

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-0481.01 Shelby Ross x4510

HOUSE BILL 26-1138

HOUSE SPONSORSHIP

Woog and Espenoza,

SENATE SPONSORSHIP

(None),

House Committees

Judiciary
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO PREVENT ORGANIZED RETAIL THEFT, AND,**
102 **IN CONNECTION THEREWITH, CREATING THE RETAIL THEFT**
103 **PREVENTION ADVISORY BOARD AND THE RETAIL THEFT**
104 **PREVENTION GRANT PROGRAM IN THE OFFICE OF THE**
105 **ATTORNEY GENERAL.**

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 creates the retail theft prevention advisory board (advisory board) in the office of the attorney general (AGO). The advisory board

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.*

shall develop procedures related to applying for a grant for the retail theft prevention grant program (grant program) created in the bill; review grant applications and award grants; collect and analyze data related to organized felony-level retail theft and gift card fraud trends, losses, prosecutions, and outcomes in Colorado; and develop policy recommendations in coordination with state and federal partners on how to combat felony-level retail theft and gift card fraud.

The bill creates the retail theft prevention grant program in the AGO. A state or local law enforcement agency, district attorney's office, multijurisdictional or regional task force, or tribal law enforcement agency may apply for a grant, which may be used to investigate and prosecute organized felony-level retail theft or gift card fraud; develop or invest in technology, data-sharing systems, and analytics tools to analyze felony-level retail theft and gift card fraud metrics; provide training and technical assistance to retailers or law enforcement agencies; and develop prevention and deterrence initiatives specific to felony-level retail theft and gift card fraud.

Beginning January 2028, the bill requires the AGO to annually report during its "SMART Act" hearing certain information about the grant program and felony-level retail theft in Colorado.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Organized felony-level retail theft, which is retail theft of at
5 least \$2,000, and gift card fraud pose a growing threat to public safety,
6 small businesses, large retailers, supply chains, and state and local tax
7 revenues;

8 (b) Felony-level retail theft and gift card fraud increasingly
9 involve organized criminal enterprises operating across jurisdictional
10 boundaries;

11 (c) Colorado has successfully reduced auto theft through a
12 coordinated, data-driven, grant-based approach administered by the
13 Colorado auto theft prevention authority in the department of public
14 safety; and

1 (d) A similar model, adapted to felony-level retail theft and
2 housed within the office of the attorney general, will enhance statewide
3 coordination, prosecution, prevention, and enforcement.

4 (2) The general assembly declares that the purposes of this act are
5 to:

6 (a) Establish a felony-level retail theft prevention program in the
7 office of the attorney general;

8 (b) Provide grant funding and technical assistance to local
9 governments, law enforcement agencies, prosecutors, and regional task
10 forces;

11 (c) Improve data collection, analysis, and interagency coordination
12 related to felony-level retail theft and gift card fraud; and

13 (d) Support prevention, investigation, and prosecution strategies
14 targeting organized felony-level retail theft and gift card fraud.

15 **SECTION 2.** In Colorado Revised Statutes, **add** 24-31-120 as
16 follows:

17 **24-31-120. Retail theft prevention advisory board - grant**
18 **program - rules- report - definitions - repeal.**

19 (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (a) "ADVISORY BOARD" MEANS THE RETAIL THEFT PREVENTION
22 ADVISORY BOARD CREATED IN SUBSECTION (2) OF THIS SECTION.

23 (b) "COLORADO RETAIL THEFT TASK FORCE" MEANS THE
24 STATEWIDE TASK FORCE FORMED BY THE ATTORNEY GENERAL TO PROVIDE
25 GREATER COORDINATION AMONG LAW ENFORCEMENT TO IDENTIFY,
26 DISRUPT, AND PROSECUTE ORGANIZED CRIMINAL RINGS THAT STEAL
27 GOODS FROM RETAILERS.

1 (c) "ELIGIBLE ENTITY" MEANS A LOCAL OR STATE LAW
2 ENFORCEMENT AGENCY, DISTRICT ATTORNEY'S OFFICE,
3 MULTIJURISDICTIONAL OR REGIONAL TASK FORCE, OR TRIBAL LAW
4 ENFORCEMENT AGENCY.

5 (d) "FELONY-LEVEL RETAIL THEFT" MEANS A FELONY-LEVEL THEFT
6 DESCRIBED IN SECTION 18-4-401 (2)(f) TO (2)(j) COMMITTED AGAINST A
7 RETAILER OF GOODS.

8 (e) "GRANT PROGRAM" MEANS THE RETAIL THEFT PREVENTION
9 GRANT PROGRAM CREATED IN SUBSECTION (5) OF THIS SECTION.

10 (2) **Advisory board.**

11 (a) THERE IS CREATED THE RETAIL THEFT PREVENTION ADVISORY
12 BOARD IN THE OFFICE OF THE ATTORNEY GENERAL, WHICH CONSISTS OF
13 THE FOLLOWING MEMBERS:

14 (I) THE ATTORNEY GENERAL, OR THE ATTORNEY GENERAL'S
15 DESIGNEE;

16 (II) ONE MEMBER WHO REPRESENTS THE COLORADO RETAIL THEFT
17 TASK FORCE, APPOINTED BY THE TASK FORCE;

18 (III) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC
19 SAFETY, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

20 (IV) TWO MEMBERS WHO REPRESENT LOCAL LAW ENFORCEMENT,
21 ONE APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND
22 ONE APPOINTED BY THE MINORITY LEADER OF THE HOUSE OF
23 REPRESENTATIVES;

24 (V) ONE DISTRICT ATTORNEY, OR THE DISTRICT ATTORNEY'S
25 DESIGNEE, APPOINTED BY THE EXECUTIVE DIRECTOR OF THE COLORADO
26 DISTRICT ATTORNEY'S COUNCIL;

27 (VI) THE DIRECTOR OF THE DIVISION OF CRIMINAL JUSTICE;

1 (VII) ONE PUBLIC DEFENDER, OR THE PUBLIC DEFENDER'S
2 DESIGNEE, APPOINTED BY THE STATE PUBLIC DEFENDER;

3 (VIII) ONE MEMBER WHO REPRESENTS LOCAL GOVERNMENT,
4 APPOINTED BY THE MAJORITY LEADER OF THE HOUSE OF
5 REPRESENTATIVES; AND

6 (IX) THREE NONVOTING ADVISORY MEMBERS, AS FOLLOWS:

7 (A) ONE NONVOTING MEMBER FROM A LARGE RETAILER WITH
8 MORE THAN FIVE HUNDRED EMPLOYEES, APPOINTED BY THE PRESIDENT OF
9 THE SENATE;

10 (B) ONE NONVOTING MEMBER FROM A SMALL RETAILER WITH
11 FEWER THAN TWO HUNDRED FIFTY EMPLOYEES, APPOINTED BY THE SENATE
12 MAJORITY LEADER; AND

13 (C) ONE NONVOTING MEMBER FROM A NONPROFIT RETAILER,
14 APPOINTED BY THE SENATE MINORITY LEADER.

15 (b) ADVISORY BOARD APPOINTMENTS MUST BE MADE NO LATER
16 THAN SEPTEMBER 1, 2026. THE ADVISORY BOARD SHALL SELECT A CHAIR
17 AND THE CHAIR SHALL CALL THE FIRST MEETING NO LATER THAN
18 NOVEMBER 1, 2026. THE ADVISORY BOARD SHALL MEET AT ANY TIME THE
19 BOARD DEEMS NECESSARY.

20 (3) **Duties and responsibilities.** THE ADVISORY BOARD HAS THE
21 FOLLOWING DUTIES AND RESPONSIBILITIES:

22 (a) TO DEVELOP GRANT APPLICATION DEADLINES, DATES BY WHICH
23 GRANTS MUST BE AWARDED, CRITERIA FOR GRANT AWARDS, AND THE
24 FREQUENCY OF CONSIDERATION OF GRANT APPLICATIONS;

25 (b) TO REVIEW GRANT APPLICATIONS AND AWARD GRANTS
26 PURSUANT TO SUBSECTION (4) OF THIS SECTION;

27 (c) TO COLLECT AND ANALYZE DATA RELATED TO ORGANIZED

1 FELONY-LEVEL RETAIL THEFT AND GIFT CARD FRAUD TRENDS, LOSSES,
2 PROSECUTIONS, AND OUTCOMES IN COLORADO; AND

3 (d) TO DEVELOP POLICY RECOMMENDATIONS IN COORDINATION
4 WITH STATE AND FEDERAL PARTNERS, INCLUDING THE DEPARTMENT OF
5 PUBLIC SAFETY, DISTRICT ATTORNEYS, LOCAL GOVERNMENTS, AND
6 FEDERAL LAW ENFORCEMENT AGENCIES, ON HOW TO COMBAT
7 FELONY-LEVEL RETAIL THEFT AND GIFT CARD FRAUD.

8 (4) **Grant program.**

9 (a) THE RETAIL THEFT PREVENTION GRANT PROGRAM IS CREATED
10 IN THE ATTORNEY GENERAL'S OFFICE. GRANT AWARDS MAY BE USED FOR
11 THE FOLLOWING PURPOSES:

12 (I) TO INVESTIGATE AND PROSECUTE ORGANIZED FELONY-LEVEL
13 RETAIL THEFT OR GIFT CARD FRAUD;

14 (II) TO DEVELOP OR INVEST IN TECHNOLOGY, DATA-SHARING
15 SYSTEMS, AND ANALYTICS TOOLS TO ANALYZE FELONY-LEVEL RETAIL
16 THEFT AND GIFT CARD FRAUD METRICS;

17 (III) TO PROVIDE TRAINING AND TECHNICAL ASSISTANCE TO
18 RETAILERS OR LAW ENFORCEMENT AGENCIES; AND

19 (IV) TO DEVELOP PREVENTION AND DETERRENCE INITIATIVES
20 SPECIFIC TO FELONY-LEVEL RETAIL THEFT AND GIFT CARD FRAUD.

21 (b) THE ADVISORY BOARD SHALL ADMINISTER THE GRANT
22 PROGRAM AND SHALL AWARD GRANTS AS PROVIDED IN THIS SUBSECTION
23 (4). GRANTS MUST BE PAID OUT OF GIFTS, GRANTS, AND DONATIONS
24 RECEIVED PURSUANT TO SUBSECTION (4)(e) OF THIS SECTION.

25 (c) TO RECEIVE A GRANT, AN ELIGIBLE ENTITY MUST SUBMIT AN
26 APPLICATION TO THE ADVISORY BOARD IN ACCORDANCE WITH RULES
27 ADOPTED BY THE ATTORNEY GENERAL'S OFFICE IN COLLABORATION WITH

1 THE COLORADO RETAIL THEFT TASK FORCE AND WITHIN THE DEADLINES
2 ESTABLISHED BY THE ADVISORY BOARD.

3 (d) THE ADVISORY BOARD SHALL REVIEW THE APPLICATIONS
4 RECEIVED PURSUANT TO THIS SUBSECTION (4).

5 (e) THE ATTORNEY GENERAL MAY SEEK, ACCEPT, AND EXPEND
6 GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR
7 THE PURPOSE OF AWARDING GRANTS PURSUANT TO THIS SECTION.

8 (5) **Report.** BEGINNING JANUARY 2028, AND EACH JANUARY
9 THEREAFTER, THE ATTORNEY GENERAL'S OFFICE SHALL INCLUDE, AS PART
10 OF ITS PRESENTATION DURING ITS "SMART ACT" HEARING REQUIRED BY
11 SECTION 2-7-203, THE FOLLOWING INFORMATION:

12 (a) THE GRANT RECIPIENTS AND AMOUNT OF EACH GRANT;

13 (b) OUTCOMES AND PERFORMANCE METRICS REPORTED BY GRANT
14 RECIPIENTS;

15 (c) ORGANIZED FELONY-LEVEL RETAIL THEFT TREND DATA IN
16 COLORADO; AND

17 (d) POLICY RECOMMENDATIONS THAT WOULD ASSIST THE
18 ADVISORY BOARD AND COLORADO RETAIL THEFT TASK FORCE TO REDUCE
19 FELONY-LEVEL RETAIL THEFT IN COLORADO.

20 (6) THIS SECTION IS REPEALED, EFFECTIVE NOVEMBER 1, 2029.

21 **SECTION 3. Act subject to petition - effective date.** This act
22 takes effect at 12:01 a.m. on the day following the expiration of the
23 ninety-day period after final adjournment of the general assembly (August
24 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
25 referendum petition is filed pursuant to section 1 (3) of article V of the
26 state constitution against this act or an item, section, or part of this act
27 within such period, then the act, item, section, or part will not take effect

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