

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0481.01 Shelby Ross x4510

HOUSE BILL 26-1138

HOUSE SPONSORSHIP

Woog and Espenoza,

SENATE SPONSORSHIP

(None),

House Committees
Judiciary

Senate Committees

A BILL FOR AN ACT

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

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

10 (2) Advisory board.

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

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

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

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

24 (V) A REPRESENTATIVE OF A STATEWIDE ORGANIZATION THAT
25 REPRESENTS DISTRICT ATTORNEYS, APPOINTED BY THE GOVERNOR;

26 (VI) ONE MEMBER WHO REPRESENTS LOCAL GOVERNMENT,
27 APPOINTED BY THE MAJORITY LEADER OF THE HOUSE OF

1 REPRESENTATIVES; AND

2 (VII) THREE NONVOTING ADVISORY MEMBERS, AS FOLLOWS:

3 (A) ONE NONVOTING MEMBER FROM A LARGE RETAILER WITH
4 MORE THAN FIVE HUNDRED EMPLOYEES, APPOINTED BY THE PRESIDENT OF
5 THE SENATE;

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

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

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

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

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

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

23 (c) TO COLLECT AND ANALYZE DATA RELATED TO ORGANIZED
24 FELONY-LEVEL RETAIL THEFT AND GIFT CARD FRAUD TRENDS, LOSSES,
25 PROSECUTIONS, AND OUTCOMES IN COLORADO; AND

26 (d) TO DEVELOP POLICY RECOMMENDATIONS IN COORDINATION
27 WITH STATE AND FEDERAL PARTNERS, INCLUDING THE DEPARTMENT OF

1 PUBLIC SAFETY, DISTRICT ATTORNEYS, LOCAL GOVERNMENTS, AND
2 FEDERAL LAW ENFORCEMENT AGENCIES, ON HOW TO COMBAT
3 FELONY-LEVEL RETAIL THEFT AND GIFT CARD FRAUD.

4 **(4) Grant program.**

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

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

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

13 (III) TO PROVIDE TRAINING AND TECHNICAL ASSISTANCE TO
14 RETAILERS OR LAW ENFORCEMENT AGENCIES; AND

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

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

21 (c) TO RECEIVE A GRANT, AN ELIGIBLE ENTITY MUST SUBMIT AN
22 APPLICATION TO THE ADVISORY BOARD IN ACCORDANCE WITH RULES
23 ADOPTED BY THE ATTORNEY GENERAL'S OFFICE IN COLLABORATION WITH
24 THE COLORADO RETAIL THEFT TASK FORCE AND WITHIN THE DEADLINES
25 ESTABLISHED BY THE ADVISORY BOARD.

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

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

11 (c) ORGANIZED FELONY-LEVEL RETAIL THEFT TREND DATA IN
12 COLORADO; AND

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

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