

## CHAPTER 229

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**FINANCIAL INSTITUTIONS**


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**HOUSE BILL 26-1188**

BY REPRESENTATIVE(S) Camacho and Titone, Stewart R., Brown, Duran, Marshall, Nguyen, Woodrow;  
also SENATOR(S) Kolker, Cutter, Kipp, Marchman, Sullivan, Weissman, Coleman.

**AN ACT**

**CONCERNING THE CONTINUATION OF THE REGULATION OF SECURITIES, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE RECOMMENDATIONS OF THE DEPARTMENT OF REGULATORY AGENCIES IN THE DEPARTMENT'S 2025 SUNSET REPORT.**

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

**SECTION 1.** In Colorado Revised Statutes, **amend** 11-51-803 as follows:

**11-51-803. Repeal of article - subject to review.**

~~(1)~~ This ~~article~~ ARTICLE 51 is repealed, effective September 1, ~~2026~~ 2037.

~~(2) Prior to such~~ BEFORE THE repeal, the division of securities ~~shall be reviewed as provided for in~~ IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

**SECTION 2.** In Colorado Revised Statutes, 11-51-702.5, **amend** (7) as follows:

**11-51-702.5. Securities board - creation - duties - repeal - subject to review.**

(7) ~~(a)~~ This section is repealed, effective September 1, ~~2026~~ 2037.

~~(b) Prior to such~~ BEFORE THE repeal, ~~the functions of the securities board shall be reviewed as provided for in~~ IS SCHEDULED FOR REVIEW IN ACCORDANCE WITH section 24-34-104. ~~C.R.S.~~

**SECTION 3.** In Colorado Revised Statutes, 24-34-104, **repeal** (27)(a)(II) and (27)(a)(III); and **add** (38)(a)(V) and (38)(a)(VI) as follows:

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

**24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal.**

(27) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2026:

(II) ~~The division of securities created in section 11-51-701, C.R.S.;~~

(III) ~~The securities board created in section 11-51-702.5, C.R.S.;~~

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

(V) THE DIVISION OF SECURITIES CREATED IN SECTION 11-51-701;

(VI) THE SECURITIES BOARD CREATED IN SECTION 11-51-702.5.

**SECTION 4.** In Colorado Revised Statutes, 11-51-601, **add** (5)(d) as follows:

**11-51-601. Investigations - subpoenas.**

(5) (d) A DEFICIENCY LETTER OR COMMUNICATION CONCERNING A DEFICIENCY LETTER RESULTING FROM AN EXAMINATION CONDUCTED UNDER SECTION 11-51-409 IS DEEMED TO BE INFORMATION HELD OR OBTAINED IN CONNECTION WITH A PRIVATE INVESTIGATION WITHIN THE MEANING OF SUBSECTION (5)(a) OF THIS SECTION AND, THEREFORE, IS CONFIDENTIAL AND NOT SUBJECT TO DISCLOSURE UNDER THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE 24.

**SECTION 5.** In Colorado Revised Statutes, 11-51-606, **amend** (1.5)(a), (1.5)(c), (1.5)(d), (4), and (5) as follows:

**11-51-606. Conduct of proceedings - cease-and-desist orders - consent orders - summary orders - issued by securities commissioner - rules.**

(1.5) (a) (I) ~~Whenever it appears to~~ IF the securities commissioner DETERMINES, based upon sufficient evidence as presented in a petition by an officer or employee of the division of securities, that a person has committed or may commit ~~any of the acts or practices~~ AN ACT OR PRACTICE listed in ~~paragraph (b) of this subsection (1.5)~~ SUBSECTION (1.5)(b) OF THIS SECTION, then, in addition to any specific powers granted under this ~~article~~ ARTICLE 51, the securities commissioner ~~in his or her discretion,~~ may issue to ~~such~~ THE person ~~an~~ A PRELIMINARY CEASE-AND-DESIST order. ~~to show cause why the securities commissioner should not enter a final order directing such person to cease and desist from the unlawful act or practice, or impose such other sanctions as provided in subparagraph (IV) of paragraph (d) of this subsection (1.5). The securities commissioner shall, within two calendar days, notify the chairperson of the securities board or an administrative law judge that an order to show cause has been issued, and~~

(II) A PERSON THAT IS THE SUBJECT OF A PRELIMINARY CEASE-AND-DESIST ORDER ISSUED PURSUANT TO SUBSECTION (1.5)(a)(I) OF THIS SECTION MAY REQUEST A HEARING WITHIN FIFTEEN DAYS AFTER THE ISSUANCE OF THE PRELIMINARY

CEASE-AND-DESIST ORDER TO DETERMINE IF THE ORDER SHOULD BE MADE FINAL. IF THE PERSON THAT IS THE SUBJECT OF THE PRELIMINARY CEASE-AND-DESIST ORDER DOES NOT REQUEST A HEARING WITHIN FIFTEEN DAYS AFTER THE DATE THE PRELIMINARY CEASE-AND-DESIST ORDER WAS ISSUED, THE PRELIMINARY CEASE-AND-DESIST ORDER BECOMES A FINAL CEASE-AND-DESIST ORDER. IF THE PERSON THAT IS THE SUBJECT OF THE PRELIMINARY CEASE-AND-DESIST ORDER TIMELY REQUESTS A HEARING, THE COMMISSIONER SHALL NOTIFY THE chairperson OF THE SECURITIES BOARD OR AN administrative law judge, WHO shall set a date WITHIN FORTY-FIVE DAYS AFTER THE ISSUANCE OF THE PRELIMINARY CEASE-AND-DESIST ORDER for THE hearing on ~~such~~ THE PRELIMINARY CEASE-AND-DESIST order before the securities board or administrative law judge as provided in ~~paragraph (d) of this subsection (1.5)~~ SUBSECTION (1.5)(d) OF THIS SECTION.

(III) A PERSON THAT IS THE SUBJECT OF A PRELIMINARY CEASE-AND-DESIST ORDER ISSUED PURSUANT TO SUBSECTION (1.5)(a)(I) OF THIS SECTION SHALL OBEY THE ORDER UNTIL THE ORDER EITHER BECOMES FINAL IN ACCORDANCE WITH SUBSECTION (1.5)(a)(II) OF THIS SECTION OR IS VACATED. THE PERSON THAT IS THE SUBJECT OF A FINAL CEASE-AND-DESIST ORDER SHALL OBEY THE ORDER.

(c) ~~Any~~ A person ~~against~~ TO WHOM AN ORDER TO SHOW CAUSE A PRELIMINARY CEASE-AND-DESIST ORDER HAS BEEN ENTERED PURSUANT TO ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS SECTION SHALL BE PROMPTLY NOTIFIED BY THE securities division OF SECURITIES OF THE entry of the order, along with a copy of the order, the factual and legal basis for the order, and ~~the date set by the chairperson of the securities board or an administrative law judge for hearing on such order.~~ Such A NOTICE THAT THE ORDER WILL BECOME FINAL IF THE PERSON DOES NOT REQUEST A HEARING WITHIN FIFTEEN DAYS AFTER THE ORDER IS ISSUED. THE SECURITIES COMMISSIONER MAY SERVE THE notice ~~may be served~~ TO THE PERSON THAT IS THE SUBJECT OF THE ORDER by United States mail, postage prepaid, to the last-known address of ~~such~~ THE person, by personal service; by facsimile transmission; or as may be practicable. ~~upon any person against whom such order is entered.~~ Mailing or facsimile transmission of an order or other documents under this subsection (1.5), or personal service of ~~such orders~~ THE ORDER OR ASSOCIATED documents, ~~shall constitute~~ CONSTITUTES notice ~~thereof~~ OF THE PRELIMINARY CEASE-AND-DESIST ORDER to the person.

(d) (I) ~~The~~ IF TIMELY REQUESTED, A hearing on ~~an order to show cause~~ A PRELIMINARY CEASE-AND-DESIST ORDER shall be commenced ~~no sooner than ten nor later than twenty-one~~ WITHIN FORTY-FIVE calendar days following the date of transmission or service of the notification by the securities division as provided in ~~paragraph (c) of this subsection (1.5)~~ THE PRELIMINARY CEASE-AND-DESIST ORDER. The hearing may be continued by agreement of all of the parties based upon the complexity of the matter, number of parties to the matter, and legal issues presented in the matter, but ~~in no event shall~~ the hearing MUST commence NO later than ~~thirty-five~~ SIXTY calendar days following the date of transmission or service of the notification REQUEST FOR A HEARING.

(II) If a person against whom ~~an order to show cause entered~~ A PRELIMINARY CEASE-AND-DESIST ORDER HAS BEEN ISSUED pursuant to ~~paragraph (a) of this subsection (1.5)~~ SUBSECTION (1.5)(a) OF THIS SECTION does not appear at the A

hearing, the securities division may present evidence that notification was properly sent or served upon such person pursuant to paragraph (c) of this subsection (1.5) and such other evidence related to the matter as the securities board or administrative law judge deems appropriate. In the case where such person does not appear, the securities commissioner may not issue an order unless there is a finding by the securities board or administrative law judge that there is a reasonable basis to believe such notification was actually received or served, or, after reasonable search by the securities division, the person against whom the order was entered cannot be located. The securities commissioner shall enter such order within ten days after his or her determination related to reasonable attempts of notification of the respondent, and the order shall become final as to that person by operation of law PRELIMINARY CEASE-AND-DESIST ORDER BECOMES FINAL WITHOUT ENTERING FINDINGS OF FACT OR MAKING CONCLUSIONS OF LAW.

(III) ~~At any~~ A hearing HELD pursuant to this ~~paragraph (d)~~ SUBSECTION (1.5)(d), the securities board or AN administrative law judge shall, PURSUANT TO THE RULES AND PROCEDURES ADOPTED BY THE SECURITIES COMMISSIONER, take evidence and hear arguments from the securities division OF SECURITIES and the person against whom the PRELIMINARY CEASE-AND-DESIST order ~~to show cause has been entered, pursuant to such rules and procedures as may be adopted by the securities commissioner~~ HAS BEEN ISSUED. Based on the evidence entered and arguments heard at the hearing, the securities board or administrative law judge shall enter findings of fact, conclusions of law, and an initial decision recommending to the securities commissioner that a final order be entered affirming, denying, vacating, or otherwise modifying the ~~order to show cause~~ PRELIMINARY CEASE-AND-DESIST ORDER. The initial decision shall MUST be issued within ten days after the conclusion of the hearing provided pursuant to this ~~paragraph (d)~~ SUBSECTION (1.5)(d) and shall MUST be promptly delivered to the securities commissioner.

(IV) If the securities commissioner reasonably finds that the person against whom the order to show cause was entered has engaged, or is about to engage, in acts or practices constituting violations as set forth in paragraph (b) of this subsection (1.5) and makes the findings required by section 11-51-704 (2), he or she may issue a final cease-and-desist order imposing one or more of the following sanctions:

(A) Directing such person to cease and desist from further unlawful acts or practices;

(B) Censuring the person, if the person is a licensed broker-dealer, sales representative, investment adviser, or investment adviser representative; or

(C) Requiring such person to undertake or comply with conditions or limitations placed upon the activities, functions, or operations of such person, within such reasonable time period as may be imposed by the securities commissioner.

(V) The securities commissioner shall provide notice of ~~the~~ A final order within ten calendar days after receiving the initial decision, in the manner set forth in ~~paragraph (c) of this subsection (1.5)~~ SUBSECTION (1.5)(c) OF THIS SECTION, to each person against whom ~~such~~ THE order has been entered. The final order entered pursuant to ~~subparagraph (IV) of this paragraph (d)~~ shall be THIS SUBSECTION

(1.5)(d) IS effective when issued and ~~shall be~~ IS a final order for purposes of judicial review pursuant to section 11-51-607.

(4) (a) (I) ~~If it appears to the securities commissioner based upon sufficient evidence as presented in a petition by an officer or employee of the division of securities, DETERMINES that any of the grounds specified in section 11-51-410 (1) exist as to any A licensed person or, in the case of a licensed broker-dealer, a partner, officer, director, person occupying a similar status or performing similar functions, or a person directly or indirectly controlling a broker-dealer, the securities commissioner may issue to such person PURSUANT TO SECTION 24-4-104 (4) an order to show cause why the securities commissioner should not summarily suspend the license of that person or limit or impose conditions on the securities activities of that person. pending final determination of a proceeding under sections 24-4-104 and 24-4-105, C.R.S.~~

(II) A PERSON THAT IS THE SUBJECT OF A SUMMARY SUSPENSION MAY REQUEST A HEARING TO DETERMINE IF THE SUSPENSION SHOULD BE MADE A FINAL ORDER OF SUSPENSION IF THE REQUEST IS MADE WITHIN FIFTEEN DAYS AFTER THE DATE THE LICENSE WAS SUMMARILY SUSPENDED. IF THE PERSON THAT IS THE SUBJECT OF THE SUMMARY SUSPENSION DOES NOT REQUEST A HEARING WITHIN FIFTEEN DAYS AFTER THE DATE THE LICENSE WAS SUMMARILY SUSPENDED, THE SUMMARY SUSPENSION BECOMES A FINAL ORDER OF SUSPENSION. IF THE PERSON THAT IS THE SUBJECT OF THE SUMMARY SUSPENSION TIMELY REQUESTS A HEARING, the securities commissioner shall promptly notify the chairperson of the securities board that ~~an order to show cause has been issued~~ A LICENSE HAS BEEN SUMMARILY SUSPENDED AND A HEARING HAS BEEN REQUESTED, and the chairperson shall set a date for a hearing on ~~such~~ THE order before the securities board.

(III) THE PERSON THAT IS THE SUBJECT OF AN ORDER SUMMARILY SUSPENDING A LICENSE SHALL OBEY THE ORDER UNTIL THE ORDER EITHER BECOMES FINAL IN ACCORDANCE WITH SUBSECTION (4)(a)(II) OF THIS SECTION OR IS VACATED. THE PERSON THAT IS THE SUBJECT OF A FINAL ORDER OF SUSPENSION SHALL OBEY THE ORDER.

(b) ~~Any A person against whom an order to show cause has been entered~~ WHOSE LICENSE HAS BEEN SUMMARILY SUSPENDED shall be promptly notified by the securities division of securities of the ~~entry of such order~~ SUSPENSION and the basis therefor. ~~Such~~ FOR THE SUSPENSION. The notice shall MUST include a copy of the SUMMARY SUSPENSION order and ~~shall include the date set by the chairperson of the securities board for hearing on such order~~ A STATEMENT THAT THE ORDER WILL BECOME FINAL IF THE PERSON THAT IS THE SUBJECT OF THE ORDER DOES NOT REQUEST A HEARING WITHIN FIFTEEN DAYS AFTER THE ORDER IS ISSUED. In the case of a broker-dealer, the notification shall be sent both to the broker-dealer's last-known mailing address and, if different, the most current mailing address the broker-dealer has on file with the securities commissioner as required in section 11-51-407 (3). In the case of a sales representative, THE notification shall MUST be sent to the sales representative's last-known mailing address, the most current mailing address the sales representative has on file with the securities commissioner as required in section 11-51-407 (3), and the last-known mailing address of the broker-dealer or issuer for which the sales representative is licensed to act.

(c) (I) ~~The IF REQUESTED, A hearing on the order to show cause shall~~ A SUMMARY SUSPENSION SHALL be commenced ~~no sooner than seven, nor later than twenty,~~ WITHIN FORTY-FIVE calendar days following the date of transmission of notification of the respondent by the division of securities as provided in paragraph (b) of this subsection (4) THE ORDER WAS ISSUED.

(II) The securities board shall take evidence and hear arguments from the securities division OF SECURITIES and the respondent. ~~If the respondent does not appear, the securities division may provide evidence that notification was promptly sent by the securities division to the respondent pursuant to paragraph (b) of this subsection (4). In the case where the respondent~~ PERSON WHOSE LICENSE HAS BEEN SUMMARILY SUSPENDED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION. IF THE PERSON THAT IS THE SUBJECT OF A SUMMARY SUSPENSION ORDER does not appear ~~the securities commissioner may not issue an order unless there is a finding by the securities board that there is reasonable basis to believe the respondent either received actual notice, or, after reasonable search by the securities division, cannot be located~~ AT THE SUMMARY SUSPENSION HEARING, THE ORDER BECOMES FINAL WITHOUT ENTERING FINDINGS OF FACT OR MAKING CONCLUSIONS OF LAW.

(III) Based on the evidence entered and arguments heard at the hearing HELD PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION, the securities board shall enter findings of fact, conclusions of law, and its initial decision recommending to the securities commissioner that ~~an A FINAL order be entered either denying the petition of the securities division for summary order or suspending the license of that person~~ VACATING THE SUMMARY SUSPENSION, CONVERTING IT TO A FINAL SUSPENSION, or otherwise limiting or imposing conditions on the securities activities of that person. ~~pending final determination of a proceeding under sections 24-4-104 and 24-4-105, C.R.S.~~ Exceptions to the initial decision of the securities board must be filed with the securities commissioner within ten calendar days ~~of~~ AFTER the date of entry of ~~such order~~ THE SECURITIES BOARD'S INITIAL DECISION. The securities commissioner shall then issue an order, which ~~shall be~~ IS a final order for purposes of judicial review pursuant to section 11-51-607.

(d) ~~Any~~ A FINAL order entered under ~~paragraph (c)(III) of this subsection (4)~~ SUBSECTION (4)(c)(III) OF THIS SECTION suspending a license or otherwise limiting or imposing conditions on the securities activities of ~~the~~ A licensed person ~~shall remain~~ REMAINS in effect during the pendency of a proceeding under sections 24-4-104 and 24-4-105, C.R.S., unless vacated or modified on judicial review pursuant to section 11-51-607 or by subsequent order of the securities commissioner after notice and opportunity for hearing.

(5) No order under subsection (3)(b), (3)(c), or (4)(a) of this section may be entered by the securities commissioner unless a proceeding under sections 24-4-104 and 24-4-105, C.R.S., either has been commenced, or is commenced promptly following or contemporaneously with the entry of such an order THE SECURITIES COMMISSIONER SHALL COMMENCE A PROCEEDING UNDER SECTIONS 24-4-104 AND 24-4-105 PROMPTLY FOLLOWING THE ENTRY OF AN ORDER UNDER SUBSECTION (3)(b) OR (3)(c) OF THIS SECTION OR OF A FINAL SUMMARY SUSPENSION ORDER UNDER SUBSECTION (4)(a) OF THIS SECTION.

**SECTION 6.** In Colorado Revised Statutes, 11-51-201, **amend** the introductory portion and (9.6)(b) as follows:

**11-51-201. Definitions.**

As used in this ~~article~~ ARTICLE 51, unless the context otherwise requires:

(9.6) (b) "Investment adviser representative" for a federal covered adviser means any individual ~~with a place of business in this state~~ who is an "investment adviser representative" as defined by the securities and exchange commission in rule 203A-3 promulgated under the federal "Investment Advisers Act of 1940", 15 U.S.C. SEC. 80b-1 ET SEQ.

**SECTION 7.** In Colorado Revised Statutes, 11-51-401, **amend** (1.5), (1.6), and (2.5) as follows:

**11-51-401. Licensing and notice filing requirements.**

(1.5) A person ~~with a place of business in this state~~ shall not transact business in this state as an investment adviser or investment adviser representative unless ~~such~~ THE person is licensed ~~as such~~ or exempt from licensing under section 11-51-402.

(1.6) A federal covered adviser ~~either with a place of business in this state or who employs or otherwise engages an individual with a place of business in this state to act as an investment adviser representative~~ shall not transact business in this state as a federal covered adviser unless ~~such~~ THE adviser:

(a) Has filed with the securities commissioner the notice and fee required in sections 11-51-403 and 11-51-404; OR

(b) IS NOT REQUIRED TO FILE PURSUANT TO SECTION 11-51-402 (5).

(2.5) An investment adviser OR FEDERAL COVERED ADVISER shall not employ or otherwise engage any individual ~~with a place of business in this state~~ to act as an investment adviser representative in this state unless ~~such~~ THE individual is licensed in accordance with section 11-51-403 or is exempt from licensing under section 11-51-402. (†).

**SECTION 8.** In Colorado Revised Statutes, 11-51-402, **amend** (5) introductory portion, (5)(a) introductory portion, and (6) as follows:

**11-51-402. Exempt broker-dealers, sales representatives - sanctions - exempt investment advisers, federal covered advisers, and investment adviser representatives.**

(5) The following investment advisers AND FEDERAL COVERED ADVISERS with no place of business in this state are exempt from the license requirement of section 11-51-401 (1.5) AND THE NOTICE FILING REQUIREMENTS OF SECTION 11-51-401 (1.6):

(a) An investment adviser OR A FEDERAL COVERED ADVISER who:

(6) Investment adviser representatives employed by or otherwise associated with an investment adviser OR FEDERAL COVERED ADVISER, IF EITHER IS exempt under subsection (5) of this section, are exempt from the license requirement of section 11-51-401 (1.5) AND THE NOTICE FILING REQUIREMENTS OF SECTION 11-51-401 (1.6).

**SECTION 9.** In Colorado Revised Statutes, 11-51-403, **amend** (3)(a); and **repeal** (3)(b) as follows:

**11-51-403. Application for license - notice filing requirements.**

(3) (a) A federal covered adviser who ~~during any calendar year, either has a place of business in this state or employs or engages an investment adviser representative with a place of business in this state~~ IS REQUIRED TO FILE A NOTICE BY SECTION 11-51-401 (1.6) shall file with the securities commissioner annually a consent to service of process and such OTHER documents as are filed by ~~such~~ THE adviser with the securities and exchange commission that the commissioner may require by rule or order.

(b) ~~The notice filing requirement described in paragraph (a) of this subsection (3) does not apply to any federal covered adviser who, during such calendar year, neither has a place of business in this state nor employs nor engages an investment adviser representative with a place of business in this state.~~

**SECTION 10.** In Colorado Revised Statutes, **amend** 11-51-701 as follows:

**11-51-701. Division of securities - creation - powers and duties.**

~~There is created~~ The division of securities IS CREATED in the department of regulatory agencies. The head of ~~which~~ THE DIVISION is the ~~commissioner of~~ securities COMMISSIONER, who shall be appointed by the executive director of the department of regulatory agencies, pursuant to section 13 of article XII of the state constitution, ~~and~~ IN CONSULTATION WITH the securities board. The division of securities and the office of ~~commissioner of~~ THE securities COMMISSIONER are **type 1** entities, as defined in section 24-1-105. The division OF SECURITIES is responsible for the administration of ~~the provisions of~~ articles 51, 53, and 59 of this title 11 and part 7 of article 75 of title 24 and shall perform such other duties as are imposed upon it by law.

**SECTION 11.** In Colorado Revised Statutes, 11-51-304, **amend** (2) introductory portion and (2)(o) as follows:

**11-51-304. Registration by qualification.**

(2) A registration statement MADE under this section ~~shall~~ MUST contain full and fair disclosure of all material facts respecting the investment offered, including the following information, ~~shall~~ MUST state the title of the security and the number or amount being registered under this ~~article~~ ARTICLE 51, and ~~shall~~ MUST be accompanied by the following documents in addition to the consent to service of process required by section 11-51-706:

(o) The written consent of any accountant, engineer, appraiser, or other person whose profession gives authority to a statement made by ~~him~~ THEM, if any such person is named as having prepared or certified a report or valuation other than a public and official document or statement ~~which~~ THAT is used in connection with the registration statement;

**SECTION 12.** In Colorado Revised Statutes, 11-51-1002, **amend** (2)(b) as follows:

**11-51-1002. Definitions.**

As used in this part 10, unless the context otherwise requires:

(2) "Eligible adult" means:

(b) An individual eighteen years ~~of age~~ OLD or older who is susceptible to mistreatment or self-neglect because the individual is unable to perform or obtain services necessary for ~~his or her~~ THEIR health, safety, or welfare or lacks sufficient understanding or capacity to make or communicate responsible decisions concerning ~~his or her~~ THEIR person or affairs.

**SECTION 13.** In Colorado Revised Statutes, **amend** 11-51-1006 as follows:

**11-51-1006. Immunity for nondisclosure.**

A qualified individual who, in good faith and exercising reasonable care, fails to report pursuant to this part 10 is immune from any administrative, criminal, or civil liability for ~~his or her~~ THEIR failure to report.

**SECTION 14. Act subject to petition - effective date - applicability.** (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to cease-and-desist orders and summary suspension orders issued on or after the applicable effective date of this act.

Approved: May 29, 2026