CHAPTER 258

CONSUMER AND COMMERCIAL TRANSACTIONS

HOUSE BILL 24-1121

BY REPRESENTATIVE(S) Titone and Woodrow, Bacon, Boesenecker, Brown, Clifford, deGruy Kennedy, Epps, Garcia, Jodeh, Kipp, Mabrey, Marvin, Mauro, McCormick, Ortiz, Rutinel, Sirota, Story, Valdez, Vigil, Willford, Amabile, Duran, English, Froelich, Hamrick, Hernandez, Joseph, Lieder, Parenti, Weissman; also SENATOR(S) Bridges and Hinrichsen, Cutter, Jaquez Lewis, Michaelson Jenet, Priola.

AN ACT

CONCERNING A REQUIREMENT THAT A MANUFACTURER OF DIGITAL ELECTRONIC EQUIPMENT FACILITATE THE REPAIR OF ITS EQUIPMENT BY PROVIDING CERTAIN OTHER PERSONS WITH THE RESOURCES NEEDED TO REPAIR THE MANUFACTURER'S DIGITAL ELECTRONIC EQUIPMENT.

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

SECTION 1. In Colorado Revised Statutes, 6-1-1502, **amend** (1)(b), (5)(a)(I), (5)(b), (5)(c) introductory portion, (5)(d) introductory portion, (5)(e) introductory portion, (8), (9), and (12); **repeal** (4) and (4.3); and **add** (1.1), (1.7), (5) introductory portion, (5.5), (7.2), (7.3), (7.5), (7.7), (7.8), (10.3), and (15) as follows:

- **6-1-1502. Definitions.** As used in this part 15, unless the context otherwise requires:
 - (1) (b) "Agricultural equipment" includes:
- (I) A tractor, trailer, combine, sprayer, tillage implement, baler, and other equipment used to plant, cultivate, or harvest agricultural products or to ranch; and
- (II) Attachments to and repair parts for equipment described in subsection (1)(b)(I) of this section; AND
- (III) A NONROAD COMPRESSION-IGNITION ENGINE. AS USED IN THIS SUBSECTION (1)(b)(III):
- (A) "Compression-ignition" has the meaning set forth in $40\,\mathrm{CFR}\,1039.801$; and

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.

- (B) "Engine" has the meaning set forth in 40 CFR 1068.30.
- (1.1) "Agricultural equipment dealer" means any person, partnership, corporation, association, or other form of business enterprise that is primarily engaged in the retail sale of agricultural equipment.
- (1.7) (a) "Digital electronic equipment" or "digital equipment" means a hardware product:
- (I) Manufactured for the first time and first sold or used in Colorado on or after July 1,2021; and
- (II) That depends, in whole or in part, on digital electronics embedded in or attached to the product in order for the product to function as intended.
- (b) "DIGITAL ELECTRONIC EQUIPMENT" OR "DIGITAL EQUIPMENT" DOES NOT INCLUDE AGRICULTURAL EQUIPMENT AND POWERED WHEELCHAIRS.
 - (4) "Equipment" means:
 - (a) A powered wheelehair; or
 - (b) Agricultural equipment.
- (4.3) "Equipment dealer" means any person, partnership, corporation, association, or other form of business enterprise that is primarily engaged in the retail sale of agricultural equipment.
- (5) "Fair and reasonable terms and costs", as applied to agricultural equipment and powered wheelchairs, means the following:
- (a) (I) "Fair and reasonable terms and costs", With respect to obtaining documentation, parts, embedded software, firmware, or tools from a manufacturer to provide services, means terms that are equivalent to the most favorable terms that the manufacturer offers to an authorized repair provider and costs that are no greater than the manufacturer's suggested retail price.
- (b) With respect to documentation, "fair and reasonable terms and costs" means that the manufacturer provides the documentation, including any relevant updates to the documentation, at no charge; except that the manufacturer may charge a fee for a printed copy of the documentation if the amount of the fee covers only the manufacturer's actual cost to prepare and send the printed copy of the documentation.
- (c) With respect to tools that are software programs, "fair and reasonable terms and costs" means that the manufacturer provides the tools that are software programs:
 - (d) "Fair and reasonable terms and costs", With respect to parts for agricultural

equipment means that, AND notwithstanding subsection (5)(a)(I) of this section, parts shall be sold to an owner or an independent repair provider under equitable terms for access to or receipt of any part pertaining to agricultural equipment and in a manner that:

- (e) Terms considered under this subsection (5) are fair if the terms do not impose on an owner or independent repair provider any:
- (5.5) "Fair and reasonable terms and costs for digital electronic equipment" means:
- (a) (I) WITH RESPECT TO OBTAINING DOCUMENTATION, EMBEDDED SOFTWARE, FIRMWARE, OR TOOLS FROM A MANUFACTURER TO PROVIDE SERVICES, COSTS AND TERMS THAT ARE EQUIVALENT TO THE MOST FAVORABLE COSTS AND TERMS THAT THE MANUFACTURER OFFERS TO AN AUTHORIZED REPAIR PROVIDER AND COSTS THAT ARE NO GREATER THAN THE MANUFACTURER'S SUGGESTED RETAIL PRICE, INCLUDING TERMS THAT ARE EQUIVALENT TO THE METHODS AND TIMELINESS OF DELIVERY OF THE EMBEDDED SOFTWARE, FIRMWARE, OR TOOLS TO AN AUTHORIZED REPAIR PROVIDER.
- (II) Costs considered under subsection (5.5)(a)(I) of this section are calculated using net costs incurred, accounting for any discounts, rebates, convenient and timely means of delivery, means of enabling fully restored and updated functionality, rights of use, or other incentives or preferences offered.
- (b) WITH RESPECT TO TOOLS, THE MANUFACTURER PROVIDES A TOOL IN A MANNER THAT DOES NOT IMPAIR ACCESS TO, THE USE OF, OR THE EFFICIENT AND COST-EFFECTIVE PERFORMANCE OF THE TOOL FOR THE PURPOSE OF DIAGNOSING, MAINTAINING, OR REPAIRING THE DIGITAL EQUIPMENT TO ITS FULL FUNCTIONALITY. IF AN OWNER OR INDEPENDENT REPAIR PROVIDER REQUESTS A TOOL IN PHYSICAL FORM, THE MANUFACTURER MAY INCLUDE A CHARGE FOR THE REASONABLE, ACTUAL COST OF PREPARING AND SENDING THE TOOL TO THE OWNER OR INDEPENDENT REPAIR PROVIDER.
- (c) WITH RESPECT TO TOOLS THAT ARE SOFTWARE PROGRAMS, THE MANUFACTURER PROVIDES THE TOOLS THAT ARE SOFTWARE PROGRAMS:
 - (I) AT NO CHARGE;
- (II) In the course of effectuating the diagnosis, maintenance, or repair and enabling the full functionality of the digital equipment or part; and
- (III) IN A MANNER THAT DOES NOT IMPAIR THE EFFICIENT AND COST-EFFECTIVE PERFORMANCE OF THE DIGITAL EQUIPMENT OR PART;
- (d) WITH RESPECT TO PARTS, COSTS THAT ARE FAIR TO BOTH PARTIES AND TERMS UNDER WHICH A MANUFACTURER OFFERS THE PART TO AN AUTHORIZED REPAIR PROVIDER.
 - (7.2) "Manufacturer of motor vehicle equipment" means an entity

ENGAGED IN THE BUSINESS OF MANUFACTURING OR SUPPLYING COMPONENTS USED TO MANUFACTURE, MAINTAIN, OR REPAIR A MOTOR VEHICLE.

- (7.3) "Medical device" has the same meaning as "device" as set forth in section 201 of the "Federal Food, Drug, and Cosmetic Act", 21 U.S.C. sec. 321 (h), as amended.
 - (7.5) (a) "MOTOR VEHICLE" MEANS A VEHICLE THAT IS:
- (I) Designed to transport individuals or property on a street or highway; and
 - (II) CERTIFIED BY A MOTOR VEHICLE MANUFACTURER UNDER:
 - (A) ALL APPLICABLE FEDERAL SAFETY AND EMISSION STANDARDS; AND
- (B) All requirements for the distribution and sale of motor vehicles in the United States.
- (b) "Motor vehicle" does not include a recreational vehicle, as defined in section 44-20-102 (23), or a motor home, as defined in section 42-1-102 (57), equipped for habitation.
- (7.7) "Motor vehicle dealer" has the meaning set forth in section 44-20-102 (18).
- (7.8) "MOTOR VEHICLE MANUFACTURER" MEANS AN ENTITY ENGAGED IN THE BUSINESS OF MANUFACTURING OR ASSEMBLING NEW MOTOR VEHICLES.
- (8) "Original equipment manufacturer" or "manufacturer" means a person doing business in the state and engaged in the business of selling, leasing, or otherwise supplying new DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIRS or parts manufactured by or on behalf of itself to any individual, business, or other entity.
- (9) "Owner" means a person that owns DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR A POWERED WHEELCHAIR OR an agent of the owner.
- (10.3) "Parts pairing" means a manufacturer's practice of using software to identify component parts through a unioue identifier.
- (12) "Services" means diagnostic, maintenance, or repair services performed on DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIRS or a part.
 - (15) (a) "VIDEO GAME CONSOLE" MEANS A COMPUTING DEVICE THAT IS:
 - (I) PRIMARILY USED BY CONSUMERS FOR PLAYING VIDEO GAMES; AND
 - (II) NEITHER A GENERAL NOR AN ALL-PURPOSE COMPUTER.

- (b) "VIDEO GAME CONSOLE" INCLUDES:
- (I) A CONSOLE MACHINE;
- (II) A HANDHELD CONSOLE DEVICE; AND
- (III) THE COMPONENTS AND PERIPHERALS OF A VIDEO GAME CONSOLE.
- (c) "Video game console" does not include a desktop computer, laptop computer, computer tablet, or cell phone.
- **SECTION 2.** In Colorado Revised Statutes, 6-1-1503, **amend** (1), (2)(a)(II), (3) introductory portion, (3)(a), and (3)(c); and **add** (5), (6), (7), (8), (9), and (10) as follows:
- **6-1-1503. Manufacturer obligations regarding services exemptions.** (1) Except as provided in subsection (2) SUBSECTIONS (2) AND (5) of this section:
- (a) (I) For the purpose of providing services for DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIRS in the state, an original equipment manufacturer shall, with fair and reasonable terms and costs, AS APPLIED TO AGRICULTURAL EQUIPMENT OR POWERED WHEELCHAIRS, OR FAIR AND REASONABLE TERMS AND COSTS FOR DIGITAL ELECTRONIC EQUIPMENT, make available to an independent repair provider or owner of the manufacturer's DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIR any documentation, parts, embedded software, embedded software for agricultural equipment, firmware, OR tools or, with owner authorization, data that are intended for use with the DIGITAL ELECTRONIC equipment, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIR or any part, including updates to documentation, parts, embedded software, embedded software for agricultural equipment, firmware, OR tools. or, with owner authorization, data.
- (II) A MANUFACTURER SHALL MAKE AVAILABLE TO AN INDEPENDENT REPAIR PROVIDER OR OWNER, ON FAIR AND REASONABLE TERMS, ANY DOCUMENTATION, EMBEDDED SOFTWARE, TOOL, PART, OR OTHER DEVICE OR IMPLEMENT THAT THE MANUFACTURER PROVIDES FOR EFFECTING THE SERVICES OF MAINTENANCE, REPAIR, OR DIAGNOSIS ON THE MANUFACTURER'S DIGITAL ELECTRONIC EQUIPMENT.
- (III) WITH RESPECT TO PARTS, A MANUFACTURER COMPLIES WITH THIS SUBSECTION (1)(a) IF A CONTRACTOR MAKES THE PARTS AVAILABLE TO AN INDEPENDENT REPAIR PROVIDER OR OWNER ON BEHALF OF THE MANUFACTURER.
- (a.5) FOR THE PURPOSE OF PROVIDING SERVICES FOR AGRICULTURAL EQUIPMENT IN THE STATE, A MANUFACTURER SHALL, WITH FAIR AND REASONABLE TERMS AND COSTS AND WITH OWNER AUTHORIZATION, MAKE DATA AVAILABLE TO AN INDEPENDENT REPAIR PROVIDER OR OWNER, INCLUDING UPDATES TO THE DATA.
- (b) (I) With respect to AGRICULTURAL equipment or a powered wheelchair that contains an electronic security lock or other security-related function, a manufacturer shall, with fair and reasonable terms and costs, as applied to AGRICULTURAL EQUIPMENT OR POWERED WHEELCHAIRS, make available to

independent repair providers and owners any documentation, parts, embedded software, embedded software for agricultural equipment, firmware, tools, or, with owner authorization, data needed to reset the lock or function when disabled in the course of providing services. The manufacturer may make the documentation, parts, embedded software, embedded software for agricultural equipment, firmware, tools, or, with owner authorization, data available to independent repair providers and owners through appropriate secure release systems.

- (II) The requirement set forth in subsection (1)(b)(I) of this section does not apply to digital electronic equipment.
 - (2) (a) Subsection (1) of this section does not apply to:
- (II) Conduct that would require the ORIGINAL EQUIPMENT manufacturer OF DIGITAL ELECTRONIC EQUIPMENT, AGRICULTURAL EQUIPMENT, OR POWERED WHEELCHAIRS to divulge a trade secret; except that a manufacturer shall not refuse to make available to an independent repair provider or owner any documentation, part, embedded software, embedded software for agricultural equipment, firmware, tool, or, with owner authorization, data necessary to provide services on grounds that the documentation, part, embedded software, embedded software for agricultural equipment, firmware, tool, or, with owner authorization, data itself is a trade secret.
- (3) Neither an original equipment manufacturer nor an AGRICULTURAL equipment dealer is liable for faulty or otherwise improper repairs provided by independent repair providers or owners, including faulty or otherwise improper repairs that cause:
- (a) Damage to DIGITAL ELECTRONIC EQUIPMENT, powered wheelchairs, or agricultural equipment that occurs during such repairs;
- (c) An inability to use, or a reduced functionality of, a PIECE OF DIGITAL ELECTRONIC EQUIPMENT, powered wheelchair, or piece of agricultural equipment resulting from the faulty or otherwise improper repair.
- (5) WITH RESPECT TO DIGITAL ELECTRONIC EQUIPMENT, THIS PART 15 DOES NOT APPLY TO:
- (a) A PERSON ACTING IN THE PERSON'S OFFICIAL CAPACITY AS A MOTOR VEHICLE MANUFACTURER, MANUFACTURER OF MOTOR VEHICLE EQUIPMENT, OR MOTOR VEHICLE DEALER;
- (b) Any product or service of a person acting in the person's official capacity as a motor vehicle manufacturer, manufacturer of motor vehicle equipment, or motor vehicle dealer;
- (c) A manufacturer or distributor of a medical device or any product or service that the manufacturer or distributor of a medical device offers; except that this part 15 applies to powered wheelchairs;
 - (d) Any digital electronic equipment product or software

MANUFACTURED FOR USE IN A MEDICAL SETTING, INCLUDING DIAGNOSTIC, MONITORING, OR CONTROL DIGITAL EQUIPMENT;

- (e) Industrial, utility, construction, compact construction, mining, forestry equipment, or road-building digital equipment;
 - (f) ELECTRIC VEHICLE CHARGING INFRASTRUCTURE EQUIPMENT;
- (g) Outside-the-meter commercial or industrial electrical equipment, including power distribution equipment, and any tools, attachments, accessories, components, and replacement and repair parts of the electrical equipment;
- (h) Portable generators, energy storage systems, fuel cell power systems, or power tools;
- (i) Marine vessels, aviation, all-terrain sport vehicles, and recreational vehicles, including racing vehicles;
- (j) Safety communications equipment, the intended use of which is for emergency response or prevention purposes by an emergency system organization, such as a police, fire, life safety, or medical and emergency rescue services agency;
- (k) Equipment installed for the purpose of energy storage, renewable power generation, power management, or distribution;
- (1) Set top boxes, modems, routers, or all-in-one devices delivering internet, video, and voice services that are distributed by a video, internet, or voice service provider if the service provider offers equivalent or better, readily available replacement equipment at no charge to the customer;
 - (m) VIDEO GAME CONSOLES; OR
- (n) Fire Alarm Systems, intrusion detection equipment that is provided with a security monitoring service, life safety systems, and physical access control equipment, including electronic keypads and similar building access control electronics.
- (6) WITH RESPECT TO DIGITAL ELECTRONIC EQUIPMENT, NOTHING IN THIS SECTION:
- (a) REQUIRES A MANUFACTURER TO LICENSE ANY INTELLECTUAL PROPERTY, INCLUDING OBTAINING A COPYRIGHT OR PATENT FOR ANY INTELLECTUAL PROPERTY, UNLESS SUCH LICENSING IS NECESSARY FOR PROVIDING SERVICES;
 - (b) REQUIRES THE DISTRIBUTION OF A PRODUCT'S SOURCE CODE;
- (c) REQUIRES A MANUFACTURER TO MAKE AVAILABLE SPECIAL DOCUMENTATION, TOOLS, OR PARTS THAT WOULD DISABLE OR OVERRIDE ANY PRIVACY OR ANTI-THEFT

SECURITY MEASURES FOR THE OWNER'S DIGITAL ELECTRONIC EQUIPMENT THAT THE OWNER HAS SET FOR THE DIGITAL EQUIPMENT;

- (d) Requires a manufacturer to make available documentation or tools used exclusively for repairs that are completed by machines that operate on several pieces of digital electronic equipment simultaneously if the manufacturer makes available to owners and independent repair providers sufficient alternative documentation or tools for the diagnosis, maintenance, or repair of digital electronic equipment;
- (e) Shall be construed to require any original equipment manufacturer or authorized repair provider to make available any parts, tools, or documentation required for the diagnosis, maintenance, or repair of digital electronic equipment in a manner that is inconsistent with or in violation of any federal laws, such as federal laws regarding gaming and entertainment consoles, related software, and components; or
- (f) Requires a manufacturer to provide or make available a tool or documentation to an independent repair provider or owner if the manufacturer itself uses the tool or documentation only to perform, at no cost, diagnostic services virtually through use of a telephone, the internet, chat, e-mail, or other similar means of communication that do not involve the manufacturer physically handling the customer's digital electronic equipment, unless the manufacturer also makes the tool or documentation available to an individual or business that is unaffiliated with the manufacturer.
- (7) (a) Except as provided in subsection (7)(b) of this section, for digital electronic equipment that is manufactured for the first time and sold or used in the state after January 1, 2026, a manufacturer shall not use parts pairing to:
- (I) Prevent an independent repair provider or owner from installing or enabling, or inhibit an independent repair provider's or owner's ability to install or enable, the function of an otherwise functional replacement part or component of digital electronic equipment, including a replacement part or component that the manufacturer has not approved;
- (II) Reduce the functionality or performance of digital electronic equipment; or
- (III) CAUSE DIGITAL ELECTRONIC EQUIPMENT TO DISPLAY MISLEADING ALERTS OR WARNINGS ABOUT UNIDENTIFIED PARTS, PARTICULARLY IF THE ALERTS OR WARNINGS CANNOT IMMEDIATELY BE DISMISSED BY THE OWNER.
 - (b) Nothing in this part 15 prohibits:
 - (I) THE USE OF PARTS PAIRING TO ENABLE DIGITAL ELECTRONIC EQUIPMENT TO

RECORD, CATALOG, AND DISPLAY INFORMATION RELATED TO REPAIRS DONE ON THAT DIGITAL ELECTRONIC EQUIPMENT; OR

- (II) A MANUFACTURER'S USE OF PARTS PAIRING FOR STANDALONE BIOMETRIC COMPONENTS USED FOR AUTHENTICATION PURPOSES IN DIGITAL ELECTRONIC EQUIPMENT, WHICH COMPONENTS ARE NOT BUNDLED IN COMMONLY REPLACED PARTS, SUCH AS A DEVICE'S SCREEN, KEYBOARD, PORTS, OR BATTERY.
- (8) Before providing services for digital electronic equipment, an independent repair provider shall provide the owner seeking services written notice, provided on site and in a conspicuous location at the independent repair provider's premises for providing services or provided in an e-mail to the owner, indicating:
- (a) That the independent repair provider is not an authorized repair provider of the digital equipment's manufacturer; and
- (b) Whether the independent repair provider, in providing services, uses any new or used replacement parts obtained from a supplier other than the manufacturer.
- (9) An original equipment manufacturer is not responsible for the quality or functionality of parts provided by a third-party parts manufacturer.
- (10) NOTHING IN THIS PART 15 AUTHORIZES AN OWNER OR INDEPENDENT REPAIR PROVIDER TO ALTER DIGITAL ELECTRONIC EQUIPMENT IN A MANNER THAT BRINGS THE EQUIPMENT OUT OF COMPLIANCE WITH ANY APPLICABLE FEDERAL OR STATE LAWS, INCLUDING ANY APPLICABLE FEDERAL OR STATE RULES OR REGULATIONS.
- **SECTION 3.** Act subject to petition effective date. This act takes effect January 1, 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 the ninety-day period after final adjournment of the general assembly, 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 2024 and, in such case, will take effect January 1, 2026, or on the date of the official declaration of the vote thereon by the governor, whichever is later.

Approved: May 28, 2024