 TRANSFORMS, AGGREGATES, ANALYZES, SELLS, LICENSES, OR OTHERWISE
20 COMMERCIALIZES RAW AGRICULTURAL DATA OR TRANSFORMED
21 AGRICULTURAL DATA.

22 (b) "DATA SERVICE PROVIDER" INCLUDES:

23 (I) AN ORIGINAL EQUIPMENT MANUFACTURER, AS DEFINED IN
24 SECTION 6-1-1502 (8);

25 (II) A PLATFORM PROVIDER THAT OPERATES A DIGITAL PLATFORM,
26 APPLICATION, OR SERVICE THROUGH WHICH RAW AGRICULTURAL DATA OR
27 TRANSFORMED AGRICULTURAL DATA IS COLLECTED, CREATED, STORED,

1 TRANSMITTED, PROCESSED, OR OTHERWISE MADE AVAILABLE;

2 (III) A DATA AGGREGATOR THAT COLLECTS, COMPILES, OR
3 PROCESSES RAW AGRICULTURAL DATA FROM MULTIPLE AGRICULTURAL
4 PRODUCERS;

5 (IV) AN ENTITY THAT TRANSFORMS RAW AGRICULTURAL DATA
6 INTO TRANSFORMED AGRICULTURAL DATA; AND

7 (V) AN ENTITY THAT SELLS, LICENSES, OR OTHERWISE
8 COMMERCIALIZES RAW AGRICULTURAL DATA OR TRANSFORMED
9 AGRICULTURAL DATA.

10 (7) "DATA TRANSACTION" MEANS ANY SALE, LICENSE, TRANSFER,
11 SUBSCRIPTION, GRANT OF ACCESS, OR OTHER COMMERCIAL EXCHANGE OF
12 TRANSFORMED AGRICULTURAL DATA OR OWNERSHIP RIGHTS, WHETHER
13 FOR A ONE-TIME PAYMENT, RECURRING FEES, ROYALTIES, OR OTHER
14 CONSIDERATION.

15 (8) "DEPARTMENT" MEANS THE DEPARTMENT OF AGRICULTURE
16 CREATED IN SECTION 35-1-103.

17 (9) "LANDOWNER" MEANS A PERSON THAT HOLDS A FEE SIMPLE,
18 LIFE ESTATE, OR OTHER POSSESSORY INTEREST IN AGRICULTURAL LAND.

19 (10) "LIVESTOCK OWNER" MEANS A PERSON THAT HOLDS
20 OWNERSHIP RIGHTS IN LIVESTOCK, AS DEFINED IN SECTION 35-1-102 (6).

21 (11) "MARKETS FOR TRANSFORMED AGRICULTURAL DATA" MEANS
22 THE COMMERCIAL CHANNELS AND PURCHASERS OF TRANSFORMED
23 AGRICULTURAL DATA, INCLUDING:

24 (a) CROP INSURANCE COMPANIES AND REINSURERS SEEKING
25 ACTUARIAL DATA AND RISK ASSESSMENTS;

26 (b) SEED COMPANIES AND AGRICULTURAL BIOTECHNOLOGY FIRMS
27 SEEKING PERFORMANCE VALIDATION DATA;

1 (c) COMMODITY TRADERS AND FUTURES MARKETS SEEKING
2 SUPPLY FORECASTS AND PRODUCTION ANALYTICS;

3 (d) AGRICULTURAL LENDERS AND FINANCIAL INSTITUTIONS
4 SEEKING CREDITWORTHINESS ASSESSMENTS AND COLLATERAL
5 VALUATIONS;

6 (e) CARBON CREDIT REGISTRIES AND ENVIRONMENTAL MARKETS
7 SEEKING SEQUESTRATION VERIFICATION;

8 (f) GOVERNMENT AGENCIES SEEKING PROGRAM COMPLIANCE
9 VERIFICATION OR STATISTICAL DATA;

10 (g) FOOD PROCESSORS AND RETAILERS SEEKING SUPPLY CHAIN
11 TRANSPARENCY AND SUSTAINABILITY DOCUMENTATION;

12 (h) AGRICULTURAL INPUT SUPPLIERS SEEKING MARKET
13 INTELLIGENCE AND DEMAND FORECASTING;

14 (i) LAND VALUATION SERVICES AND REAL ESTATE MARKETS
15 SEEKING PRODUCTIVITY ASSESSMENTS;

16 (j) RESEARCH INSTITUTIONS AND UNIVERSITIES SEEKING DATA FOR
17 AGRICULTURAL STUDIES;

18 (k) WATER DISTRICTS AND IRRIGATION AUTHORITIES SEEKING
19 USAGE OPTIMIZATION DATA; AND

20 (l) ANY OTHER COMMERCIAL, GOVERNMENTAL, ACADEMIC, OR
21 NONPROFIT ENTITY THAT DERIVES VALUE FROM TRANSFORMED
22 AGRICULTURAL DATA.

23 (12) (a) "RAW AGRICULTURAL DATA" MEANS UNPROCESSED
24 FACTUAL INFORMATION AND ALL DATA THAT IS GENERATED DIRECTLY
25 FROM AGRICULTURAL PRODUCTION OPERATIONS, AGRICULTURAL
26 EQUIPMENT OPERATIONS, OR AGRICULTURAL LAND AND THAT:

27 (I) HAS NOT BEEN CONVERTED TO TRANSFORMED AGRICULTURAL

1 DATA; AND

2 (II) CONSISTS OF FACTUAL OBSERVATIONS AND MEASUREMENTS

3 THAT CANNOT BE COPYRIGHTED UNDER FEDERAL COPYRIGHT LAW.

4 (b) "RAW AGRICULTURAL DATA" INCLUDES:

5 (I) YIELD DATA, SOIL DATA, CROP DATA, AND FIELD DATA AS

6 DIRECTLY RECORDED BY EQUIPMENT OR MANUAL OBSERVATION;

7 (II) PRECISION AGRICULTURAL DATA, INCLUDING GPS

8 COORDINATES, APPLICATION RATES, AND SENSOR READINGS;

9 (III) EQUIPMENT OPERATION DATA, DIAGNOSTIC DATA,

10 TELEMATICS DATA, AND MACHINE PERFORMANCE DATA AS GENERATED BY

11 EQUIPMENT SYSTEMS;

12 (IV) LIVESTOCK DATA, INCLUDING HEALTH RECORDS, PRODUCTION

13 METRICS, BREEDING DATA, AND PERFORMANCE MEASUREMENTS;

14 (V) WEATHER DATA, ENVIRONMENTAL DATA, AND CLIMATE DATA

15 SPECIFIC TO AGRICULTURAL PRODUCTION OPERATIONS;

16 (VI) INPUT DATA, INCLUDING SEED, FERTILIZER, PESTICIDE,

17 HERBICIDE, DIESEL EMISSION FLUID, AND FUEL USAGE DATA; AND

18 (VII) FINANCIAL DATA SPECIFIC TO AGRICULTURAL PRODUCTION

19 OPERATIONS.

20 (13) "TRANSFORMED AGRICULTURAL DATA" MEANS RAW

21 AGRICULTURAL DATA THAT HAS BEEN PROCESSED, ANALYZED,

22 AGGREGATED, COMPILED, OR OTHERWISE TRANSFORMED THROUGH THE

23 APPLICATION OF PROPRIETARY ALGORITHMS, ANALYTICAL METHODS,

24 CREATIVE ARRANGEMENT, OR OTHER INTELLECTUAL PROCESSES

25 SUFFICIENT TO PRODUCE INFORMATION THAT MAY BE COPYRIGHTED AS

26 INTELLECTUAL PROPERTY UNDER FEDERAL COPYRIGHT LAW, INCLUDING:

27 (a) AGRONOMIC ANALYSES AND RECOMMENDATIONS DERIVED

- 1 FROM RAW AGRICULTURAL DATA;
- 2 (b) PREDICTIVE MODELS AND YIELD FORECASTS BASED ON
- 3 HISTORICAL AND CURRENT DATA;
- 4 (c) FIELD PRESCRIPTIONS AND VARIABLE RATE APPLICATION MAPS;
- 5 (d) COMPARATIVE BENCHMARK REPORTS AND PERFORMANCE
- 6 ANALYSES;
- 7 (e) VALIDATED FARMING PRACTICES DOCUMENTED AND
- 8 SUBSTANTIATED THROUGH OPERATIONAL DATA;
- 9 (f) CROP INSURANCE RISK ASSESSMENTS AND ACTUARIAL
- 10 ANALYSES;
- 11 (g) CARBON SEQUESTRATION QUANTIFICATION AND
- 12 ENVIRONMENTAL CREDIT DOCUMENTATION;
- 13 (h) SUPPLY CHAIN OPTIMIZATION ANALYSES AND LOGISTICAL
- 14 MODELS;
- 15 (i) EQUIPMENT EFFICIENCY ANALYSES AND MAINTENANCE
- 16 PREDICTION MODELS;
- 17 (j) SUSTAINABILITY CERTIFICATIONS AND COMPLIANCE
- 18 DOCUMENTATION;
- 19 (k) MARKET TIMING ANALYSES AND COMMODITY TRADING
- 20 INSIGHTS;
- 21 (l) INPUT OPTIMIZATION RECOMMENDATIONS AND RESOURCE
- 22 EFFICIENCY ANALYSES; AND
- 23 (m) ANY OTHER COMPILATION, ANALYSIS, OR DERIVATIVE WORK
- 24 THAT MEETS THE ORIGINALITY THRESHOLD FOR COPYRIGHT PROTECTION
- 25 UNDER FEDERAL LAW.

26 **35-2.5-102. Raw agricultural data ownership - transformed**

27 **agricultural data ownership - rights of agricultural producers - types**

1 **of agricultural data.**

2 (1) AN AGRICULTURAL PRODUCER THAT GENERATES RAW
3 AGRICULTURAL DATA FROM THE AGRICULTURAL PRODUCER'S
4 AGRICULTURAL EQUIPMENT OR AGRICULTURAL PRODUCTION OPERATIONS
5 RETAINS OWNERSHIP OF THAT RAW AGRICULTURAL DATA AND MAY:

6 (a) ACCESS, POSSESS, AND CONTROL THE RAW AGRICULTURAL
7 DATA;

8 (b) RECEIVE COPIES OF THE RAW AGRICULTURAL DATA IN A
9 STANDARDIZED, PORTABLE, MACHINE-READABLE FORMAT FROM A DATA
10 SERVICE PROVIDER;

11 (c) SHARE THE RAW AGRICULTURAL DATA WITH A DATA SERVICE
12 PROVIDER OF THE AGRICULTURAL PRODUCER'S CHOOSING;

13 (d) REQUEST DELETION OF THE RAW AGRICULTURAL DATA FROM
14 A DATA SERVICE PROVIDER'S SYSTEMS;

15 (e) RECEIVE INFORMATION REGARDING HOW THE RAW
16 AGRICULTURAL DATA IS BEING USED, TRANSFORMED, AND
17 COMMERCIALIZED FROM A DATA SERVICE PROVIDER; AND

18 (f) RECEIVE FAIR MARKET VALUE COMPENSATION FROM A DATA
19 SERVICE PROVIDER WHEN THE RAW AGRICULTURAL DATA IS USED TO
20 CREATE TRANSFORMED AGRICULTURAL DATA OR IS OTHERWISE
21 COMMERCIALIZED.

22 (2) AN AGRICULTURAL PRODUCER THAT PROVIDES RAW
23 AGRICULTURAL DATA TO A DATA SERVICE PROVIDER THAT CONVERTS THE
24 RAW AGRICULTURAL DATA INTO TRANSFORMED AGRICULTURAL DATA HAS
25 FULL OWNERSHIP RIGHTS OF THE TRANSFORMED AGRICULTURAL DATA AND
26 MAY:

27 (a) COPYRIGHT THE TRANSFORMED AGRICULTURAL DATA;

- 1 (b) REPRODUCE THE TRANSFORMED AGRICULTURAL DATA;
- 2 (c) PREPARE OR CONTRACT FOR THE PREPARATION OF DERIVATIVE
- 3 WORKS BASED UPON THE TRANSFORMED AGRICULTURAL DATA;
- 4 (d) DISTRIBUTE COPIES OF THE TRANSFORMED AGRICULTURAL
- 5 DATA;
- 6 (e) DISPLAY THE TRANSFORMED AGRICULTURAL DATA PUBLICLY;
- 7 (f) LICENSE OR SELL THE TRANSFORMED AGRICULTURAL DATA IN
- 8 ANY MARKET AND FOR ANY LAWFUL PURPOSE; AND
- 9 (g) RECEIVE FAIR MARKET VALUE COMPENSATION FROM A DATA
- 10 SERVICE PROVIDER WHEN THE TRANSFORMED AGRICULTURAL DATA IS
- 11 COMMERCIALIZED BY OTHERS.

12 (3) (a) EXCEPT AS PROVIDED IN SUBSECTIONS (2), (4), AND (5) OF
13 THIS SECTION, RAW AGRICULTURAL DATA GENERATED BY A LANDOWNER
14 FROM CROP PRODUCTION OPERATIONS AND TRANSFORMED AGRICULTURAL
15 DATA DERIVED FROM THAT RAW AGRICULTURAL DATA BELONGS TO THE
16 LANDOWNER OF THE AGRICULTURAL LAND FROM WHICH THE RAW
17 AGRICULTURAL DATA WAS GENERATED.

18 (b) A LANDOWNER THAT LEASES LAND TO A TENANT FARMER OR
19 OTHER AGRICULTURAL PRODUCER RETAINS OWNERSHIP OF THE RAW
20 AGRICULTURAL DATA GENERATED FROM CROP PRODUCTION ON THAT
21 LAND, UNLESS OTHERWISE PROVIDED BY WRITTEN AGREEMENT BETWEEN
22 THE LANDOWNER AND THE TENANT FARMER OR OTHER AGRICULTURAL
23 PRODUCER.

24 (4) (a) RAW AGRICULTURAL DATA GENERATED FROM LIVESTOCK
25 OPERATIONS, OR LIVESTOCK DATA, AND TRANSFORMED AGRICULTURAL
26 DATA DERIVED FROM THAT RAW AGRICULTURAL DATA BELONGS TO THE
27 OWNER OF THE LIVESTOCK FROM WHICH THE RAW AGRICULTURAL DATA

1 WAS GENERATED REGARDLESS OF WHERE THE LIVESTOCK IS HOUSED OR IF
2 SOMEONE OTHER THAN THE LIVESTOCK OWNER MANAGES THE LIVESTOCK,
3 UNLESS OTHERWISE PROVIDED BY WRITTEN AGREEMENT BETWEEN THE
4 PARTIES.

5 (b) THE LANDOWNER OF THE LAND ON WHICH THE LIVESTOCK
6 OPERATIONS ARE CONDUCTED, AND THAT IS NOT THE LIVESTOCK OWNER,
7 DOES NOT OWN AND HAS NO CLAIM TO THE LIVESTOCK DATA GENERATED
8 FROM THE LIVESTOCK OPERATIONS UNLESS OTHERWISE PROVIDED BY
9 WRITTEN AGREEMENT BETWEEN THE LIVESTOCK OWNER AND THE
10 LANDOWNER.

11 (5) (a) RAW AGRICULTURAL DATA GENERATED FROM
12 AGRICULTURAL EQUIPMENT DURING AGRICULTURAL PRODUCTION
13 OPERATIONS THAT IS RELATED TO THE USE OF THE AGRICULTURAL
14 EQUIPMENT, OR EQUIPMENT OPERATION DATA, AND TRANSFORMED
15 AGRICULTURAL DATA DERIVED FROM THAT RAW AGRICULTURAL DATA
16 BELONGS TO THE OWNER OR LESSEE OF THE AGRICULTURAL EQUIPMENT AT
17 THE TIME THE RAW AGRICULTURAL DATA WAS GENERATED, UNLESS
18 OTHERWISE PROVIDED BY WRITTEN AGREEMENT BETWEEN THE PARTIES.

19 (b) IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION, AND
20 EVEN IF AGRICULTURAL EQUIPMENT IS USED DURING CROP PRODUCTION,
21 RAW AGRICULTURAL DATA GENERATED FROM CROP PRODUCTION BELONGS
22 TO THE LANDOWNER IF THE RAW AGRICULTURAL DATA IS RELATED TO THE
23 CROP PRODUCTION. IF THE RAW AGRICULTURAL DATA IS EQUIPMENT
24 OPERATION DATA AND IS RELATED TO THE USE OF THE AGRICULTURAL
25 EQUIPMENT IN THE CROP PRODUCTION, THE RAW AGRICULTURAL DATA
26 BELONGS TO THE OWNER OR LESSEE OF THE AGRICULTURAL EQUIPMENT.

27 (6) (a) A DATA OWNER'S RIGHTS REGARDING RAW AGRICULTURAL

1 DATA OR TRANSFORMED AGRICULTURAL DATA GRANTED PURSUANT TO
2 THIS ARTICLE 2.5 MAY NOT BE WAIVED OR TRANSFERRED BY A
3 BROWSEWRAP AGREEMENT, A CLICKWRAP AGREEMENT, TERMS OF
4 SERVICE, AN END USER LICENSE AGREEMENT, OR A SIMILAR INSTRUMENT.

5 (b) A DATA OWNER'S RIGHTS REGARDING RAW AGRICULTURAL
6 DATA OR TRANSFORMED AGRICULTURAL DATA MAY BE WAIVED,
7 TRANSFERRED, OR VOIDED ONLY IF THE DATA OWNER PROVIDES EXPRESS,
8 INFORMED, WRITTEN CONSENT THAT SPECIFICALLY ACKNOWLEDGES THE
9 WAIVER, TRANSFER, OR VOIDING OF THAT RIGHT.

10 (7) (a) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO
11 THE CONTRARY, THIS SECTION DOES NOT PROHIBIT PARTIES FROM
12 NEGOTIATING ALTERNATIVE OWNERSHIP AND REVENUE-SHARING
13 ARRANGEMENTS FOR RAW AGRICULTURAL DATA OR TRANSFORMED
14 AGRICULTURAL DATA THROUGH WRITTEN AGREEMENT.

15 (b) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
16 CONTRARY, AN AGRICULTURAL PRODUCER MAY NEGOTIATE OWNERSHIP
17 AND REVENUE-SHARING ARRANGEMENTS FOR THE AGRICULTURAL
18 PRODUCER'S RAW AGRICULTURAL DATA OR TRANSFORMED AGRICULTURAL
19 DATA, INCLUDING SPECIFIC SHARING ARRANGEMENTS FOR:

- 20 (I) TENANT FARMING;
- 21 (II) SHARECROPPING;
- 22 (III) CONTRACT GROWING OPERATIONS;
- 23 (IV) CUSTOM FARMING OPERATIONS; AND
- 24 (V) EQUIPMENT LEASING ARRANGEMENTS.

25 **35-2.5-103. Agricultural producer data monetization rights -**
26 **limits on data service providers - revenue sharing.**

27 (1) AN AGRICULTURAL PRODUCER MAY MONETIZE, EITHER

1 DIRECTLY OR THROUGH A DATA SERVICE PROVIDER OF THE AGRICULTURAL
2 PRODUCER'S CHOOSING, THE AGRICULTURAL PRODUCER'S TRANSFORMED
3 AGRICULTURAL DATA BY DIRECTLY SELLING, LICENSING, OR OTHERWISE
4 COMMERCIALIZING THE DATA IN MARKETS FOR TRANSFORMED
5 AGRICULTURAL DATA.

6 (2) A DATA SERVICE PROVIDER SHALL NOT:

7 (a) PREVENT, RESTRICT, OR IMPEDE AN AGRICULTURAL PRODUCER
8 FROM MONETIZING THE AGRICULTURAL PRODUCER'S TRANSFORMED
9 AGRICULTURAL DATA THROUGH THIRD PARTIES;

10 (b) LIMIT OR RESTRICT THE TYPES OF MARKETS FOR TRANSFORMED
11 AGRICULTURAL DATA THAT THE AGRICULTURAL PRODUCER MAY
12 PARTICIPATE IN;

13 (c) IMPOSE CONTRACTUAL PROVISIONS THAT GRANT THE DATA
14 SERVICE PROVIDER EXCLUSIVE RIGHTS TO THE AGRICULTURAL PRODUCER'S
15 RAW AGRICULTURAL DATA OR TRANSFORMED AGRICULTURAL DATA
16 WITHOUT FAIR MARKET VALUE COMPENSATION AND THE INFORMED
17 CONSENT OF THE AGRICULTURAL PRODUCER; OR

18 (d) DISCRIMINATE OR RETALIATE AGAINST AN AGRICULTURAL
19 PRODUCER IN TERMS, PRICING, OR SERVICE BASED ON THE AGRICULTURAL
20 PRODUCER'S MONETIZATION OF THE TRANSFORMED AGRICULTURAL DATA.

21 (3) WHEN A DATA SERVICE PROVIDER SELLS, LICENSES, OR
22 OTHERWISE COMMERCIALIZES TRANSFORMED AGRICULTURAL DATA:

23 (a) THE DATA OWNER MUST RECEIVE FAIR MARKET VALUE
24 COMPENSATION FOR THE USE OF THE DATA OWNER'S TRANSFORMED
25 AGRICULTURAL DATA, WHICH COMPENSATION SHALL BE DISCLOSED BY THE
26 DATA SERVICE PROVIDER PRIOR TO THE TRANSACTION;

27 (b) THE DATA SERVICE PROVIDER SHALL PROVIDE THE DATA

1 OWNER WITH A TRANSPARENT ACCOUNTING OF ALL TRANSACTIONS
2 INVOLVING THE DATA OWNER'S TRANSFORMED AGRICULTURAL DATA UPON
3 REQUEST, INCLUDING THE MARKETS IN WHICH THE TRANSFORMED
4 AGRICULTURAL DATA WAS SOLD;

5 (c) ANY REVENUE-SHARING ARRANGEMENTS ESTABLISHED
6 BETWEEN THE DATA OWNER AND THE DATA SERVICE PROVIDER MUST BE
7 EXECUTED BY WRITTEN AGREEMENT BETWEEN THE PARTIES AND SPECIFY
8 THE PERCENTAGE OR AMOUNT OF REVENUE THAT IS PAID TO THE DATA
9 OWNER; AND

10 (d) THE DATA SERVICE PROVIDER MAY CONTRACT WITH OTHER
11 PERSONS TO FACILITATE PAYMENT OF REVENUE SHARES TO DATA OWNERS
12 BUT SHALL NOT REDUCE OR DELAY PAYMENTS TO THE DATA OWNER.

13 **35-2.5-104. Excise tax on transformed agricultural data**
14 **transactions - administration and enforcement - exemptions - rules**
15 **- referred measure - voter approval - ballot title - estimate of revenue**
16 **- definition - repeal.**

17 (1) (a) ON OR AFTER JULY 1, 2027, IF A MAJORITY OF THE
18 ELECTORS VOTING ON THE BALLOT ISSUE VOTE "YES/FOR", THERE IS
19 LEVIED AN EXCISE TAX UPON A DATA SERVICE PROVIDER AT A RATE OF
20 THREE PERCENT OF THE NET TAXABLE SALES FROM A DATA TRANSACTION
21 INVOLVING TRANSFORMED AGRICULTURAL DATA THAT OCCURS WITHIN
22 THIS STATE OR INVOLVING AN AGRICULTURAL PRODUCER WITHIN THIS
23 STATE.

24 (b) THE DETERMINATION OF WHETHER A RETAIL SALE OCCURS IN
25 THIS STATE IS GOVERNED BY THE PROVISIONS SET FORTH IN SECTION
26 39-26-104 (3)(a)(I) TO (3)(a)(V) AND THE DEFINITIONS SET FORTH IN
27 SECTION 39-26-104 (3)(d)(I) AND (3)(d)(II).

1 (c) A DATA TRANSACTION INVOLVING ONLY RAW AGRICULTURAL
2 DATA IS NOT SUBJECT TO THE EXCISE TAX LEVIED PURSUANT TO
3 SUBSECTION (1)(a) OF THIS SECTION.

4 (2) A DATA SERVICE PROVIDER THAT FACILITATES A DATA
5 TRANSACTION INVOLVING TRANSFORMED AGRICULTURAL DATA SHALL:

6 (a) CALCULATE AND COLLECT THE APPLICABLE EXCISE TAXES ON
7 THE DATA TRANSACTION; AND

8 (b) PROVIDE EACH OWNER OF THE TRANSFORMED AGRICULTURAL
9 DATA WITH DOCUMENTATION OF ANY TAXES COLLECTED ON THE DATA
10 TRANSACTION.

11 (3) THE FOLLOWING DATA TRANSACTIONS ARE EXEMPT FROM THE
12 EXCISE TAX LEVIED PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION:

13 (a) DATA TRANSACTIONS CONDUCTED FOR RESEARCH PURPOSES BY
14 LAND-GRANT UNIVERSITIES OR AGRICULTURAL RESEARCH INSTITUTIONS;

15 (b) DATA TRANSACTIONS CONDUCTED BY GOVERNMENTAL
16 ENTITIES FOR REGULATORY OR STATISTICAL PURPOSES; AND

17 (c) DATA TRANSACTIONS WITHIN AGRICULTURAL COOPERATIVES
18 THAT ARE SOLELY FOR THE BENEFIT OF THE COOPERATIVE'S MEMBERS.

19 (4) (a) ON OR BEFORE JULY 1, 2027, THE COMMISSIONER, IN
20 CONSULTATION WITH THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF
21 REVENUE, SHALL ADOPT RULES NECESSARY TO IMPLEMENT AND ENFORCE
22 THIS SECTION, INCLUDING:

23 (I) VALUATION METHODS FOR TRANSFORMED AGRICULTURAL
24 DATA TRANSACTIONS;

25 (II) REPORTING REQUIREMENTS FOR DATA SERVICE PROVIDERS;
26 AND

27 (III) PROCEDURES FOR TAX COLLECTION AND REMITTANCE.

1 (b) (I) THE COMMISSIONER, IN CONSULTATION WITH THE
2 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, SHALL MAKE A
3 REFUND OR ALLOW A CREDIT TO ANY DATA SERVICE PROVIDER THAT
4 ESTABLISHES THAT THE DATA SERVICE PROVIDER HAS OVERPAID THE TAX
5 PURSUANT TO THIS SECTION. NO SUCH REFUND SHALL BE MADE OR CREDIT
6 ALLOWED IN AN AMOUNT GREATER THAN THE TAX PAID.

7 (II) THE DATA SERVICE PROVIDER MUST FILE ANY CLAIM FOR
8 REFUND OR CREDIT UNDER THIS SECTION WITHIN THREE YEARS AFTER THE
9 DUE DATE OF THE RETURN SHOWING THE OVERPAYMENT. THE CLAIM MUST
10 BE MADE ON FORMS PRESCRIBED BY THE COMMISSIONER AND MUST
11 INCLUDE SUCH PERTINENT INFORMATION OR DOCUMENTATION AS THE
12 COMMISSIONER MAY REQUIRE.

13 (III) UPON RECEIPT OF THE APPLICATION AND PROOF OF THE
14 MATTERS CONTAINED THEREIN, THE COMMISSIONER SHALL GIVE NOTICE
15 TO THE DATA SERVICE PROVIDER, IN WRITING, OF THE COMMISSIONER'S
16 DECISION. AGGRIEVED DATA SERVICE PROVIDERS MAY PETITION THE
17 COMMISSIONER FOR A HEARING ON THE CLAIM.

18 (c) (I) A DATA SERVICE PROVIDER SHALL KEEP COMPLETE AND
19 ACCURATE RECORDS NECESSARY FOR THE DETERMINATION OF THE
20 CORRECT TAX LIABILITY, INCLUDING INVOICES OF ANY DATA
21 TRANSACTIONS WITH A DATA OWNER CONDUCTED IN THIS STATE OR WITH
22 AGRICULTURAL PRODUCERS WITHIN THIS STATE.

23 (II) A DATA SERVICE PROVIDER SHALL PROVIDE A COPY OF THE
24 RECORDS REQUIRED TO BE KEPT PURSUANT TO SUBSECTION (4)(c)(I) OF
25 THIS SECTION, AND ANY OTHER RECORDS DEEMED NECESSARY BY THE
26 COMMISSIONER, IN CONSULTATION WITH THE EXECUTIVE DIRECTOR OF THE
27 DEPARTMENT OF REVENUE, FOR THE DETERMINATION OF THE CORRECT TAX

1 LIABILITY BY THE COMMISSIONER. THE COMMISSIONER, IN CONSULTATION
2 WITH THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, MAY
3 ESTABLISH THE ACCEPTABLE FORM OF THE RECORDS.

4 (d) (I) A DATA SERVICE PROVIDER SHALL FILE A RETURN WITH THE
5 COMMISSIONER EACH MONTH. THE RETURN, WHICH MUST BE UPON FORMS
6 PRESCRIBED AND FURNISHED BY THE COMMISSIONER, IN CONSULTATION
7 WITH THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, MUST
8 CONTAIN THE NET TAXABLE SALES FROM A DATA TRANSACTION INVOLVING
9 TRANSFORMED AGRICULTURAL DATA THAT OCCURS WITHIN THE STATE OR
10 INVOLVING AN AGRICULTURAL PRODUCER WITHIN THIS STATE, THE TAX
11 DUE THEREON, AND ANY OTHER INFORMATION THAT THE COMMISSIONER
12 MAY REASONABLY REQUIRE.

13 (II) A DATA SERVICE PROVIDER SHALL FILE THE RETURN REQUIRED
14 BY SUBSECTION (4)(d)(I) OF THIS SECTION WITH THE COMMISSIONER BY
15 THE TWENTIETH DAY OF THE MONTH FOLLOWING THE MONTH REPORTED
16 AND WITH THE REPORT SHALL REMIT THE AMOUNT OF TAX DUE. THE DATA
17 SERVICE PROVIDER SHALL FILE THE RETURN ELECTRONICALLY AND REMIT
18 THE AMOUNT OF TAX DUE BY ELECTRONIC FUNDS TRANSFER.

19 (III) THE COMMISSIONER MAY EXTEND THE TIME FOR FILING A
20 RETURN AND REMITTING THE TAX DUE FOR GOOD CAUSE SHOWN OR UNDER
21 SUCH REASONABLE RULES AS THE COMMISSIONER, IN CONSULTATION WITH
22 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, MAY ADOPT.

23 (IV) IF A DATA SERVICE PROVIDER NEGLECTS OR REFUSES TO FILE
24 A TIMELY RETURN OR PAYMENT OF THE TAX, TO PAY OR CORRECTLY
25 ACCOUNT FOR ANY TAX AS REQUIRED BY THIS SECTION, OR TO KEEP
26 COMPLETE AND ACCURATE RECORDS AS REQUIRED BY SUBSECTION (4)(c)
27 OF THIS SECTION, THE COMMISSIONER, IN CONSULTATION WITH THE

1 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, SHALL MAKE AN
2 ESTIMATE, BASED UPON THE INFORMATION AVAILABLE, OF THE AMOUNT
3 OF TAX DUE OR NOT ACCOUNTED FOR OR INCORRECTLY ACCOUNTED FOR
4 ON A RETURN FOR THE PERIOD FOR WHICH THE DATA SERVICE PROVIDER IS
5 DELINQUENT. THE COMMISSIONER, IN CONSULTATION WITH THE
6 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE, SHALL ADD TO
7 THE ESTIMATED AMOUNT OF TAX DUE OR NOT ACCOUNTED FOR OR
8 INCORRECTLY ACCOUNTED FOR INTEREST AND A PENALTY EQUAL TO TEN
9 PERCENT OF SUCH UNPAID, UNACCOUNTED, OR INCORRECTLY ACCOUNTED
10 FOR AMOUNT OF TAX, PLUS ONE-HALF PERCENT PER MONTH FROM THE
11 DATE WHEN DUE, NOT TO EXCEED EIGHTEEN PERCENT IN THE AGGREGATE.

12 **(5) Distribution of taxes collected.**

13 (a) EACH MONTH, THE STATE TREASURER SHALL CREDIT THE
14 MONEY COLLECTED FOR PAYMENT OF THE TAX LEVIED PURSUANT TO THIS
15 SECTION TO THE OLD AGE PENSION FUND CREATED IN SECTION 1 OF
16 ARTICLE XXIV OF THE STATE CONSTITUTION IN ACCORDANCE WITH
17 SECTION 2 (a) AND (f) OF ARTICLE XXIV OF THE STATE CONSTITUTION
18 AND SHALL FURTHER TRANSFER AN AMOUNT EQUAL TO THIS AMOUNT
19 FROM THE OLD AGE PENSION FUND TO THE GENERAL FUND IN ACCORDANCE
20 WITH SECTION 7 (c) OF ARTICLE XXIV OF THE STATE CONSTITUTION.

21 (b) EACH MONTH, THE STATE TREASURER SHALL TRANSFER AN
22 AMOUNT EQUAL TO THE AMOUNT OF MONEY COLLECTED FOR PAYMENT OF
23 THE TAX LEVIED PURSUANT TO THIS SECTION FROM THE GENERAL FUND TO
24 THE COLORADO AGRICULTURAL FUTURE LOAN PROGRAM CASH FUND
25 CREATED IN SECTION 35-1.2-105.

26 **(6) Submission of ballot issue - definition - repeal.**

27 (a) AS USED IN THIS SECTION, "BALLOT ISSUE" MEANS THE

1 QUESTION REFERRED TO VOTERS IN SUBSECTION (6)(b) OF THIS SECTION.

2 (b) AT THE ELECTION HELD ON NOVEMBER 3, 2026, THE
3 SECRETARY OF STATE SHALL SUBMIT TO THE REGISTERED ELECTORS OF
4 THE STATE FOR THEIR APPROVAL OR REJECTION THE FOLLOWING BALLOT
5 ISSUE: "SHALL STATE TAXES BE INCREASED BY AN ESTIMATED \$2,500,000
6 ANNUALLY BY IMPOSING AN EXCISE TAX ON COMMERCIAL TRANSACTIONS
7 INVOLVING TRANSFORMED AGRICULTURAL DATA GENERATED BY
8 COLORADO AGRICULTURAL PRODUCERS; AND USING THE TAX REVENUE
9 PRIMARILY FOR THE COLORADO AGRICULTURAL FUTURE LOAN PROGRAM
10 CASH FUND TO PROVIDE ASSISTANCE, INCLUDING EQUIPMENT FINANCING,
11 LOANS, AND LAND ACQUISITION ASSISTANCE, TO AGRICULTURAL
12 PRODUCERS THAT QUALIFY FOR THE COLORADO AGRICULTURAL FUTURE
13 LOAN PROGRAM WITH THE STATE KEEPING AND SPENDING ALL OF THE NEW
14 TAX REVENUE AS A VOTER-APPROVED REVENUE CHANGE?"

15 (c) FOR PURPOSES OF SECTION 1-5-407, THE BALLOT ISSUE IS A
16 PROPOSITION. SECTION 1-40-106 (3)(d) DOES NOT APPLY TO THE BALLOT
17 ISSUE.

18 (d) IF A MAJORITY OF THE ELECTORS VOTING ON THE BALLOT ISSUE
19 VOTE "NO/AGAINST", THEN THIS SECTION IS REPEALED, EFFECTIVE
20 JANUARY 1, 2027, AND AN EXCISE TAX ON DATA TRANSACTIONS
21 INVOLVING TRANSFORMED AGRICULTURAL DATA SHALL NOT BE
22 COLLECTED.

23 (7) NOTWITHSTANDING ANY LIMITATIONS ON REVENUE, SPENDING,
24 OR APPROPRIATIONS CONTAINED IN SECTION 20 OF ARTICLE X OF THE
25 STATE CONSTITUTION OR ANY OTHER PROVISION OF LAW, ALL REVENUE
26 GENERATED BY THE EXCISE TAX LEVIED PURSUANT TO THIS SECTION AS
27 APPROVED BY THE VOTERS AT THE STATEWIDE ELECTION IN NOVEMBER

1 2026 MAY BE COLLECTED AND SPENT AS A VOTER-APPROVED REVENUE
2 CHANGE AND SHALL NOT REQUIRE VOTER APPROVAL SUBSEQUENT TO THE
3 VOTER APPROVAL REQUIRED PURSUANT TO THIS SECTION.

4 **35-2.5-105. Enforcement - unfair or deceptive trade practice**
5 **- penalty.**

6 (1) A VIOLATION OF THIS ARTICLE 2.5 IS AN UNFAIR OR DECEPTIVE
7 TRADE PRACTICE IN ACCORDANCE WITH SECTION 6-1-105 (1)(qqqq).

8 (2) (a) IN ADDITION TO OTHER PENALTIES AVAILABLE, A DATA
9 SERVICE PROVIDER THAT VIOLATES THIS ARTICLE 2.5 IS SUBJECT TO A CIVIL
10 PENALTY OF NOT MORE THAN FIFTY THOUSAND DOLLARS PER VIOLATION.

11 (b) EXCEPT FOR ANY RELIEF AWARDED PURSUANT TO SUBSECTION
12 (3) OF THIS SECTION, ANY CIVIL PENALTIES AWARDED TO THE ATTORNEY
13 GENERAL OR THE DEPARTMENT FOR VIOLATIONS OF THIS ARTICLE 2.5
14 SHALL BE CREDITED TO THE GENERAL FUND.

15 (3) AN AGRICULTURAL PRODUCER OR DATA OWNER AGGRIEVED BY
16 A VIOLATION OF THIS ARTICLE 2.5 MAY BRING A CIVIL ACTION IN A COURT
17 OF COMPETENT JURISDICTION AND, UPON PREVAILING, SHALL BE ENTITLED
18 TO:

19 (a) ACTUAL DAMAGES OR STATUTORY DAMAGES OF UP TO TEN
20 THOUSAND DOLLARS PER VIOLATION, WHICHEVER AMOUNT IS GREATER;

21 (b) INJUNCTIVE RELIEF; AND

22 (c) REASONABLE ATTORNEY FEES AND COSTS.

23 (4) THE DEPARTMENT HAS AUTHORITY TO ENFORCE THIS ARTICLE
24 2.5 AND MAY:

25 (a) RECEIVE AND INVESTIGATE COMPLAINTS ALLEGING VIOLATIONS
26 OF THIS ARTICLE 2.5;

27 (b) REFER COMPLAINTS TO THE ATTORNEY GENERAL FOR

1 ENFORCEMENT; AND

2 (c) PUBLISH ANNUAL REPORTS ON AGRICULTURAL DATA MARKET
3 CONCENTRATION AND COMPLIANCE WITH THIS ARTICLE 2.5.

4 **35-2.5-106. Repeal of article - subject to review.**

5 THIS ARTICLE 2.5 IS REPEALED, EFFECTIVE SEPTEMBER 1, 2037.
6 BEFORE THE REPEAL, THIS ARTICLE 2.5 IS SCHEDULED FOR REVIEW IN
7 ACCORDANCE WITH SECTION 24-34-104.

8 **SECTION 4.** In Colorado Revised Statutes, 35-1.2-105, **amend**
9 (1) introductory portion and (1)(b); and **add** (1)(b.5) as follows:

10 **35-1.2-105. Colorado agricultural future loan program cash**
11 **fund - created - repeal.**

12 (1) The Colorado agricultural future loan program cash fund is
13 ~~hereby~~ created in the state treasury. The fund consists of:

14 (b) Money received as loan payments on loans issued from the
15 loan program, including interest; ~~and~~

16 (b.5) MONEY GENERATED FROM THE EXCISE TAX ON
17 AGRICULTURAL DATA TRANSACTIONS PURSUANT TO SECTION 35-2.5-104;
18 AND

19 **SECTION 5.** In Colorado Revised Statutes, 6-1-105, **add**
20 (1)(qqqq) as follows:

21 **6-1-105. Unfair or deceptive trade practices - definitions.**

22 (1) A person engages in a deceptive trade practice when, in the
23 course of the person's business, vocation, or occupation, the person:

24 (qqqq) VIOLATES ARTICLE 2.5 OF TITLE 35.

25 **SECTION 6.** In Colorado Revised Statutes, 24-34-104, **add**
26 (38)(a)(II) as follows:

27 **24-34-104. General assembly review of regulatory agencies**

1 **and functions for repeal, continuation, or reestablishment - legislative**
2 **declaration - repeal.**

3 (38) (a) The following agencies, functions, or both, are scheduled
4 for repeal on September 1, 2037:

5 (II) THE REGULATION OF DATA TRANSACTIONS INVOLVING
6 AGRICULTURAL DATA AND THE IMPACT OF THE REGULATIONS ON
7 AGRICULTURAL PRODUCTION IN COLORADO IN ACCORDANCE WITH
8 ARTICLE 2.5 OF TITLE 35.

9 **SECTION 7. Applicability.** This act applies to data transactions
10 and conduct occurring on or after July 1, 2027.

11 **SECTION 8. Safety clause.** The general assembly finds,
12 determines, and declares that this act is necessary for the immediate
13 preservation of the public peace, health, or safety or for appropriations for
14 the support and maintenance of the departments of the state and state
15 institutions.