

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 26-0442.03 Brita Darling x2241

HOUSE BILL 26-1327

HOUSE SPONSORSHIP

Feret, Bacon, Brown, Clifford, Garcia, Lieder, Mauro, Rutinel, Rydin, Stewart R., Titone, Velasco, Woodrow, Zokaie

SENATE SPONSORSHIP

Mullica,

House Committees

Health & Human Services
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING HEALTH-CARE SUPPORT FOR LARGE EMPLOYERS'**
102 **WORKERS, AND, IN CONNECTION THEREWITH, MAKING AN**
103 **APPROPRIATION.**

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 large employer health-care support enterprise (enterprise) to impose, assess, and collect the large employer health-care support fee (enterprise fee) in the amount of \$2,300 for each supported worker for the calendar year. A worker who is receiving medical assistance benefits under the state medical assistance program is a

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.

HOUSE
Amended 2nd Reading
May 4, 2026

supported worker (supported worker).

The business purpose of the enterprise is to help large employers retain supported workers who are not provided employer-sponsored affordable health coverage by using enterprise fee revenue to help finance the costs for medical assistance benefits for large employers' workers. This service reduces lost productivity due to worker illness and training costs to replace workers who may otherwise seek employment that provides affordable health coverage.

An employer is subject to the enterprise fee if the employer is a large employer, which is defined in the bill as an employer that has 500 or more supported workers (large employer). An employer is exempted from paying the enterprise fee if the employer:

- Provides affordable health coverage to all workers working 20 or more hours per week or 80 or more hours per month;
- Is a franchisee of the employer;
- Is a nonprofit employer;
- Is a public employer; or
- Has a collective bargaining agreement with its employees that includes health-care coverage.

Starting with a review of the 2027 calendar year, the department of health care policy and financing (HCPF) shall prepare a large employer report by March of the following calendar year that identifies large employers by their number of supported workers for the preceding calendar year. An employer may contest the employer's identification as a large employer. Once identified, a large employer shall either pay the enterprise fee for each of the large employer's supported workers or demonstrate that it provides affordable health coverage to all workers working 20 or more hours per week or 80 or more hours per month. The enterprise may adjust the amount of the enterprise fee to reflect the cost of the services, for inflation, or for other reasons. A large employer commits a petty offense and is subject to a civil penalty for failure to provide information necessary to calculate the enterprise fee or to either timely pay the enterprise fee or demonstrate that the large employer offers affordable health coverage as specified in the bill.

Enterprise revenue is used to pay for medical assistance benefits for working-age adults under the state medical assistance program and to increase reimbursement rates for health-care providers providing medical assistance program services to ensure worker access to medical services.

The enterprise is governed by the enterprise board, and the enterprise board shall report annually to the general assembly on the enterprise revenue and the enterprise's use of the enterprise revenue in support of large employers.

If the enterprise determines that retaining additional enterprise fee revenue would cause the enterprise to receive more than \$100 million dollars in its first 5 fiscal years, the state treasurer shall credit the

1 PRODUCTIVITY DUE TO WORKER ILLNESS, AND INCREASES WORKER
2 RETENTION; AND

3 (d) FURTHER, THE STATE'S INVESTMENT IN HEALTH CARE FOR
4 LARGE EMPLOYERS' WORKERS SUPPORTS A LARGE EMPLOYER'S BUSINESS
5 DECISION TO HOLD DOWN HOURS AND WAGES, WHICH REDUCES COSTS
6 BECAUSE:

7 (I) LARGE EMPLOYERS ARE NOT PROVIDING HEALTH COVERAGE
8 FOR MEDICAL CARE THAT EVERY WORKER NEEDS; AND

9 (II) THE AVAILABILITY OF MEDICAL ASSISTANCE BENEFITS
10 SUPPORT THE RETENTION OF WORKERS IN CERTAIN JOBS AND REDUCE
11 LARGE EMPLOYERS' TRAINING COSTS THAT ARISE WHEN REPLACING
12 WORKERS WHO MAY OTHERWISE SEEK EMPLOYMENT THAT PROVIDES
13 AFFORDABLE HEALTH COVERAGE.

14 (2) THE GENERAL ASSEMBLY DECLARES THAT:

15 (a) THE LARGE EMPLOYER HEALTH-CARE SUPPORT ENTERPRISE
16 PROVIDES VALUABLE BENEFITS AND BUSINESS SERVICES TO LARGE
17 EMPLOYERS BY, IN EXCHANGE FOR PAYING THE LARGE EMPLOYER
18 HEALTH-CARE SUPPORT FEE IMPOSED PURSUANT TO SECTION 25.5-1-1206,
19 USING THE FEE REVENUE TO:

20 (I) IMPROVE THE HEALTH AND PRODUCTIVITY OF WORKERS FOR
21 WHOM A LARGE EMPLOYER DOES NOT PROVIDE AFFORDABLE HEALTH
22 COVERAGE BY SUPPORTING THE AVAILABILITY OF MEDICAL ASSISTANCE
23 BENEFITS AND HEALTH-CARE PROVIDERS FOR THE LARGE EMPLOYER'S
24 WORKERS; AND

25 (II) PROVIDE REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS'
26 COSTS FOR WORKERS WHO CHOOSE TO BUY INTO AN
27 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN PURSUANT TO SECTION

1 25.5-1-1207;

2 (b) NO OTHER ENTERPRISE CREATED SIMULTANEOUSLY OR WITHIN
3 THE PRECEDING FIVE YEARS SERVES PRIMARILY THE SAME PURPOSE AS THE
4 LARGE EMPLOYER HEALTH-CARE SUPPORT ENTERPRISE AND THE
5 ENTERPRISE DOES NOT REQUIRE VOTER APPROVAL PURSUANT TO SECTION
6 24-77-108;

7 (c) IT IS NECESSARY, APPROPRIATE, AND IN THE BEST INTEREST OF
8 THE STATE TO ACKNOWLEDGE THAT, BY PROVIDING THE BENEFITS AND
9 SERVICES SPECIFIED IN THIS PART 12, THE LARGE EMPLOYER HEALTH-CARE
10 SUPPORT ENTERPRISE ENGAGES IN ACTIVITIES CONDUCTED IN THE PURSUIT
11 OF A BENEFIT, GAIN, OR LIVELIHOOD AND THEREFORE OPERATES AS A
12 BUSINESS; AND

13 (d) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
14 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896
15 P.2d 859 (COLO. 1995), THAT THE POWER TO IMPOSE TAXES IS
16 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE
17 X OF THE STATE CONSTITUTION, THE GENERAL ASSEMBLY CONCLUDES
18 THAT THE REVENUE COLLECTED BY THE ENTERPRISE IS GENERATED BY A
19 FEE, NOT A TAX, BECAUSE THE MONEY CREDITED TO THE ENTERPRISE IS:

20 (I) IMPOSED FOR THE SPECIFIC PURPOSE OF ALLOWING THE
21 ENTERPRISE TO DEFRAY THE COSTS OF PROVIDING THE BUSINESS SERVICES
22 DESCRIBED IN THIS PART 12;

23 (II) COLLECTED AT RATES THAT ARE REASONABLY CALCULATED
24 BASED ON THE COSTS OF THE SERVICES PROVIDED BY THE ENTERPRISE;
25 AND

26 (III) NOT STATE FISCAL YEAR SPENDING, AS DEFINED IN SECTION
27 24-77-102 (17), OR STATE REVENUES, AS DEFINED IN SECTION 24-77-103.6

1 (6)(c), AND DOES NOT COUNT AGAINST EITHER THE STATE FISCAL YEAR
2 SPENDING LIMIT IMPOSED BY SECTION 20 OF ARTICLE X OF THE STATE
3 CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS DEFINED IN
4 SECTION 24-77-103.6 (6)(b), SO LONG AS THE ENTERPRISE QUALIFIES AS
5 AN ENTERPRISE FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE
6 CONSTITUTION.

7 **25.5-1-1203. Definitions.**

8 AS USED IN THIS PART 12, UNLESS THE CONTEXT OTHERWISE
9 REQUIRES:

10 (1) "AFFORDABLE HEALTH COVERAGE" MEANS HEALTH COVERAGE
11 THAT IS EQUIVALENT TO THE MINIMUM ESSENTIAL COVERAGE REQUIRED
12 UNDER THE FEDERAL ACT AND THAT IS AFFORDABLE AND PROVIDES
13 MINIMUM VALUE, AS DETERMINED UNDER THE FEDERAL ACT AS IT EXISTED
14 ON DECEMBER 31, 2025.

15 (2) "BOARD" MEANS THE ENTERPRISE BOARD CREATED IN SECTION
16 25.5-1-1205.

17 (3) "DEPARTMENT OF REVENUE" MEANS THE DEPARTMENT OF
18 REVENUE CREATED IN SECTION 24-1-117.

19 (4) (a) "EMPLOYER" MEANS A PERSON THAT CONDUCTS BUSINESS
20 IN THE STATE.

21 (b) "EMPLOYER" DOES NOT INCLUDE A PERSON THAT:

22

23 (I) IS A FRANCHISEE OF THE EMPLOYER;

24 (II) IS A NONPROFIT EMPLOYER;

25 (III) IS A PUBLIC EMPLOYER, AS DEFINED IN SECTION 29-33-103 (6),

26 OR A PUBLIC ENTITY AS DEFINED IN SECTION 24-10-103 (5); OR

27 (IV) HAS A COLLECTIVE BARGAINING AGREEMENT WITH ITS

1 EMPLOYEES THAT INCLUDES AFFORDABLE HEALTH-CARE COVERAGE.

2 (5) "ENTERPRISE" MEANS THE LARGE EMPLOYER HEALTH-CARE
3 SUPPORT ENTERPRISE CREATED IN THIS PART 12.

4 (6) "FEDERAL ACT" MEANS THE "PATIENT PROTECTION AND
5 AFFORDABLE CARE ACT", PUB.L. 111-148, AS AMENDED BY THE FEDERAL
6 "HEALTH CARE AND EDUCATION RECONCILIATION ACT OF 2010", PUB.L.
7 111-152, AS AMENDED, INCLUDING ANY FEDERAL REGULATIONS ADOPTED
8 UNDER THE FEDERAL ACT.

9 (7) "FEE" MEANS THE LARGE EMPLOYER HEALTH-CARE SUPPORT
10 FEE CREATED IN SECTION 25.5-1-1206.

11 (8) "FUND" MEANS THE LARGE EMPLOYER HEALTH-CARE SUPPORT
12 FUND CREATED IN SECTION 25.5-1-1208.

13 (9) (a) "LARGE EMPLOYER" MEANS AN EMPLOYER WITH FIVE
14 HUNDRED OR MORE SUPPORTED WORKERS DURING THE IMMEDIATELY
15 PRECEDING CALENDAR YEAR.

16 (b) FOR PURPOSES OF SUBSECTION (9)(a) OF THIS SECTION, THE
17 DETERMINATION OF THE AVERAGE NUMBER OF WORKERS WHO ARE
18 RECEIVING MEDICAL ASSISTANCE BENEFITS IN THE PRECEDING CALENDER
19 YEAR DOES NOT INCLUDE:

20 (I) A WORKER WHO IS UNDER EIGHTEEN YEARS OLD; ■

21 (II) A WORKER EMPLOYED AS A SEASONAL WORKER, AS DEFINED
22 IN SECTION 8-70-103 (23.6); OR

23 (III) A WORKER WHO QUALIFIES FOR SOCIAL SECURITY DISABILITY
24 INSURANCE UNDER 42 U.S.C. SECS. 401 TO 433, SUPPLEMENTAL SECURITY
25 INCOME UNDER 42 U.S.C. SEC. 1381 ET SEQ., OR A WORKER WHO IS
26 ENROLLED IN THE MEDICAID BUY-IN PROGRAM CREATED IN SECTION
27 25.5-6-1404.

1 (10) "MEDICAL ASSISTANCE BENEFITS" MEANS BENEFITS PROVIDED
2 UNDER THE MEDICAL ASSISTANCE PROGRAM.

3 (11) "MEDICAL ASSISTANCE PROGRAM" MEANS THE STATE
4 MEDICAL ASSISTANCE PROGRAM ESTABLISHED IN ARTICLES 4, 5, AND 6 OF
5 THIS TITLE 25.5.

6 (12) "SUPPORTED WORKERS" MEANS, FOR THE CALENDAR YEAR,
7 THE AVERAGE OF THE NUMBER OF A LARGE EMPLOYER'S WORKERS WHO
8 RECEIVED MEDICAL ASSISTANCE BENEFITS FOR ANY MONTH IN THE
9 CALENDAR YEAR BEGINNING AFTER THE FIRST SIXTY DAYS OF
10 EMPLOYMENT. "SUPPORTED WORKERS" DOES NOT INCLUDE WORKERS WHO
11 QUALIFY FOR SOCIAL SECURITY DISABILITY INSURANCE UNDER 42 U.S.C.
12 SECS. 401 TO 433 OR SUPPLEMENTAL SECURITY INCOME UNDER 42 U.S.C.
13 SEC. 1381 ET SEQ.

14 (13) "WORKER" MEANS AN EMPLOYEE, AS DEFINED IN SECTION
15 8-4-101 (5), OF A LARGE EMPLOYER.

16 **25.5-1-1204. Large employer health-care support enterprise**
17 **- creation - purpose - reporting - repeal.**

18 (1) THERE IS CREATED THE LARGE EMPLOYER HEALTH-CARE
19 SUPPORT ENTERPRISE. THE ENTERPRISE IS AND OPERATES AS A
20 GOVERNMENT-OWNED BUSINESS WITHIN THE STATE DEPARTMENT FOR THE
21 PURPOSE OF CONDUCTING THE BUSINESS ACTIVITIES DESCRIBED IN
22 SUBSECTION (2) OF THIS SECTION. THE ENTERPRISE IS A **TYPE 1** ENTITY, AS
23 DEFINED IN SECTION 24-1-105, AND EXERCISES ITS POWERS AND PERFORMS
24 ITS DUTIES AND FUNCTIONS UNDER THE STATE DEPARTMENT.

25 (2) THE ENTERPRISE IS CREATED FOR THE BUSINESS PURPOSE OF
26 IMPOSING, ASSESSING, AND COLLECTING THE LARGE EMPLOYER
27 HEALTH-CARE SUPPORT FEE PURSUANT TO SECTION 25.5-1-1206 AND TO

1 USE THE FEE REVENUE TO SUPPORT THE HEALTH, PRODUCTIVITY, AND
2 RETENTION OF A LARGE EMPLOYER'S SUPPORTED WORKERS BY, AS
3 DETERMINED BY THE BOARD:

4 (a) SUPPORTING THE PAYMENT OF MEDICAL ASSISTANCE PROGRAM
5 PREMIUMS FOR WORKERS RECEIVING MEDICAL ASSISTANCE BENEFITS
6 WHOSE COVERAGE IS NOT FUNDED BY THE HEALTHCARE AFFORDABILITY
7 AND SUSTAINABILITY HOSPITAL PROVIDER FEE CASH FUND PURSUANT TO
8 SECTION 25.5-4-402.4 (5)(b)(IV) AND ENSURING ACCESS TO HEALTH-CARE
9 PROVIDERS; AND

10 (b) PROVIDING REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS'
11 COSTS FOR WORKERS WHO CHOOSE TO BUY INTO AN
12 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN PURSUANT TO SECTION
13 25.5-1-1207.

14
15 (3) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR PURPOSES
16 OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO LONG AS IT
17 RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND RECEIVES LESS
18 THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS, AS DEFINED IN
19 SECTION 24-77-102 (7), FROM ALL COLORADO STATE AND LOCAL
20 GOVERNMENTS COMBINED. SO LONG AS IT CONSTITUTES AN ENTERPRISE,
21 THE ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE
22 STATE CONSTITUTION.

23 (4) IN FURTHERANCE OF THE BUSINESS PURPOSES OF THE
24 ENTERPRISE AND TO FULLY EXERCISE ITS POWERS AND DUTIES THROUGH
25 THE BOARD, THE ENTERPRISE HAS THE POWER AND DUTY TO:

26 (a) IMPOSE, ASSESS, AND COLLECT THE LARGE EMPLOYER
27 HEALTH-CARE SUPPORT FEE PURSUANT TO SECTION 25.5-1-1206;

1 (b) ISSUE REVENUE BONDS PAYABLE FROM THE REVENUE OF THE
2 ENTERPRISE;

3 (c) PAY THE REASONABLE, DIRECT, AND INDIRECT ADMINISTRATIVE
4 COSTS OF THE ENTERPRISE, INCLUDING THE REASONABLE ADMINISTRATIVE
5 COSTS OF THE STATE DEPARTMENT AND THE DEPARTMENT OF REVENUE IN
6 CONNECTION WITH THEIR DUTIES RELATING TO THE FEE;

7 (d) (I) ENTER INTO CONTRACTS WITH THIRD PARTIES, INCLUDING
8 THE STATE DEPARTMENT, TO ENGAGE THE SERVICES OF PUBLIC OR PRIVATE
9 ENTITIES, CONTRACTORS, OR CONSULTANTS FOR PROFESSIONAL AND
10 TECHNICAL ASSISTANCE AND TO PROVIDE ADVICE AND OTHER SERVICES
11 RELATED TO CONDUCTING THE AFFAIRS OF THE ENTERPRISE.

12 (II) THE STATE DEPARTMENT SHALL PROVIDE OFFICE SPACE AND
13 ADMINISTRATIVE STAFF TO THE ENTERPRISE, AS NEEDED, AT FAIR MARKET
14 RATES, PURSUANT TO A CONTRACT ENTERED INTO PURSUANT TO THIS
15 SUBSECTION (4)(d).

16 (e) ADOPT, AMEND, OR REPEAL RULES OR POLICIES FOR THE
17 REGULATION OF THE ENTERPRISE'S AFFAIRS AND THE CONDUCT OF THE
18 ENTERPRISE'S BUSINESS CONSISTENT WITH THIS PART 12;

19 (f) ENGAGE THE ATTORNEY GENERAL'S OFFICE FOR LEGAL
20 SERVICES;

21 (g) ENGAGE THE STATE DEPARTMENT AS NECESSARY TO REVIEW
22 ADMINISTRATIVE DATA FOR PURPOSES OF IDENTIFYING LARGE EMPLOYERS
23 AND DETERMINING A LARGE EMPLOYER'S NUMBER OF SUPPORTED
24 WORKERS;

25 (h) ENGAGE THE DEPARTMENT OF REVENUE TO COLLECT AND
26 ENFORCE THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE;

27 (i) PREPARE AND SUBMIT AN ANNUAL REPORT OF THE ENTERPRISE'S

1 ACTIVITIES AND FUNDING PURSUANT TO SUBSECTION (6) OF THIS SECTION;

2 (j) SEEK, ACCEPT, AND EXPEND GRANTS OR OTHER MONEY FROM
3 THE FEDERAL GOVERNMENT, INCLUDING MATCHING MONEY FOR THE
4 MEDICAL ASSISTANCE PROGRAM, IF AVAILABLE, AND GIFTS, GRANTS, OR
5 DONATIONS FROM OTHER PUBLIC AND PRIVATE SOURCES TO SUPPORT AND
6 ENHANCE ENTERPRISE ACTIVITIES; EXCEPT THAT THE ENTERPRISE SHALL
7 NOT ACCEPT GRANTS FROM THE STATE OR FROM LOCAL GOVERNMENTS
8 UNLESS THE COMBINED TOTAL OF ALL GRANTS FROM SUCH SOURCES IS
9 UNDER TEN PERCENT OF THE ENTERPRISE'S ANNUAL REVENUE; AND

10 (k) EXERCISE ALL RIGHTS AND POWERS NECESSARY OR INCIDENTAL
11 TO OR IMPLIED FROM THE SPECIFIC POWERS AND DUTIES GRANTED IN THIS
12 PART 12.

13 (5) (a) (I) ON OR AFTER THE EFFECTIVE DATE OF THIS PART 12, THE
14 STATE TREASURER MAY TRANSFER MONEY FROM THE GENERAL FUND TO
15 THE FUND FOR THE PURPOSE OF DEFRAYING EXPENSES INCURRED BY THE
16 ENTERPRISE BEFORE IT RECEIVES FEE REVENUE OR REVENUE BOND
17 PROCEEDS. NOTWITHSTANDING ANY OTHER LAW, THE ENTERPRISE MAY
18 ACCEPT AND EXPEND ANY MONEY SO TRANSFERRED, AND,
19 NOTWITHSTANDING ANY STATE FISCAL RULE OR GENERALLY ACCEPTED
20 ACCOUNTING PRINCIPLE THAT COULD OTHERWISE BE INTERPRETED TO
21 REQUIRE A CONTRARY CONCLUSION, THE TRANSFER IS A LOAN FROM THE
22 STATE TREASURER TO THE ENTERPRISE THAT IS REQUIRED TO BE REPAYED
23 AND IS NOT A GRANT FOR PURPOSES OF SECTION 20 (2)(d) OF ARTICLE X OF
24 THE STATE CONSTITUTION OR AS DEFINED IN SECTION 24-77-102 (7). ALL
25 MONEY TRANSFERRED AS A LOAN TO THE ENTERPRISE IS CREDITED TO THE
26 FUND OR TO AN ACCOUNT WITHIN THE FUND. LOAN LIABILITIES THAT ARE
27 RECORDED IN THE FUND BUT THAT ARE NOT REQUIRED TO BE PAID IN THE

1 CURRENT FISCAL YEAR SHALL NOT BE CONSIDERED WHEN CALCULATING
2 SUFFICIENT STATUTORY FUND BALANCE FOR PURPOSES OF SECTION
3 24-75-109.

4 (II) NO LATER THAN JULY 1, 2029, THE ENTERPRISE SHALL REPAY
5 ANY LOAN RECEIVED PURSUANT TO SUBSECTION (5)(a)(I) OF THIS SECTION
6 AND ACCUMULATED INTEREST. INTEREST ACCRUES ON THE MONEY
7 BORROWED AT A RATE PER ANNUM ON THE MOST RECENTLY ISSUED
8 TEN-YEAR UNITED STATES TREASURY NOTE, ROUNDED TO THE NEAREST
9 ONE-TENTH OF ONE PERCENT, AS REPORTED BY THE "WALL STREET
10 JOURNAL" AS OF THE DATE THE TRANSFER IS MADE, BEGINNING ON THAT
11 DATE AND CONTINUING UNTIL THE DATE ON WHICH THE MONEY IS REPAYED.

12 (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2030.

13 (6) THE ENTERPRISE SHALL PREPARE AN ANNUAL REPORT
14 REGARDING ITS ACTIVITIES AND FUNDING AND PRESENT THE REPORT TO
15 THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN SERVICES
16 COMMITTEE AND THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE,
17 OR THEIR SUCCESSOR COMMITTEES. THE ENTERPRISE SHALL ALSO POST
18 THE ANNUAL REPORT ON A PUBLIC-FACING WEBSITE. NOTWITHSTANDING
19 THE REQUIREMENT IN SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT TO
20 SUBMIT A REPORT PURSUANT TO THIS SUBSECTION (6) CONTINUES
21 INDEFINITELY.

22 (7) (a) THE [REDACTED] BOARD IS SUBJECT TO THE OPEN MEETINGS
23 PROVISIONS OF THE "COLORADO SUNSHINE ACT OF 1972", CONTAINED IN
24 PART 4 OF ARTICLE 6 OF TITLE 24. EXCEPT AS MAY OTHERWISE BE
25 PROVIDED BY FEDERAL LAW OR STATE LAW, THE RECORDS OF THE
26 ENTERPRISE ARE PUBLIC RECORDS, AS DEFINED IN SECTION 24-72-202 (6),
27 AND ARE SUBJECT TO THE "COLORADO OPEN RECORDS ACT", PART 2 OF

1 ARTICLE 72 OF TITLE 24.

2 (b) NOTHING IN THIS PART 12 AUTHORIZES THE DISCLOSURE TO
3 THE PUBLIC BY THE ENTERPRISE, THE BOARD, THE STATE, OR AN EMPLOYER
4 OR ITS AGENT OF ANY INFORMATION THAT WOULD IDENTIFY A SPECIFIC
5 WORKER OR A SPECIFIC WORKER'S STATUS AS A RECIPIENT OF MEDICAL
6 ASSISTANCE BENEFITS.

7 (8) THE ENTERPRISE IS A PUBLIC ENTITY FOR PURPOSES OF PART 2
8 OF ARTICLE 57 OF TITLE 11.

9 **25.5-1-1205. Enterprise board of directors - creation -**
10 **appointment - duties - rules - repeal.**

11 (1) THE LARGE EMPLOYER HEALTH-CARE SUPPORT ENTERPRISE IS
12 GOVERNED BY THE ENTERPRISE BOARD OF DIRECTORS. THE BOARD
13 CONSISTS OF THE FOLLOWING NINE VOTING MEMBERS:

14 (a) THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S
15 DESIGNEE; AND

16 (b) EIGHT MEMBERS APPOINTED BY THE GOVERNOR WITH THE
17 ADVICE AND CONSENT OF THE SENATE, INCLUDING:

18 (I) TWO MEMBERS WHO ARE HEALTH-CARE PROVIDERS WHO SERVE
19 PATIENTS WHO RECEIVE MEDICAL ASSISTANCE BENEFITS;

20 (II) ONE MEMBER WHO IS A WORKER WHO RECEIVES OR HAS
21 RECEIVED MEDICAL ASSISTANCE BENEFITS WHILE EMPLOYED;

22 (III) ONE MEMBER WHO REPRESENTS A LOCAL CHAMBER OF
23 COMMERCE;

24 (IV) ONE MEMBER WHO REPRESENTS A LARGE EMPLOYER; ■

25 (V) ONE MEMBER WHO REPRESENTS A COUNTY DEPARTMENT OF
26 HUMAN OR SOCIAL SERVICES;

27 (VI) ONE MEMBER WHO REPRESENTS A LABOR ORGANIZATION;

1 AND

2 (VII) ONE MEMBER WHO HAS EXPERTISE IN HEALTH INSURANCE.

3 (2) (a) NOTWITHSTANDING SUBSECTION (4)(a) OF THIS SECTION, OF
4 THE FIRST MEMBERS APPOINTED TO THE BOARD PURSUANT TO SUBSECTION
5 (1)(b) OF THIS SECTION, TWO MEMBERS SHALL SERVE AN INITIAL TERM OF
6 TWO YEARS.

7 (b) THE GOVERNOR SHALL MAKE THE INITIAL APPOINTMENTS TO
8 THE BOARD NO LATER THAN NOVEMBER 1, 2026.

9 (c) THIS SUBSECTION (2) IS REPEALED, EFFECTIVE JULY 1, 2027.

10 (3) THE EXECUTIVE DIRECTOR OR THE EXECUTIVE DIRECTOR'S
11 DESIGNEE IS THE CHAIR OF THE BOARD.

12 (4) (a) MEMBERS OF THE BOARD APPOINTED BY THE GOVERNOR
13 SERVE THREE-YEAR TERMS AND SERVE AT THE PLEASURE OF THE
14 GOVERNOR AND MAY BE REMOVED BY THE GOVERNOR. A MEMBER OF THE
15 BOARD MAY SERVE AN UNLIMITED NUMBER OF CONSECUTIVE TERMS.

16 (b) A MEMBER APPOINTED TO FILL A VACANCY SERVES THE
17 REMAINDER OF THE UNEXPIRED TERM OF THE MEMBER WHOSE VACANCY
18 IS BEING FILLED.

19 (c) MEMBERS OF THE BOARD SERVE WITHOUT COMPENSATION BUT
20 MAY BE REIMBURSED FROM MONEY IN THE FUND FOR ACTUAL,
21 REASONABLE, AND NECESSARY EXPENSES, INCLUDING TRAVEL, FOOD, AND
22 LODGING, INCURRED IN THE PERFORMANCE OF THEIR OFFICIAL DUTIES
23 PURSUANT TO THIS PART 12.

24 (5) THE BOARD SHALL MEET AS OFTEN AS NECESSARY TO CARRY
25 OUT ITS DUTIES. THE BOARD HAS THE POWER AND DUTY TO:

26 (a) IMPLEMENT AND ADMINISTER THE ENTERPRISE;

27 (b) ESTABLISH BYLAWS, AS APPROPRIATE AND CONSISTENT WITH

1 THIS PART 12, FOR THE BOARD'S EFFECTIVE OPERATION;

2 (c) ESTABLISH ADMINISTRATIVE AND ACCOUNTING PROCEDURES
3 FOR THE OPERATION OF THE ENTERPRISE;

4 (d) PRIOR TO THE IMPLEMENTATION OF ENTERPRISE SERVICES, AND
5 AS NECESSARY OR APPROPRIATE THEREAFTER, ADOPT RULES OR POLICIES
6 CONCERNING:

7 (I) THE DETERMINATION AND CALCULATION OF AN EMPLOYER'S
8 SUPPORTED WORKERS;

9 (II) THE DETERMINATION OF THE AMOUNT OF THE FEE PAID BY
10 EACH LARGE EMPLOYER; ■

11 (III) THE USE OF ENTERPRISE REVENUE TO SUPPORT THE PAYMENT
12 OF MEDICAL ASSISTANCE PROGRAM PREMIUMS FOR WORKERS RECEIVING
13 MEDICAL ASSISTANCE BENEFITS WHOSE COVERAGE IS NOT FUNDED BY THE
14 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY HOSPITAL PROVIDER
15 FEE CASH FUND PURSUANT TO SECTION 25.5-4-402.4 (5)(b)(IV) AND TO
16 ENSURE THE AVAILABILITY OF HEALTH-CARE PROVIDERS WHO SERVE
17 SUPPORTED WORKERS; AND

18 (IV) REIMBURSEMENT GRANTS FOR LARGE EMPLOYERS' COSTS FOR
19 WORKERS WHO CHOOSE TO BUY INTO AN EMPLOYER-SPONSORED HEALTH
20 BENEFIT PLAN PURSUANT TO SECTION 25.5-1-1207; AND

21 (e) NO LATER THAN SEPTEMBER 1, 2028, AND NO LATER THAN
22 SEPTEMBER 1, EACH YEAR THEREAFTER, THE BOARD SHALL DETERMINE
23 THE PERCENTAGE ALLOCATION OF FEE REVENUE FOR THE USES OF
24 ENTERPRISE REVENUE SPECIFIED IN SUBSECTIONS (5)(d)(III) AND
25 (5)(d)(IV) OF THIS SECTION.

26 **25.5-1-1206. Large employer health-care support fee - annual**
27 **employer report - imposition and collection of enterprise fee - penalty**

1 **- rules - repeal.**

2 (1) FOR THE 2027 CALENDAR YEAR, AND CONTINUING EACH
3 CALENDAR YEAR THEREAFTER, THE ENTERPRISE SHALL IMPOSE, ASSESS,
4 AND COLLECT THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE FROM
5 EACH LARGE EMPLOYER.

6 (2) (a) (I) ON OR BEFORE JANUARY 31, 2028, AND NO LATER THAN
7 EACH JANUARY 31 THEREAFTER, EVERY EMPLOYER THAT EMPLOYED FIVE
8 HUNDRED OR MORE EMPLOYEES IN THE STATE AT ANY TIME DURING THE
9 PRECEDING CALENDAR YEAR SHALL REPORT TO THE ENTERPRISE THE
10 EMPLOYER'S FEDERAL EMPLOYER IDENTIFICATION NUMBER, THE AVERAGE
11 NUMBER OF FULL-TIME, PART-TIME, AND 1099 EMPLOYEES, AND THE
12 NUMBER OF INDIVIDUALS SUBCONTRACTED FOR THE PRIMARY WORK OF
13 THE EMPLOYER, AND, WITH RESPECT TO EACH OF THE EMPLOYER'S
14 EMPLOYEES THAT WERE EMPLOYED AT ANY TIME DURING THE PRECEDING
15 CALENDAR YEAR:

16 (A) THE EMPLOYEE'S FULL LEGAL NAME AND DATE OF BIRTH;

17 (B) THE DATES WHEN THE EMPLOYEE WAS EMPLOYED DURING THE
18 YEAR;

19 (C) THE AVERAGE NUMBER OF HOURS WORKED PER MONTH FOR
20 EACH EMPLOYEE; AND

21 (D) ANY OTHER INFORMATION REQUIRED BY THE ENTERPRISE.

22 (II) THE ENTERPRISE MAY REQUIRE AN EMPLOYER TO FILE THE
23 REPORT REQUIRED PURSUANT TO SUBSECTION (2)(a)(I) OF THIS SECTION
24 ELECTRONICALLY.

25 (III) THE ENTERPRISE MAY EXEMPT AN EMPLOYER FROM FILING
26 THE REPORT REQUIRED PURSUANT TO SUBSECTION (2)(a)(I) OF THIS
27 SECTION IF THE EMPLOYER DEMONSTRATES TO THE ENTERPRISE, IN THE

1 FORM AND MANNER DETERMINED BY THE ENTERPRISE, THAT THE
2 EMPLOYER PROVIDES AFFORDABLE HEALTH COVERAGE TO ALL WORKERS
3 WORKING TWENTY OR MORE HOURS PER WEEK OR EIGHTY OR MORE HOURS
4 PER MONTH.

5 (IV) (A) IF AN EMPLOYER NEGLECTS OR REFUSES TO FILE A REPORT
6 PURSUANT TO SUBSECTION (2)(a)(I) OF THIS SECTION, OR TO PROVIDE A
7 COPY OF RECORDS AS SET FORTH IN SUBSECTION (2)(e) OF THIS SECTION,
8 THE ENTERPRISE SHALL ESTIMATE THE AMOUNT OF THE LARGE EMPLOYER
9 HEALTH-CARE SUPPORT FEE DUE USING THE BEST INFORMATION THAT MAY
10 BE AVAILABLE. THE AMOUNT OF THE FEE MAY BE ESTIMATED AND
11 ASSESSED BY THE ENTERPRISE AT ANY TIME WITHIN THREE YEARS AFTER
12 THE REPORT IS DUE.

13 (B) IF AN EMPLOYER FILES A REPORT PURSUANT TO SUBSECTION
14 (2)(a)(I) OF THIS SECTION, AND THERE IS A REASONABLE BELIEF BASED ON
15 THE INFORMATION PROVIDED IN THE REPORT OR FROM INFORMATION
16 SUBMITTED IN PRIOR OR SUBSEQUENT ANNUAL EMPLOYER REPORTS THAT
17 THE EMPLOYER HAS INTENTIONALLY MISCLASSIFIED OR RECLASSIFIED
18 EMPLOYEES AS FULL-TIME, PART-TIME, 1099, OR SUBCONTRACTED
19 EMPLOYEES TO AVOID PAYING THE FEE, THE ENTERPRISE SHALL SEND A
20 NOTICE OF REVIEW TO THE EMPLOYER AND PERMIT THE EMPLOYER TO
21 SUBMIT CORRECTED OR UPDATED INFORMATION. THE EMPLOYER MUST
22 SUBMIT CORRECTED OR UPDATED INFORMATION TO THE ENTERPRISE
23 WITHIN THIRTY DAYS. THE EMPLOYER MAY REQUEST A HEARING ON THE
24 INFORMATION IN THE REPORT OR THE CORRECTED OR UPDATED
25 INFORMATION. IF, AFTER THE REVIEW IS COMPLETED, THE ENTERPRISE
26 DETERMINES THAT THE EMPLOYER HAS INTENTIONALLY MISCLASSIFIED OR
27 RECLASSIFIED EMPLOYEES IN AN ANNUAL EMPLOYER REPORT, THE

1 EMPLOYER IS SUBJECT TO A FINE OF UP TO THAN FIVE THOUSAND DOLLARS
2 FOR EACH MISCLASSIFIED OR RECLASSIFIED EMPLOYEE.

3 (b) (I) ON OR BEFORE MARCH 31, 2028, AND NO LATER THAN EACH
4 MARCH 31 THEREAFTER, THE ENTERPRISE SHALL DETERMINE WHETHER AN
5 EMPLOYER IS A LARGE EMPLOYER, CALCULATE AND IMPOSE THE LARGE
6 EMPLOYER HEALTH-CARE SUPPORT FEE DUE FOR EACH LARGE EMPLOYER,
7 AND SEND WRITTEN NOTICE PURSUANT TO SUBSECTION (2)(b)(IV) OF THIS
8 SECTION TO EACH LARGE EMPLOYER AND TO THE DEPARTMENT OF
9 REVENUE.

10 (II) THE ENTERPRISE SHALL DETERMINE THE AMOUNT OF THE FEE
11 THAT IS REASONABLE BASED ON THE COST OF SERVICES PROVIDED TO
12 LARGE EMPLOYERS, INCLUDING MEDICAL ASSISTANCE SERVICES PROVIDED
13 TO SUPPORTED WORKERS, WHICH FEE AMOUNT THE ENTERPRISE MAY
14 ADJUST PURSUANT TO SUBSECTION (4) OF THIS SECTION.

15 (III) THE ENTERPRISE SHALL DETERMINE THE NUMBER OF
16 SUPPORTED WORKERS FOR EACH EMPLOYER USING AVAILABLE
17 ADMINISTRATIVE DATA AND DATA FROM THE ANNUAL EMPLOYER REPORT
18 REQUIRED PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION. THE
19 ENTERPRISE SHALL ENTER INTO DATA-SHARING AGREEMENTS WITH THE
20 DEPARTMENT OF REVENUE AND THE DEPARTMENT OF LABOR AND
21 EMPLOYMENT, IN ADDITION TO ANY OTHER AGENCIES WITH DATA
22 NECESSARY TO IMPLEMENT THIS SECTION.

23 (IV) THE ENTERPRISE SHALL ISSUE TO EACH LARGE EMPLOYER AND
24 TRANSMIT TO THE DEPARTMENT OF REVENUE A WRITTEN NOTICE OF THE
25 AMOUNT OF THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE DUE,
26 INSTRUCTIONS FOR PAYING THE FEE, AND AN EXPLANATION OF THE
27 PROCEDURE TO REVIEW THE IDENTIFICATION AS A LARGE EMPLOYER, TO

1 REVIEW THE CALCULATION OF SUPPORTED WORKERS, OR TO CLAIM THE
2 EXEMPTION FROM THE FEE SPECIFIED IN SUBSECTION (2)(d) OF THIS
3 SECTION. EXCEPT AS PROVIDED IN SUBSECTION (2)(c)(I) OF THIS SECTION,
4 A LARGE EMPLOYER SHALL PAY THE LARGE EMPLOYER HEALTH-CARE
5 SUPPORT FEE BY AUGUST 1, 2028, AND NO LATER THAN AUGUST 1
6 THEREAFTER IN THE CALENDAR YEAR IN WHICH THE FEE IS IMPOSED
7 PURSUANT TO SUBSECTION (2)(c)(II) OF THIS SECTION.

8 (c) (I) WITHIN SIXTY DAYS AFTER THE DATE OF THE NOTICE ISSUED
9 PURSUANT TO SUBSECTION (2)(b)(IV) OF THIS SECTION, THE EMPLOYER TO
10 WHOM NOTICE WAS ISSUED MAY FILE WITH THE ENTERPRISE A WRITTEN
11 REQUEST FOR REVIEW. THE REQUEST MUST SET FORTH THE REASONS FOR
12 REQUESTED CHANGES TO THE NOTICE. THE REQUEST MAY STATE A CLAIM
13 OF EXEMPTION FROM THE FEE PURSUANT TO SUBSECTION (2)(d) OF THIS
14 SECTION. THE EMPLOYER REQUESTING REVIEW HAS THE BURDEN OF PROOF
15 WITH RESPECT TO ISSUES RAISED IN THE REQUEST. THE ENTERPRISE SHALL
16 NOTIFY THE DEPARTMENT OF REVENUE WHEN A REQUEST FOR REVIEW IS
17 MADE BY AN EMPLOYER, AND THE DEPARTMENT OF REVENUE SHALL HOLD
18 IN ABEYANCE ANY ACTION TO COLLECT THE FEE UNTIL THE DEPARTMENT
19 OF REVENUE RECEIVES NOTICE OF THE ENTERPRISE'S FINAL
20 DETERMINATION PURSUANT TO SUBSECTION (2)(c)(II) OF THIS SECTION.

21 (II) UNLESS THE ENTERPRISE SUMMARILY CANCELS THE NOTICE,
22 THE ENTERPRISE SHALL HOLD A HEARING ON THE REQUEST FOR REVIEW.
23 BASED UPON THE EVIDENCE PRESENTED AT THE HEARING OR FILED WITH
24 THE REQUEST, THE ENTERPRISE SHALL MAKE A FINAL DETERMINATION ON
25 THE REQUEST. THE ENTERPRISE MAY AFFIRM, MODIFY, OR CANCEL THE
26 NOTICE OR MAY GRANT AN EXEMPTION PURSUANT TO SUBSECTION
27 (2)(d)(I) OF THIS SECTION. AN EMPLOYER IS NOT ENTITLED TO A SECOND

1 HEARING REGARDING THE NOTICE. THE ENTERPRISE SHALL PROVIDE
2 WRITTEN NOTICE OF ITS FINAL DETERMINATION TO THE EMPLOYER AND TO
3 THE DEPARTMENT OF REVENUE. THE LARGE EMPLOYER SHALL PAY THE
4 AMOUNT FOUND BY THE ENTERPRISE TO BE DUE WITHIN SIXTY DAYS AFTER
5 THE MAILING OF THE FINAL DETERMINATION.

6 (d) (I) ONCE THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE
7 IS IMPOSED, THE ENTERPRISE SHALL EXEMPT A LARGE EMPLOYER FROM
8 PAYMENT OF THE FEE IF THE LARGE EMPLOYER DEMONSTRATES THAT THE
9 LARGE EMPLOYER HAS OFFERED AFFORDABLE HEALTH COVERAGE TO
10 WORKERS WHO WORK TWENTY OR MORE HOURS PER WEEK OR EIGHTY OR
11 MORE HOURS PER MONTH.

12 (II) IF AT ANY TIME DURING THE THREE YEARS FOLLOWING THE
13 GRANTING OF THE EXEMPTION BY THE ENTERPRISE THE LARGE EMPLOYER
14 CEASES OFFERING AFFORDABLE HEALTH COVERAGE TO EACH WORKER WHO
15 WORKS TWENTY OR MORE HOURS PER WEEK OR EIGHTY OR MORE HOURS
16 PER MONTH, THE LARGE EMPLOYER SHALL NOTIFY THE ENTERPRISE THAT
17 COVERAGE HAS CEASED. THE ENTERPRISE SHALL COMPUTE THE LARGE
18 EMPLOYER HEALTH-CARE SUPPORT FEE THAT WOULD HAVE BEEN IMPOSED
19 SINCE THE DATE THE EXEMPTION WAS GRANTED AND ISSUE THE LARGE
20 EMPLOYER THE NOTICE REQUIRED BY SUBSECTION (2)(b)(IV) OF THIS
21 SECTION. THE LARGE EMPLOYER MAY REQUEST REVIEW OF THE NOTICE AS
22 SET FORTH IN SUBSECTION (2)(c) OF THIS SECTION.

23 (e) EVERY EMPLOYER DOING BUSINESS IN THE STATE THAT
24 EMPLOYS FIVE HUNDRED OR MORE EMPLOYEES DURING THE CALENDAR
25 YEAR SHALL KEEP COMPLETE AND ACCURATE RECORDS NECESSARY FOR
26 THE DETERMINATION OF THE CORRECT AMOUNT OF THE LARGE EMPLOYER
27 HEALTH-CARE SUPPORT FEE BY THE ENTERPRISE. AN EMPLOYER SHALL

1 PROVIDE A COPY OF THE RECORDS REQUIRED TO BE KEPT PURSUANT TO
2 THIS SUBSECTION (2)(e) AND ANY OTHER RECORDS DEEMED NECESSARY
3 BY THE ENTERPRISE FOR THE DETERMINATION OF THE CORRECT AMOUNT
4 OF THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE TO THE ENTERPRISE,
5 IF SO REQUESTED. THE ENTERPRISE MAY ESTABLISH THE ACCEPTABLE
6 FORM OF SUCH RECORDS.

7 (f) THE ENTERPRISE AND DEPARTMENT OF REVENUE SHALL ADOPT
8 POLICIES OR RULES CONSISTENT WITH THE RULES CONCERNING THE FILING
9 AND PAYMENT PROVISIONS OF SECTION 39-21-119 THAT APPLY TO THE
10 FILING AND PAYMENT DUTIES IMPOSED BY THIS SECTION.

11 (3) (a) (I) THE DEPARTMENT OF REVENUE SHALL COLLECT AND
12 ENFORCE THE LARGE EMPLOYER HEALTH-CARE SUPPORT FEE ON BEHALF
13 OF THE ENTERPRISE FOLLOWING NOTICE FROM THE ENTERPRISE TO THE
14 DEPARTMENT OF REVENUE PURSUANT TO SUBSECTION (2)(b)(IV) OF THIS
15 SECTION OR UPON RECEIPT OF NOTICE OF FINAL DETERMINATION
16 PURSUANT TO SUBSECTION (2)(c)(II) OF THIS SECTION.

17 (II) THE DEPARTMENT OF REVENUE SHALL RETAIN AN AMOUNT
18 THAT DOES NOT EXCEED THE TOTAL COST OF COLLECTING,
19 ADMINISTERING, AND ENFORCING THE LARGE EMPLOYER HEALTH-CARE
20 SUPPORT FEE AND SHALL TRANSMIT THE AMOUNT RETAINED TO THE STATE
21 TREASURER, WHO SHALL CREDIT IT TO THE APPROPRIATE CASH FUND FOR
22 THE DEPARTMENT OF REVENUE.

23 (b) (I) IF A LARGE EMPLOYER DOES NOT PAY THE LARGE EMPLOYER
24 HEALTH-CARE SUPPORT FEE DUE, THE DEPARTMENT OF REVENUE SHALL
25 ADD INTEREST, PURSUANT TO SECTION 39-21-110.5, TO THE UNPAID
26 AMOUNT AND A PENALTY EQUAL TO TEN PERCENT OF THE UNPAID
27 AMOUNT, PLUS ONE-HALF PERCENT PER MONTH FROM THE DATE WHEN

1 DUE, NOT TO EXCEED EIGHTEEN PERCENT IN THE AGGREGATE.

2 (II) THE DEPARTMENT OF REVENUE SHALL PROCEED TO COLLECT
3 THE UNPAID AMOUNT, AND ANY INTEREST OR PENALTY ADDED TO THE
4 UNPAID AMOUNT, PURSUANT TO ARTICLE 21 OF TITLE 39 IN THE SAME
5 MANNER AS ANY UNPAID TAX, PENALTY, OR INTEREST ASSESSED
6 PURSUANT TO ARTICLE 21 OF TITLE 39. ALL METHODS OF COLLECTION AND
7 REMEDIES AUTHORIZED BY ARTICLE 21 OF TITLE 39 ARE AVAILABLE TO
8 THE DEPARTMENT OF REVENUE FOR PURPOSES OF ENFORCING THIS
9 SECTION.

10 (III) THE DEPARTMENT OF REVENUE SHALL NOT FILE A NOTICE OF
11 LIEN, ISSUE A DISTRAINT WARRANT, INSTITUTE A SUIT FOR COLLECTION, OR
12 TAKE ANY OTHER ACTION TO COLLECT THE AMOUNT DUE MORE THAN
13 THREE YEARS AFTER THE PAYMENT IS DUE; EXCEPT THAT A NOTICE OF LIEN
14 THAT HAS BEEN FILED PRIOR TO THE EXPIRATION OF THE THREE-YEAR
15 PERIOD SHALL CONTINUE FOR ONE YEAR AFTER THE EXPIRATION OF THE
16 THREE-YEAR PERIOD.

17 (c) THE DEPARTMENT OF REVENUE MAY:

18 (I) GRANT A REASONABLE EXTENSION OF TIME FOR PAYING THE
19 LARGE EMPLOYER HEALTH-CARE SUPPORT FEE;

20 (II) WAIVE, FOR GOOD CAUSE SHOWN, ANY PENALTY OR INTEREST
21 ASSESSED PURSUANT TO THIS SECTION;

22 (III) COMPROMISE ANY CIVIL CASE ARISING PURSUANT TO THIS
23 SECTION AS SET FORTH IN SECTION 39-21-106; AND

24 (IV) ADOPT, AMEND, OR RESCIND RULES NECESSARY FOR THE
25 ADMINISTRATION OF THIS SECTION IN ACCORDANCE WITH ARTICLE 4 OF
26 TITLE 24.

27 (d) EXCEPT FOR THE AMOUNT RETAINED BY THE DEPARTMENT OF

1 REVENUE PURSUANT TO SUBSECTION (3)(a)(II) OF THIS SECTION, MONEY
2 THAT THE DEPARTMENT OF REVENUE COLLECTS PURSUANT TO THIS
3 SECTION IS CUSTODIAL MONEY HELD TEMPORARILY BY THE DEPARTMENT
4 OF REVENUE AND THE STATE TREASURER SOLELY FOR THE PURPOSE OF
5 TRANSFERRING THE MONEY TO THE LARGE EMPLOYER HEALTH-CARE
6 SUPPORT FUND FOR USE BY THE ENTERPRISE. BASED ON THE ENTERPRISE'S
7 STATUS AS AN ENTERPRISE, THE MONEY COLLECTED AND TRANSFERRED TO
8 THE LARGE EMPLOYER HEALTH-CARE SUPPORT FUND IS NOT SUBJECT TO
9 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION AT ANY TIME
10 DURING THE MONEY'S COLLECTION, TRANSFER, AND USE.

11 (4) (a) THE ENTERPRISE MAY ANNUALLY ADJUST THE FEE AS
12 DETERMINED PURSUANT TO SUBSECTION (2)(b)(II) OF THIS SECTION FOR
13 INFLATION, TO REFLECT THE COST OF SERVICES PROVIDED TO LARGE
14 EMPLOYERS, INCLUDING MEDICAL ASSISTANCE COSTS FOR SUPPORTED
15 WORKERS OR FOR OTHER REASONS DETERMINED BY THE BOARD.

16 (b) (I) IF THE IMPOSITION OF THE FEE PURSUANT TO SUBSECTION
17 (2)(b)(I) OF THIS SECTION IS ESTIMATED TO RESULT IN THE COLLECTION OF
18 FEES AND SURCHARGES THAT EXCEED ONE HUNDRED MILLION DOLLARS IN
19 THE ENTERPRISE'S FIRST FIVE FISCAL YEARS, THE ENTERPRISE SHALL
20 ADJUST THE FEES, LOWER THE FEES, OR STOP COLLECTING THE FEES IN
21 ORDER TO NOT COLLECT FEES OR SURCHARGES THAT EXCEED ONE
22 HUNDRED MILLION DOLLARS IN THE ENTERPRISE'S FIRST FIVE FISCAL
23 YEARS, WHICH FIVE-YEAR PERIOD, FOR THE PURPOSE OF SECTION
24 24-77-108, ENDS ON JULY 1, 2030. THEREFORE, THE ENTERPRISE IS IN
25 COMPLIANCE WITH SECTION 24-77-108.

26 (II) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE JULY 1, 2031.

27 (5) THE ENTERPRISE MAY PAY, FROM FEE REVENUE RECEIVED BY

1 THE ENTERPRISE, REASONABLE AND NECESSARY DIRECT AND INDIRECT
2 EXPENSES RELATING TO:

3 (a) SERVICES OR SUPPORT PROVIDED TO THE ENTERPRISE BY THE
4 STATE DEPARTMENT RELATING TO THE PURPOSES OF THE ENTERPRISE; AND

5 (b) THE DEPARTMENT OF REVENUE'S COLLECTION AND
6 ENFORCEMENT OF THE FEE FROM LARGE EMPLOYERS AND TRANSMITTAL
7 OF THE FEE TO THE STATE TREASURER.

8 (6) FOR PURPOSES OF IMPOSING, ASSESSING, AND COLLECTING THE
9 FEE, AN EMPLOYER SHALL COMPLY WITH REQUESTS FOR DATA FROM THE
10 ENTERPRISE, AND ANY STATE AGENCIES REQUESTING DATA ON BEHALF OF
11 THE ENTERPRISE, THAT ARE NECESSARY TO IMPLEMENT THE ENTERPRISE'S
12 POWERS AND DUTIES PURSUANT TO THIS PART 12.

13

14 **25.5-1-1207. Worker buy-in program - access to large**
15 **employer-sponsored health coverage - employer reimbursement**
16 **grants - rules.**

17 (1) THERE IS CREATED A WORKER BUY-IN PROGRAM TO USE
18 REVENUE FROM THE FEE TO AWARD GRANTS TO LARGE EMPLOYERS TO
19 REIMBURSE SOME OR ALL OF A LARGE EMPLOYER'S COSTS INCURRED IN
20 PROVIDING WORKERS ACCESS TO ENROLLMENT IN EMPLOYER-SPONSORED
21 HEALTH BENEFIT PLANS FOR WORKERS WHO WORK AT LEAST TWENTY
22 HOURS PER WEEK OR EIGHTY HOURS PER MONTH, BUT WHO DO NOT WORK
23 THE MINIMUM HOURS NECESSARY TO QUALIFY FOR ENROLLMENT IN
24 EMPLOYER-SPONSORED HEALTH BENEFIT PLANS.

25 (2) A LARGE EMPLOYER THAT CHOOSES TO PARTICIPATE IN THE
26 WORKER BUY-IN PROGRAM SHALL NOTIFY THE ENTERPRISE AND SATISFY
27 THE REQUIREMENTS FOR PARTICIPATION IN AND REIMBURSEMENT FROM

1 THE PROGRAM.

2 (3) AFTER CONSULTATION WITH THE DIVISION OF INSURANCE AND
3 LARGE EMPLOYERS INTERESTED IN PARTICIPATING IN THE PROGRAM, THE
4 BOARD SHALL ADOPT RULES TO IMPLEMENT AND ADMINISTER THE
5 PROGRAM, INCLUDING RULES:

6 (a) THAT ENSURE THAT FEE REVENUE ALLOCATED FOR THE
7 PURPOSE SPECIFIED IN THIS SECTION IS USED TO INCENTIVIZE LARGE
8 EMPLOYERS THAT CHOOSE TO ALLOW PART-TIME WORKERS WHO DO NOT
9 OTHERWISE QUALIFY FOR ENROLLMENT IN EMPLOYER-SPONSORED HEALTH
10 BENEFIT PLANS, ON OR BEFORE THE EFFECTIVE DATE OF THIS PART 20, TO
11 BUY INTO EMPLOYER-SPONSORED HEALTH BENEFIT PLANS;

12 (b) TO DETERMINE THE CRITERIA FOR AND THE AMOUNT OF LARGE
13 EMPLOYER REIMBURSEMENT GRANTS BASED ON AVAILABLE FEE REVENUE
14 AND THE NUMBER OF LARGE EMPLOYERS AND WORKERS PARTICIPATING IN
15 THE PROGRAM; AND

16 (c) THAT REQUIRE A PARTICIPATING LARGE EMPLOYER TO REPORT
17 TO THE ENTERPRISE INFORMATION NECESSARY TO VERIFY THE NUMBER OF
18 WORKERS PARTICIPATING IN THE WORKER BUY-IN PROGRAM AND THE
19 LARGE EMPLOYER'S COSTS FOR PROVIDING ACCESS TO ENROLLMENT IN AN
20 EMPLOYER-SPONSORED HEALTH BENEFIT PLAN FOR SUCH WORKERS.

21 **25.5-1-1208. Large employer health-care support fund -**
22 **creation - use of money.**

23 (1) THERE IS CREATED IN THE STATE TREASURY THE LARGE
24 EMPLOYER HEALTH-CARE SUPPORT FUND. THE FUND CONSISTS OF:

25 (a) MONEY RECEIVED FROM THE FEE;

26 (b) MONEY RECEIVED FROM THE SALE OF REVENUE BONDS ISSUED
27 BY THE ENTERPRISE;

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

(c) ANY MONEY LOANED TO THE ENTERPRISE PURSUANT TO SECTION 25.5-1-1204 (5);

(d) ANY GIFTS, GRANTS, DONATIONS, OR OTHER MONEY RECEIVED BY THE ENTERPRISE;

(e) MONEY APPROPRIATED TO THE FUND BY THE GENERAL ASSEMBLY; AND

(f) INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND.

(2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND.

(3) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE ENTERPRISE:

(a) FOR THE PURPOSES SPECIFIED IN SECTION 25.5-1-1204 (4);

(b) TO SUPPORT WORKERS' ACCESS TO MEDICAL ASSISTANCE BENEFITS AND HEALTH-CARE PROVIDERS;

(c) TO REIMBURSE LARGE EMPLOYERS' COSTS ASSOCIATED WITH PERMITTING WORKERS TO BUY INTO AN EMPLOYER-SPONSORED HEALTH BENEFIT PLAN; AND

(d) FOR ANY OTHER PURPOSES SPECIFIED IN THIS PART 12.

25.5-1-1209. Severability.

IF ANY PROVISION OF THIS PART 12 OR THE APPLICATION OF THIS PART 12 TO ANY PERSON OR CIRCUMSTANCE IS HELD INVALID, THE INVALIDITY DOES NOT AFFECT OTHER PROVISIONS OR APPLICATIONS OF THIS PART 12 THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS

1 PART 12 ARE DECLARED TO BE SEVERABLE.

2

3 SECTION 2. In Colorado Revised Statutes, 39-21-102, add (10)

4 as follows:

5 39-21-102. Scope.

6 (10) THIS ARTICLE 21 APPLIES TO THE FEE IMPOSED PURSUANT TO
7 SECTION 25.5-1-1206, BUT ONLY TO THE EXTENT THAT THIS ARTICLE 21 IS
8 NOT INCONSISTENT WITH SECTION 25.5-1-1206.

9 SECTION 3. In Colorado Revised Statutes, 39-21-113, add (40)

10 as follows:

11 39-21-113. Reports and returns - rule - repeal.

12 (40) NOTWITHSTANDING THE PROVISIONS OF THIS SECTION, THE
13 EXECUTIVE DIRECTOR MAY PROVIDE TO THE DEPARTMENT OF HEALTH
14 CARE POLICY AND FINANCING SUCH DETAILED TAXPAYER INFORMATION
15 PERTINENT TO IMPOSING, ASSESSING, AND COLLECTING THE LARGE
16 EMPLOYER HEALTH-CARE SUPPORT FEE PURSUANT TO SECTION
17 25.5-1-1206. ANY INFORMATION PROVIDED PURSUANT TO THIS
18 SUBSECTION (40) MUST REMAIN CONFIDENTIAL, AND ALL PERSONS ARE
19 SUBJECT TO THE LIMITATIONS SPECIFIED IN SUBSECTION (4) OF THIS
20 SECTION AND THE PENALTIES SPECIFIED IN SUBSECTION (6) OF THIS
21 SECTION.

22 SECTION 4. Appropriation. (1) For the 2026-27 state fiscal
23 year, \$59,625 is appropriated to the department of law. This appropriation
24 is from the legal services cash fund created in section 24-31-108 (4),
25 C.R.S., from revenue received from the large employer health-care
26 support enterprise that is continuously appropriated from the large
27 employer health-care support fund created in section 25.5-1-1207 (1),

1 C.R.S. The appropriation to the department of law is based on an
2 assumption that the department will require an additional 0.3 FTE. To
3 implement this act, the department of law may use this appropriation to
4 provide legal services for the large employer health-care support
5 enterprise.

6 **SECTION 5. Safety clause.** The general assembly finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety or for appropriations for
9 the support and maintenance of the departments of the state and state
10 institutions.