

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0289.01 Zach Blaes x4348

HOUSE BILL 23-1092

HOUSE SPONSORSHIP

Bockenfeld,

SENATE SPONSORSHIP

(None),

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING LIMITATIONS ON THE USE OF STATE MONEY, AND, IN
102 CONNECTION THEREWITH, REQUIRING THE PUBLIC EMPLOYEES'
103 RETIREMENT ASSOCIATION TO MAKE INVESTMENTS SOLELY ON
104 FINANCIAL FACTORS, PROHIBITING CERTAIN GOVERNMENT
105 CONTRACTS WITH ENTITIES THAT ENGAGE IN ECONOMIC
106 BOYCOTTS, AND REQUIRING THE STATE TREASURER TO INVEST
107 MONEY ELIGIBLE FOR INVESTMENT SOLELY ON FINANCIAL
108 FACTORS.

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

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.

<http://leg.colorado.gov>.)

The bill prohibits state money from being used to further certain social, political, or ideological interests beyond what controlling state and federal law require. **Sections 1 to 3** of the bill apply this prohibition to the public employees' retirement association (PERA) by requiring PERA to make investments solely on financial factors and prohibiting PERA from investing in an entity with a stated purpose to further certain social, political, or ideological interests beyond what federal and state law require (nonfinancial commitment). Section 1 also:

- Requires that PERA ensure that a designated agent commits to following guidelines that match PERA's obligation to act solely on financial factors prior to PERA entrusting member funds to the designated agent;
- Requires that a designated agent ensure that a proxy advisor or other service provider has committed to following guidelines that match PERA's obligation to act solely on financial factors prior to the designated agent following a recommendation of the proxy advisor or service provider; and
- Gives the attorney general the authority to enforce these investment requirements.

Section 2 requires PERA to invest solely in the financial interest of PERA members and beneficiaries. **Section 3** clarifies that the fiduciary duties of PERA's board of trustees include the obligation to act in the financial interest of PERA members and benefit recipients.

Section 4 requires a government contract to include a verification that a company entering into a government contract does not, and will not during the term of the contract, engage in an economic boycott of another company to further certain social, political, or ideological interests. Section 4 prohibits a person from penalizing a financial institution for complying with the non-economic boycott verification requirement. Section 4 also gives the attorney general the authority to enforce the newly created article.

Section 5 requires the state treasurer to make investments solely on financial factors, prohibits the state treasurer from investing in entities with a stated nonfinancial commitment, and gives the attorney general authority to enforce these investment requirements.

Sections 6 to 10 make conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-51-206, **add** (4)

1 as follows:

2 **24-51-206. Investments - definitions.** (4) (a) AS USED IN THIS
3 SUBSECTION (4), UNLESS THE CONTEXT OTHERWISE REQUIRES:

4 (I) "FINANCIAL" MEANS HAVING A MATERIAL EFFECT ON THE
5 FINANCIAL RISK OR FINANCIAL RETURN OF AN INVESTMENT.

6 (II) "NONFINANCIAL" MEANS IN FURTHERANCE OF SOCIAL,
7 POLITICAL, OR IDEOLOGICAL INTERESTS BEYOND WHAT CONTROLLING
8 FEDERAL AND STATE LAW REQUIRE, INCLUDING:

9 (A) ELIMINATING, REDUCING, OFFSETTING, OR DISCLOSING
10 GREENHOUSE GAS EMISSIONS;

11 (B) INSTITUTING OR ASSESSING CORPORATE BOARD, EMPLOYMENT,
12 COMPOSITION, COMPENSATION, OR DISCLOSURE CRITERIA THAT
13 INCORPORATES CHARACTERISTICS PROTECTED IN THIS STATE PURSUANT TO
14 THE ANTI-DISCRIMINATION PROVISIONS DESCRIBED IN SECTION 24-34-601;

15 (C) DIVESTING FROM, LIMITING INVESTMENT IN, OR LIMITING THE
16 ACTIVITIES OR INVESTMENTS OF ANY COMPANY FOR FAILING TO OR NOT
17 COMMITTING TO MEET ENVIRONMENTAL STANDARDS OR DISCLOSURES;

18 (D) FACILITATING ACCESS TO AN ABORTION, A SEX OR GENDER
19 CHANGE, OR A TRANSGENDER SURGERY; OR

20 (E) DIVESTING FROM, LIMITING INVESTMENT IN, OR LIMITING THE
21 ACTIVITIES OR INVESTMENTS OF ANY COMPANY FOR ENGAGING IN,
22 FACILITATING, OR SUPPORTING FIREARM MANUFACTURING, FIREARM
23 DISTRIBUTION, FIREARM SALES, OR FIREARM USE.

24 (III) "STATED NONFINANCIAL COMMITMENT" MEANS HAVING A
25 COMMITMENT TO FURTHER ONE OR MORE OF THE PURPOSES IDENTIFIED IN
26 SUBSECTION (4)(a)(II) OF THIS SECTION AS EVIDENCED BY ANY ENTITY'S:

27 (A) ADVERTISING, STATEMENTS, EXPLANATIONS, REPORTS,

1 LETTERS TO CLIENTS, COMMUNICATIONS WITH PORTFOLIO COMPANIES,
2 STATEMENTS OF PRINCIPLES, OR COMMITMENTS; OR

3 (B) PARTICIPATION IN, AFFILIATION WITH, OR STATUS AS A
4 SIGNATORY TO ANY COALITION, INITIATIVE, JOINT STATEMENT OF
5 PRINCIPLES, OR AGREEMENT.

6 (b) IN MAKING INVESTMENTS, THE BOARD AND ANY DESIGNATED
7 AGENT OF THE BOARD SHALL TAKE INTO ACCOUNT ONLY FINANCIAL
8 FACTORS.

9 (c) UNLESS NO ECONOMICALLY PRACTICABLE ALTERNATIVE IS
10 AVAILABLE, THE BOARD AND ANY DESIGNATED AGENT OF THE BOARD
11 SHALL NOT INVEST IN AN ENTITY THAT HAS A STATED NONFINANCIAL
12 COMMITMENT.

13 (d) UNLESS NO ECONOMICALLY PRACTICABLE ALTERNATIVE IS
14 AVAILABLE, WHEN THE BOARD ENTRUSTS ASSOCIATION ASSETS TO A
15 DESIGNATED AGENT FOR INVESTMENT PURPOSES, THE BOARD MUST
16 ENSURE THAT THE DESIGNATED AGENT HAS A PRACTICE OF, AND IN
17 WRITING, COMMITS TO, FOLLOWING GUIDELINES THAT MATCH THE BOARD'S
18 DUTY TO TAKE INTO ACCOUNT ONLY FINANCIAL FACTORS WHEN MAKING
19 INVESTMENTS.

20 (e) A DESIGNATED AGENT OF THE BOARD MAY FOLLOW A
21 RECOMMENDATION OF A PROXY ADVISOR OR SERVICE PROVIDER ONLY IF
22 THE PROXY ADVISOR OR SERVICE PROVIDER HAS A PRACTICE OF, AND IN
23 WRITING COMMITS TO, FOLLOWING GUIDELINES THAT MATCH THE BOARD'S
24 DUTY TO TAKE INTO ACCOUNT ONLY FINANCIAL FACTORS WHEN MAKING
25 INVESTMENTS.

26 (f) IF THE ATTORNEY GENERAL HAS REASONABLE CAUSE TO
27 BELIEVE THAT AN ENTITY HAS ENGAGED IN, IS ENGAGING IN, OR IS ABOUT

1 TO ENGAGE IN A VIOLATION OF THIS SUBSECTION (4), THE ATTORNEY
2 GENERAL MAY ENFORCE THIS SUBSECTION (4) BY:

3 (I) REQUIRING AN ENTITY IN VIOLATION OF THIS SUBSECTION (4)
4 TO FILE A STATEMENT OR REPORT IN WRITING, UNDER OATH, AS TO ALL THE
5 FACTS AND CIRCUMSTANCES CONCERNING THE VIOLATION AND ANY OTHER
6 DATA AND INFORMATION THE ATTORNEY GENERAL DEEMS NECESSARY;

7 (II) EXAMINING UNDER OATH ANY ENTITY IN CONNECTION WITH A
8 VIOLATION OF THIS SUBSECTION (4);

9 (III) EXAMINING ANY RECORD, BOOK, DOCUMENT, ACCOUNT, OR
10 PAPER THE ATTORNEY GENERAL DEEMS NECESSARY;

11 (IV) BRINGING AN ACTION IN THE DENVER DISTRICT COURT FOR
12 INJUNCTIVE OR OTHER APPROPRIATE RELIEF, INCLUDING THE RECOVERY OF
13 DAMAGES IN AN AMOUNT EQUAL TO THREE TIMES THE AMOUNT THE
14 BOARD PAID FOR THE SERVICES OF THE ENTITY IN VIOLATION OF THIS
15 SUBSECTION (4); AND

16 (V) PURSUANT TO AN ORDER OF THE DISTRICT COURT, IMPOUNDING
17 ANY RECORD, BOOK, DOCUMENT, ACCOUNT, PAPER, SAMPLE, OR OTHER
18 MATERIAL RELATING TO A VIOLATION OF THIS SUBSECTION (4) AND
19 RETAINING THE SAME IN THE ATTORNEY GENERAL'S POSSESSION UNTIL THE
20 COMPLETION OF THE ATTORNEY GENERAL'S ENFORCEMENT UNDER THIS
21 SUBSECTION (4).

22 **SECTION 2.** In Colorado Revised Statutes, 24-51-204, **add** (3.5)
23 as follows:

24 **24-51-204. Duties of the board.** (3.5) WHEN INVESTING MONEY
25 DIRECTLY, OR INDIRECTLY, OR ON BEHALF OF EITHER THE ASSOCIATION,
26 THE MEMBERS, OR THE BENEFIT RECIPIENTS, THE BOARD SHALL INVEST THE
27 MONEY SOLELY IN THE FINANCIAL, AS DEFINED IN SECTION 24-51-206

1 (4)(a)(I), INTEREST OF THE MEMBERS AND BENEFIT RECIPIENTS.

2 **SECTION 3.** In Colorado Revised Statutes, 24-51-207, **amend**
3 (2)(a) as follows:

4 **24-51-207. Standard of conduct.** (2) (a) As fiduciaries, ~~such~~
5 ~~trustees~~ THE TRUSTEES OF THE BOARD shall carry out their functions solely
6 in the FINANCIAL, AS DEFINED IN SECTION 24-51-206 (4)(a)(I), interest of
7 the members and benefit recipients and for the exclusive purpose of
8 providing benefits and defraying reasonable expenses incurred in
9 performing such duties as required by law. The trustees shall act in
10 accordance with the provisions of this article and with the care, skill,
11 prudence, and diligence in light of the circumstances then prevailing that
12 a prudent person acting in a like capacity and familiar with such matters
13 would use in the conduct of an enterprise of a like character and with like
14 aims by diversifying the investments of the association AND BY TAKING
15 INTO ACCOUNT ONLY FINANCIAL FACTORS so as to minimize the risk of
16 large losses, unless in light of ~~such~~ THE circumstances it is clearly prudent
17 not to do so.

18 **SECTION 4.** In Colorado Revised Statutes, **add** article 116 to
19 title 24 as follows:

20 **ARTICLE 116**

21 **Economic Boycotts Prohibited**

22 **24-116-101. Legislative declaration.** (1) THE GENERAL
23 ASSEMBLY FINDS AND DECLARES THAT:

24 (a) NUMEROUS ESSENTIAL AMERICAN INDUSTRIES, INCLUDING
25 FOSSIL FUEL PRODUCTION, AGRICULTURE, TIMBER PRODUCTION, AND
26 FIREARMS, ARE BEING TARGETED FOR BOYCOTTING, DIVESTING, AND
27 SANCTIONING BY LARGE CORPORATIONS AND PRIVATE INSTITUTIONAL

1 INVESTORS;

2 (b) THE GOAL OF THESE COLLUDING PARTIES IS TO STARVE
3 TARGETED LEGAL INDUSTRIES OF CAPITAL, RESTRICT THEIR PRODUCTIVITY,
4 AND REDIRECT THAT CAPITAL TO FAVORED INDUSTRIES;

5 (c) THESE PARTIES ARE WORKING IN CONCERT WITH MANY STATE
6 AND FEDERAL LAWMAKERS AND REGULATORS, AS EVIDENCED MOST
7 RECENTLY BY NEW CLIMATE DISCLOSURE RULES FROM THE SECURITIES
8 AND EXCHANGE COMMISSION;

9 (d) RESTRICTING THE SUPPLY OF ENERGY AND OTHER ESSENTIAL
10 COMMODITIES WITHOUT EFFECTIVE SUBSTITUTES FOR THOSE COMMODITIES
11 ONLY SERVES TO RAISE PRICES ON CONSUMERS, PROFOUNDLY IMPACTING
12 THE POOREST AMONG US;

13 (e) DENYING FINANCING TO AMERICAN COMPANIES, THAT ARE
14 AMONG THE MOST SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE
15 COMPANIES IN THE WORLD, ONLY SERVES TO SUPPORT HOSTILE NATIONS
16 AND LESS RESPONSIBLE PRODUCERS;

17 (f) BANKS AND INSURANCE COMPANIES ARE INCREASINGLY
18 DENYING FINANCING TO CREDITWORTHY COMPANIES TO MARKET THEIR
19 ENVIRONMENTAL CREDENTIALS TO THE DETRIMENT OF CONSUMERS,
20 SHAREHOLDERS, AND SOCIETY;

21 (g) INSTITUTIONAL INVESTORS ARE DIVESTING FROM ENTIRE
22 INDUSTRIES AND PRESSURING CORPORATIONS TO COMMIT TO
23 ENVIRONMENTAL GOALS, SUCH AS REDUCING GREENHOUSE GAS EMISSIONS
24 TO ZERO BY 2050, TO BURNISH THEIR ENVIRONMENTAL CREDENTIALS OR
25 PROMOTE THEIR OWN ENVIRONMENTAL, SOCIAL, AND GOVERNANCE FUNDS
26 AT THE EXPENSE OF INVESTOR RETURNS;

27 (h) LARGE INVESTMENT FIRMS, THROUGH THEIR PROXY VOTES ON

1 SHAREHOLDER RESOLUTIONS AND BOARD ELECTIONS, ARE COLLUDING TO
2 FORCE COMPANIES TO DIRECT MONEY, TIME, AND ATTENTION AWAY FROM
3 THEIR CORE RESPONSIBILITY OF INCREASING SHAREHOLDER RETURNS,
4 DRIVING CAPITAL ALLOCATION DECISIONS AND POLITICAL CHANGE
5 OUTSIDE THE DEMOCRATIC PROCESS;

6 (i) CORPORATIONS ARE BOYCOTTING AND SANCTIONING ESSENTIAL
7 LEGAL INDUSTRIES, SUCH AS FOSSIL FUEL AND AGRICULTURE PRODUCERS,
8 BY DENYING THEM CAPITAL, REFUSING TO PROVIDE THEM WITH PRODUCTS
9 OR SERVICES, AND IMPOSING UNDUE BURDENS ON THEM;

10 (j) THE COLLUSION OF CORPORATIONS AND INSTITUTIONS TO
11 BOYCOTT, DIVEST FROM, OR SANCTION ANY INDUSTRY MAY VIOLATE
12 EXISTING ANTITRUST AND FIDUCIARY DUTY LAWS AND HARMS
13 CONSUMERS, SHAREHOLDERS, AND THIS STATE; AND

14 (k) STATES, WHEN FINANCIALLY PRUDENT, SHOULD AVOID DOING
15 BUSINESS WITH COMPANIES THAT ENGAGE IN SUCH POTENTIALLY ILLEGAL
16 CONDUCT, AND THREATEN HARM TO THIS STATE, ITS BUSINESSES, AND
17 CITIZENS.

18 **24-116-102. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
19 CONTEXT OTHERWISE REQUIRES:

20 (1) "COMPANY" MEANS A FOR-PROFIT ORGANIZATION,
21 ASSOCIATION, CORPORATION, PARTNERSHIP, JOINT VENTURE, LIMITED
22 PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, OR LIMITED LIABILITY
23 COMPANY, INCLUDING A WHOLLY OWNED SUBSIDIARY, MAJORITY-OWNED
24 SUBSIDIARY, PARENT COMPANY, OR AFFILIATE OF THOSE ENTITIES OR
25 BUSINESS ASSOCIATIONS, BUT NOT INCLUDING A SOLE PROPRIETORSHIP.

26 (2) "ECONOMIC BOYCOTT" MEANS, WITH A NONBUSINESS PURPOSE,
27 REFUSING TO DEAL WITH, TERMINATING BUSINESS ACTIVITIES WITH, OR

1 OTHERWISE TAKING ANY COMMERCIAL ACTION THAT IS INTENDED TO
2 PENALIZE, INFLICT ECONOMIC HARM ON, LIMIT COMMERCIAL RELATIONS
3 WITH, OR CHANGE OR LIMIT THE ACTIVITIES OF A COMPANY BECAUSE THE
4 COMPANY, WITHOUT VIOLATING CONTROLLING FEDERAL OR STATE LAW:

5 (a) ENGAGES IN FOSSIL FUEL-BASED ENERGY, TIMBER, MINING OR
6 AGRICULTURE ACTIVITIES, INCLUDING EXPLORING, PRODUCING, UTILIZING,
7 SELLING, OR MANUFACTURING FOSSIL FUEL-BASED ENERGY, TIMBER,
8 MINING, OR AGRICULTURE;

9 (b) ENGAGES IN, FACILITATES, OR SUPPORTS FIREARM
10 MANUFACTURING, DISTRIBUTION, SALES, OR USES;

11 (c) DOES NOT MEET, IS NOT EXPECTED TO MEET, OR DOES NOT
12 COMMIT TO MEET ENVIRONMENTAL STANDARDS OR DISCLOSURE CRITERIA
13 FOR ELIMINATING, REDUCING, OFFSETTING, OR DISCLOSING GREENHOUSE
14 GAS EMISSIONS;

15 (d) DOES NOT MEET, IS NOT EXPECTED TO MEET, OR DOES NOT
16 COMMIT TO MEET CORPORATE BOARD, EMPLOYMENT, COMPOSITION,
17 COMPENSATION, OR DISCLOSURE CRITERIA THAT PROMOTE DIVERSITY
18 BASED ON CHARACTERISTICS PROTECTED IN THIS STATE PURSUANT TO THE
19 ANTI-DISCRIMINATION PROVISIONS DESCRIBED IN SECTION 24-34-601;

20 (e) DOES NOT FACILITATE, IS NOT EXPECTED TO FACILITATE, OR
21 DOES NOT COMMIT TO FACILITATE ACCESS TO AN ABORTION, A SEX OR
22 GENDER CHANGE, OR A TRANSGENDER SURGERY; OR

23 (f) DOES BUSINESS WITH A COMPANY DESCRIBED IN THIS
24 SUBSECTION (2).

25 (3) "GOVERNMENTAL ENTITY" MEANS A STATE AGENCY OR
26 POLITICAL SUBDIVISION OF THIS STATE.

27 (4) "NONBUSINESS PURPOSE" MEANS A PURPOSE TO FURTHER

1 SOCIAL, POLITICAL, OR IDEOLOGICAL INTERESTS. A COMPANY MAY
2 REASONABLY BE DETERMINED TO HAVE TAKEN AN ACTION, OR
3 CONSIDERED A FACTOR, WITH A PURPOSE TO FURTHER SOCIAL, POLITICAL,
4 OR IDEOLOGICAL INTERESTS, BASED ON:

5 (a) BRANDING ADVERTISING, STATEMENTS, EXPLANATIONS,
6 REPORTS, LETTERS TO CLIENTS, COMMUNICATIONS WITH PORTFOLIO
7 COMPANIES, STATEMENTS OF PRINCIPLES, OR COMMITMENTS; OR

8 (b) PARTICIPATION IN, AFFILIATION WITH, OR STATUS AS A
9 SIGNATORY TO ANY COALITION, INITIATIVE, JOINT STATEMENT OF
10 PRINCIPLES, OR AGREEMENT.

11 **24-116-103. Required verification for state contracts -**
12 **applicability.** (1) (a) A GOVERNMENTAL ENTITY MAY NOT ENTER INTO A
13 CONTRACT WITH A COMPANY FOR GOODS OR SERVICES UNLESS THE
14 CONTRACT CONTAINS A WRITTEN VERIFICATION THAT THE CONTRACTING
15 COMPANY:

16 (I) DOES NOT ENGAGE IN ECONOMIC BOYCOTTS; AND

17 (II) WILL NOT ENGAGE IN AN ECONOMIC BOYCOTT DURING THE
18 TERM OF THE CONTRACT.

19 (b) THIS SECTION DOES NOT APPLY TO A GOVERNMENTAL ENTITY
20 THAT DETERMINES THAT THE REQUIREMENTS OF THIS SECTION:

21 (I) ARE INCONSISTENT WITH THE GOVERNMENTAL ENTITY'S
22 CONSTITUTIONAL OR STATUTORY DUTIES RELATED TO THE ISSUANCE,
23 INCURRENCE, OR MANAGEMENT OF DEBT OBLIGATIONS;

24 (II) ARE INCONSISTENT WITH THE GOVERNMENTAL ENTITY'S
25 CONSTITUTIONAL OR STATUTORY DUTIES RELATED TO THE DEPOSIT,
26 CUSTODY, MANAGEMENT, BORROWING, OR INVESTMENT OF MONEY; OR

27 (III) PREVENT THE GOVERNMENTAL ENTITY FROM OBTAINING THE

1 CONTRACTED SUPPLIES OR SERVICES IN AN ECONOMICALLY PRACTICABLE
2 MANNER.

3 (2) THIS SECTION APPLIES ONLY TO A CONTRACT THAT:

4 (a) IS BETWEEN A GOVERNMENTAL ENTITY AND A COMPANY WITH
5 TEN OR MORE FULL-TIME EMPLOYEES; AND

6 (b) PAYS A COMPANY ONE HUNDRED THOUSAND DOLLARS OR MORE
7 OVER THE TERM OF THE CONTRACT AND WHOLLY OR PARTLY FROM STATE
8 MONEY OF THE GOVERNMENTAL ENTITY. THE PROVISIONS OF THIS
9 SUBSECTION (2)(b) APPLY TO ALL COMPANIES IN A MULTIPLE-PARTY
10 CONTRACT.

11 **24-116-104. Interference with state contracts.** (1) A PERSON
12 SHALL NOT INTERFERE WITH A CONTRACT SUBJECT TO THIS ARTICLE 116
13 BY TAKING ACTION TO PENALIZE OR THREATEN TO PENALIZE ANY
14 FINANCIAL INSTITUTION FOR COMPLIANCE WITH THIS ARTICLE 116.

15 (2) ANY PERSON WHO TAKES ACTION DESCRIBED IN SUBSECTION
16 (1) OF THIS SECTION WILL HAVE CAUSED HARM TO THE STATE, INCLUDING
17 BY INTERFERING WITH THE STATE'S SOVEREIGN INTERESTS IN
18 ADMINISTERING STATE PROGRAMS AND INTERFERING WITH THE STATE'S
19 COMMERCIAL RELATIONSHIP WITH FINANCIAL INSTITUTIONS.

20 **24-116-105. Enforcement.** (1) THE ATTORNEY GENERAL MAY
21 ENFORCE THIS ARTICLE 116 OR ANY CONTRACT SUBJECT TO THIS ARTICLE
22 116.

23 (2) IF THE ATTORNEY GENERAL HAS REASONABLE CAUSE TO
24 BELIEVE THAT AN ENTITY HAS ENGAGED IN, IS ENGAGING IN, OR IS ABOUT
25 TO ENGAGE IN, A VIOLATION OF THIS ARTICLE 116, THE ATTORNEY
26 GENERAL MAY:

27 (a) REQUIRE THE ENTITY TO FILE A STATEMENT OR REPORT IN

1 WRITING, UNDER OATH, AS TO ALL THE FACTS AND CIRCUMSTANCES
2 CONCERNING THE VIOLATION AND SUCH OTHER DATA AND INFORMATION
3 AS THE ATTORNEY GENERAL DEEMS NECESSARY;

4 (b) EXAMINE UNDER OATH ANY ENTITY IN CONNECTION WITH A
5 VIOLATION OF THIS ARTICLE 116;

6 (c) EXAMINE ANY RECORD, BOOK, DOCUMENT, ACCOUNT, OR
7 PAPER THE ATTORNEY GENERAL DEEMS NECESSARY;

8 (d) BRING AN ACTION IN THE DENVER DISTRICT COURT FOR
9 INJUNCTIVE OR OTHER APPROPRIATE RELIEF. IF A COMPANY ENGAGES IN
10 AN ECONOMIC BOYCOTT DURING THE TERM OF A CONTRACT SUBJECT TO
11 SECTION 24-116-103 (1), THE ATTORNEY GENERAL MAY RECOVER AS
12 DAMAGES AN AMOUNT EQUAL TO THREE TIMES THE AMOUNT PAID TO THE
13 COMPANY UNDER THE CONTRACT; AND

14 (e) PURSUANT TO AN ORDER OF THE DISTRICT COURT, IMPOUND
15 ANY RECORD, BOOK, DOCUMENT, ACCOUNT, PAPER, SAMPLE, OR MATERIAL
16 RELATING TO A VIOLATION OF THIS ARTICLE 116 AND RETAIN THE SAME IN
17 THE ATTORNEY GENERAL'S POSSESSION UNTIL THE COMPLETION OF THE
18 ATTORNEY GENERAL'S ENFORCEMENT UNDER THIS ARTICLE 116.

19 **SECTION 5.** In Colorado Revised Statutes, 24-36-113, **add** (8)
20 as follows:

21 **24-36-113. Investment of state money - limitations.**

22 (8) (a) WHEN INVESTING MONEY IN THE STATE TREASURY AND MONEY
23 AVAILABLE FOR INVESTMENT IN A FUND IN THE STATE TREASURER'S
24 CUSTODY, THE STATE TREASURER SHALL TAKE INTO ACCOUNT ONLY
25 FINANCIAL FACTORS, AS DEFINED IN SECTION 24-51-206 (4)(a)(I). UNLESS
26 NO ECONOMICALLY PRACTICABLE ALTERNATIVE IS AVAILABLE, THE STATE
27 TREASURER SHALL NOT INVEST IN AN ENTITY THAT HAS A STATED

1 NONFINANCIAL COMMITMENT, AS DEFINED IN SECTION 24-51-206
2 (4)(a)(III).

3 (b) IF THE ATTORNEY GENERAL HAS REASONABLE CAUSE TO
4 BELIEVE THAT AN ENTITY HAS ENGAGED IN, IS ENGAGING IN, OR IS ABOUT
5 TO ENGAGE IN A VIOLATION OF THIS SUBSECTION (8), THE ATTORNEY
6 GENERAL MAY ENFORCE THIS SUBSECTION (8) BY:

7 (I) REQUIRING AN ENTITY IN VIOLATION OF THIS SUBSECTION (8)
8 TO FILE A STATEMENT OR REPORT IN WRITING, UNDER OATH, AS TO ALL THE
9 FACTS AND CIRCUMSTANCES CONCERNING THE VIOLATION AND ANY OTHER
10 DATA AND INFORMATION THE ATTORNEY GENERAL DEEMS NECESSARY;

11 (II) EXAMINING UNDER OATH ANY ENTITY IN CONNECTION WITH A
12 VIOLATION OF THIS SUBSECTION (8);

13 (III) EXAMINING ANY RECORD, BOOK, DOCUMENT, ACCOUNT, OR
14 PAPER THE ATTORNEY GENERAL DEEMS NECESSARY;

15 (IV) BRINGING AN ACTION IN THE DENVER DISTRICT COURT FOR
16 INJUNCTIVE OR OTHER APPROPRIATE RELIEF; AND

17 (V) PURSUANT TO AN ORDER OF THE DISTRICT COURT, IMPOUNDING
18 ANY RECORD, BOOK, DOCUMENT, ACCOUNT, PAPER, SAMPLE, OR MATERIAL
19 RELATING TO A VIOLATION OF THIS SUBSECTION (8) AND RETAINING THE
20 SAME IN THE ATTORNEY GENERAL'S POSSESSION UNTIL THE COMPLETION
21 OF THE ATTORNEY GENERAL'S ENFORCEMENT UNDER THIS SUBSECTION (8).

22 **SECTION 6.** In Colorado Revised Statutes, **amend** 24-51-1404
23 as follows:

24 **24-51-1404. Investments of the voluntary investment program.**
25 Participants in the voluntary investment program ~~shall~~ MUST designate
26 that their voluntary contributions be invested in one or more types of
27 investments made available by the board. These investments MUST

1 COMPLY WITH SECTION 24-51-206 (4) AND may include, but are not
2 limited to, equity investments, fixed-income investments, life insurance
3 company products, and any OTHER investments permitted pursuant to the
4 provisions of section 24-51-206.

5 **SECTION 7.** In Colorado Revised Statutes, 24-51-1504, **amend**
6 (1) as follows:

7 **24-51-1504. Investments.** (1) The plan ~~shall~~ MUST allow a
8 member of the defined contribution plan to exercise control of the
9 investment of the member's account under the plan, subject to the
10 following provisions:

11 (a) The board shall select at least five investment alternatives that
12 allow a member a meaningful choice between risk and return in the
13 investment of the member's account;

14 (b) The plan ~~shall~~ MUST allow the member to change investments
15 regularly;

16 (c) The plan ~~shall~~ MUST provide the member with the information
17 describing the investment alternatives, including information on the
18 nature, investment performance, fees, and expenses of the investment
19 alternatives; AND

20 (d) THE PLAN MUST COMPLY WITH THE INVESTMENT
21 REQUIREMENTS IN SECTION 24-51-206 (4).

22 **SECTION 8.** In Colorado Revised Statutes, 24-51-1605, **amend**
23 (1) as follows:

24 **24-51-1605. Investments of the deferred compensation plan.**

25 (1) Individuals participating in the deferred compensation plan ~~shall~~
26 MUST designate that their deferred compensation contributions be
27 invested in one or more types of investments made available by the board.

1 These investments MUST COMPLY WITH SECTION 24-51-206 (4) AND may
2 include, but are not limited to, equity investments, fixed-income
3 investments, life insurance company products, and any OTHER
4 investments permitted pursuant to section 24-51-206.

5 **SECTION 9.** In Colorado Revised Statutes, **amend** 24-75-208 as
6 follows:

7 **24-75-208. Investment of treasury funds.** It is lawful for the
8 state treasurer and it is the state treasurer's duty, whenever there ~~are funds~~
9 IS MONEY on hand or in the state treasurer's custody or possession eligible
10 for investment, to invest in noninterest bearing general fund warrants or
11 checks issued against the general fund at a time when ~~moneys~~ MONEY
12 accruing to the fund ~~have~~ HAS not been received or credited to the general
13 fund, but such warrants or checks ~~shall~~ MUST be drawn pursuant to
14 appropriation made by the general assembly, and the controller shall first
15 certify that appropriations do not exceed estimated general fund revenues
16 and surplus. WHEN MAKING AN INVESTMENT UNDER THIS SECTION, THE
17 STATE TREASURER SHALL COMPLY WITH SECTION 24-26-113 (8).

18 **SECTION 10.** In Colorado Revised Statutes, 24-75-601.1,
19 **amend** (2) as follows:

20 **24-75-601.1. Legal investments of public funds - definition.**
21 (2) Investments made pursuant to this section ~~shall be made in~~
22 ~~conformance~~ MUST CONFORM with the standard set forth in section
23 15-1-304, ~~C.R.S.~~, AND MUST COMPLY WITH THE INVESTMENT
24 REQUIREMENTS OF SECTION 24-36-113.

25 **SECTION 11. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly; except

1 that, if a referendum petition is filed pursuant to section 1 (3) of article V
2 of the state constitution against this act or an item, section, or part of this
3 act within such period, then the act, item, section, or part will not take
4 effect unless approved by the people at the general election to be held in
5 November 2024 and, in such case, will take effect on the date of the
6 official declaration of the vote thereon by the governor.