Notice of Proposed Rulemaking
Department of Law
Attorney General - Consumer Protection Section
Proposed Rules for the Automated Decision-Making Technology and Chatbot Safety Acts
4 CCR 904-6

Date & Time of Public Hearing
Monday, October 26, 2026, at 10:00 AM

I. Notice

As required by the Colorado Administrative Procedure Act found at C.R.S. § 24-4-103, the Department of Law gives notice of proposed rulemaking to consider proposed rules located at 4 CCR 904-6. The proposed rules are intended to govern the implementation of statutory provisions enacted by Senate Bill 26-189 (the "Automated Decision-Making Technology Act" or "ADMT" Act), including the clarification of obligations imposed on developers and deployers of AI technology, disclosure and reporting requirements, and consumer rights, and House Bill 26-1263 (the "Chatbot Safety Act") to clarify the obligations of operators of Conversational Artificial Intelligence Services to protect users and report annually to the Attorney General.

The proposed rulemaking hearing will begin on October 26, 2026, at 10:00 AM and continue as needed. The hearing will be conducted both in person and by video conference. All parties interested in attending the public hearing virtually must register through the registration link provided below in order to receive the Zoom meeting link. While parties interested in attending the public hearing in person are not required to register, we do encourage advanced registration for planning purposes. Any party in attendance will be invited to provide oral comments even if not registered in advance.

Date: October 26, 2026

Location:

- In person – 1300 Broadway, Room 1D, Denver, CO 80203
- Virtual – Link available upon registration

Time: 10:00AM

Registration Link:
https://us02web.zoom.us/webinar/register/WN_chcTg406ST-3j4nQQeVolQ

How to Register for the Rulemaking Hearing

You must click on the registration link provided above to register to attend the hearing remotely. You may also register in advance to attend the hearing in person but are not

required to do so. When you register, you must provide your full name and email address. You may also provide the name of the organization that you are representing, if any. Finally, please indicate whether you plan on attending the hearing in person or remotely by video conference, and whether you plan to testify during the hearing. When you submit your registration, you will receive a confirmation email including details about how to join the hearing virtually or attend in person.

If you need special accommodations, please contact our office at **ai@coag.gov (opens email form)** at least two (2) weeks prior to the scheduled hearing date.

II. Subject

The Colorado Department of Law is considering the proposed rules to implement the Automated Decision-Making Technology Act, or "ADMT" Act (Senate Bill 26-189) and Chatbot Safety Act (House Bill 26-1263), both passed during the 2026 legislative session and are effective January 1, 2027. The purpose of this rulemaking is to govern the implementation of both acts, including the clarification of obligations imposed on developers and deployers of AI technology, disclosure and reporting requirements, and consumer rights requirements, as well as the obligations of operators of Conversational Artificial Intelligence Services to protect users and report annually to the Attorney General. A detailed Statement of Basis, Purpose, and Specific Statutory Authority and the complete set of proposed rules follow this notice and are incorporated herein by reference.

The Department of Law invites comments from all members of the public regarding the proposed rules during the rulemaking process. Additionally, the Department of Law welcomes input responsive to the following specific questions. Please note that these questions are not intended to limit input or indicate that the Department of Law is predisposed to any position or action.

A. Material Influence

The ADMT Act applies to Automated Decision-Making Technology "that is used to Materially Influence" a Consequential Decision. Pursuant to the Act, "Materially Influence" means that: "(1) an ADMT output is a non-de minimis factor that is used in making a Consequential Decision; and (2) an ADMT output affects the outcome of a Consequential Decision, including by constraining, ranking, scoring, recommending, classifying, or otherwise meaningfully altering how a Consequential Decision is made." The Act gives the Department of Law permissive, specific rulemaking authority to clarify the application of "Materially Influence", including "presumptions, illustrative examples, and objective indicators."

Many pre-rulemaking comments urged our office to write rules clarifying the application of “Materially Influence”. Based on the specific wording of the Act, interpretations of “de minimis” under Colorado law, and the input we have received, we are considering the following two standards for “Materially Influence” and we are seeking comments regarding each option and which option to adopt:

“Materially Influence” Standard 1:

A. “De Minimis Factor” as used in section 6-1-1701(13)(a), C.R.S. means a factor that has only a trifling, trivial, or incidental impact on the outcome of a Consequential Decision. A factor is not a De Minimis Factor simply because other factors played a more significant role in the Consequential Decision. The following factors should be considered when assessing whether an ADMT output is a De Minimis Factor:
    1. Whether the Consequential Decision maker reviewed the ADMT output before coming to a decision.
    2. Whether the Consequential Decision is the same as, or consistent with, the ADMT output.
    3. Whether the Consequential Decision maker saw the primary evidence, or only the ADMT output in coming to the Consequential Decision.
    4. Whether the Consequential Decision maker’s judgement was independent of the ADMT output.
B. Presumption of Material Influence
    1. An ADMT output is presumed to Materially Influence a Consequential Decision if it constrains an option set, sets a threshold, or produces a rank, score, classification, recommendation, prediction, or other inference that: (a) pertains to the individual about whom the decision is being made; (b) is reviewed by the decision-maker, or is used to screen data made available to the decision-maker, before or during the decision-making process; and (c) is consistent with the outcome of the Consequential Decision.
    2. The presumption of Material Influence may be rebutted by evidence that the output was a De-Minimis Factor, or was not consulted, considered in, or incorporated into the Consequential Decision. For example, relevant evidence may show that:
        a. The decision maker recorded an independent judgment before the ADMT output was made available to the decision-maker;
        b. The decision maker did not view the ADMT output;
        c. The decision maker made a decision that was not consistent with the ADMT output;

d. The decision maker made the decision based on other previously documented and consistently applied dispositive factors such as a GPA cut-off; or
e. Other persuasive evidence showing judgment independent of the ADMT output.

C. "[O]ther inference" as used in this Rule 6.2 means any opinion, characterization, or non-objective conclusion reached by the ADMT.

D. In accordance with section 6-1-1701(2)(b)(II), C.R.S, tools used by individuals solely to summarize, organize, translate, draft, route, or present information for human review of administrative processing are excluded from the definition of ADMT. Therefore, the output of such tools would not fall within the definition of "Materially Influence", which only covers ADMT output.

<u>"Materially Influence" Standard 2:</u>

A. "De Minimis Factor" as used in section 6-1-1701(13)(a), C.R.S. means a factor that is not a substantial factor in the Consequential Decision. A factor may be a De Minimis Factor if other relevant factors independent of the ADMT output played a significantly larger role in the Consequential Decision. The following factors should be considered when assessing whether an ADMT output is a De Minimis Factor:
   1. Whether the Consequential Decision maker reviewed and analyzed other information independent of the ADMT output.
   2. Whether the ADMT output played a significantly smaller role in the Consequential Decision than the other information.
   3. Whether the other information reviewed was consistent with the outcome of the Consequential Decision.
   4. Whether the Consequential Decision maker has the subject matter understanding to make a Consequential Decision based on other relevant information.
   5. Whether the Consequential Decision maker had the authority to make or change the decision based on their independent review and analysis.

B. Presumption of Material Influence
   1. An ADMT output is presumed to Materially Influence a Consequential Decision if it constrains an option set, sets a threshold, or produces a rank, score, classification, recommendation, prediction, or other inference that: (a) pertains to the individual about whom the decision is being made; (b) is reviewed by the decision-maker, or is used to screen data made available to the decision-maker, before or during the

decision-making process; and (c) is consistent with the outcome of the consequential decision.

2. The presumption of Material Influence may be rebutted by evidence that the output was a De-Minimis Factor. Relevant evidence may show that:
    a. The Consequential Decision maker conducted an independent review or analysis of substantial information other than the ADMT output, that was relevant to the Consequential Decision;
    b. The outcome of the Consequential Decision was consistent with that substantial, relevant information;
    c. The Consequential Decision maker had the authority to make the decision based on their independent review and analysis; and
    d. The Consequential Decision maker had the subject matter understanding necessary to review and understand the substantial relevant information in making the Consequential Decision.

C. "[O]ther inference" as used in this Rule 6.2 means any opinion, characterization, or non-objective conclusion reached by the ADMT.

D. In accordance with section 6-1-1701(2)(b)(II), C.R.S, tools used by individuals solely to summarize, organize, translate, draft, route, or present information for human review of administrative processing are excluded from the definition of ADMT. Therefore, the output of such tools would not fall within the definition of "Materially Influence", which only covers ADMT output.

B. <u>Multiparty Arrangements and ADMT Vendors</u>

The ADMT Act does not explicitly contemplate scenarios in which Deployers do not directly operate the ADMT that Materially Influences their Consequential Decisions. However, there may be situations in which a Deployer relies on an ADMT operated by a third-party vendor. The Department of Law is considering whether rules would be helpful to clarify Deployer and third-party vendor obligations under such circumstances.

A. *Definitions of "Deploy" and "ADMT Vendor".* Should the ADMT Rules contain definitions of Deploy and ADMT vendor that clarify that a Deployer may run an ADMT through an ADMT vendor? How would definitions adequately capture and explain the scenario in which a Deployer runs a Covered ADMT through and ADMT vendor?

B. *Deployer Responsibilities When Using ADMT Vendors*. Should the Rules explain the precise responsibilities of Deployers when they use ADMT Vendors, such as by mandating that Deployers are responsible for fulfilling all Deployer obligations?

C. *ADMT Vendor Responsibilities.* Should the Rules explicitly provide vendor obligations, including but not limited to whether ADMT vendors must assist in fulfilling Deployer obligations where applicable? Should ADMT vendors be required to assist Deployers in responding to Consumer requests for personal data and correction? Should the Rules clarify that ADMT vendors do not have obligations under the Act when providing a Covered ADMT to an exempt entity that is therefore not a Deployer subject to the ADMT Act and these Rules? Should any vendor obligations be analogous to processor obligations in the Colorado Privacy Act?

D. *Allocating Responsibility Appropriately.* Are there instances where it would be appropriate for an ADMT vendor to provide the Deployer disclosures? In a case where a staffing agency operates an ADMT and the ADMT output is relied upon by an employer, which party should be responsible for Deployer obligations? What if the staffing agency is the party that directly interacts with the Consumers?

C. ADMT Developer Obligations

The ADMT Act contains requirements for Developer documentation, including "a description of the categories of data, including Personal Data, used to train the covered ADMT, to the extent known", and "known limitations of the covered ADMT, including known risks and circumstances in which the covered ADMT should not be used." The Department of Law is considering whether rules would be helpful to clarify the Developer responsibilities in this section of the ADMT Act.

A. *General Questions.* Do the required Developer disclosures encompass the information needed for the disclosures to be useful? What type of information is most important to and most likely to be read by Deployers?

B. *Content of Developer Disclosures.* Should the Rules describe in more detail the ADMT Act's requirement that Developer disclosures provide known limitations of the Covered ADMT, including known risks? If the Rules do provide such a description, should the Rule require that the Developer disclose any testing performed, including its results and how the testing was conducted? If the Rules do provide such a description, should the Rules require that the Developer affirmatively disclose if no testing was performed? What level of granularity should be considered when providing the categories of data used to train the Covered ADMT? When would a Developer not be expected to know the categories of data used to train the Covered ADMT?

C. *Form of and Channels for Developer Disclosures.* If the Rules describe in more detail the ADMT Act's requirement that Developer disclosures provide known limitations of the Covered ADMT, including known risks, as asked

above, should the Rules prescribe the form of or certain channels for Developers to provide that information to Deployers?

III. Statutory Authority

The specific authority under which the Attorney General shall establish these proposed rules is set forth in C.R.S. § 6-1-108(1), which grants the Attorney General the authority to promulgate such rules as may be necessary to administer the provisions of the Colorado Consumer Protection Act.

The rules are also developed pursuant to:

- C.R.S. § 6-1-1707 (as enacted by SB24-205) which gives the Attorney General authority to promulgate rules for the purpose of implementing and enforcing part 17;
- C.R.S. § 6-1-1704(4) (as amended by SB26-189) which requires the Attorney General to promulgate rules to clarify and implement the post-adverse outcome disclosure requirements;
- C.R.S. § 6-1-1705(3) (as amended by SB26-189) which requires the Attorney General to promulgate rules to clarify and implement the consumer rights requirements; and
- C.R.S. § 6-1-1706(5) (as amended by SB26-189) which gives authority to the Attorney General to promulgate rules as necessary to implement and clarify part 17.

These rules are intended to be consistent with the requirements of the State Administrative Procedures Act, C.R.S. § 24-4-101 *et seq*. (the "APA"), the ADMT Act and the Chatbot Safety Act, C.R.S. § 6-1-1701 *et seq*.

IV. Copies of the Notice, Proposed Rules, and the Statement of Basis, Purpose & Authority

A link to this notice of hearing, the proposed rules, and the Statement of Basis, Purpose, and Specific Statutory Authority are available for review at the Department of Law's Automated Decision-Making Technology & Chatbot Safety rulemaking website at coag.gov/AI (opens new window). If there are changes made to the proposed rules prior to the hearing, the updated proposed rules will be provided to the Colorado Automated Decision-Making Technology and Chatbot Safety Law rulemaking mailing list and posted on the Department of Law's website by September 23, 2026. The Department of Law encourages all interested parties to sign up for the Colorado Automated Decision-Making Technology and Chatbot Safety Law rulemaking mailing list (opens new window).

Please note that the proposed rules being considered are subject to further changes and modifications after the public hearing and the deadline for the submission of written comments.

V. Opportunity to Testify and Submit Written and Oral Comments

The Attorney General and Department of Law strive to make the rulemaking process inclusive to all. Interested and affected parties are welcome to testify at the rulemaking hearing and to submit written comments through the online Automated Decision-Making Technology Act and Chatbot Safety Act rulemaking comment portal (opens new window).

A. Rulemaking Hearing (October 26, 2026)

The format of the rulemaking hearing will proceed as follows:

- The Hearing Officer will open the hearing and provide a brief introduction of the hearing procedures.
- The Colorado Department of Law staff will present the proposed rules and discuss public input, feedback, and suggestions on the proposed rules provided through written comment and at stakeholder sessions.
- Colorado Department of Law staff will present a summary of the proposed rules and any proposed revisions based on rulemaking comments.
- Participants will then have the opportunity to give testimony regarding the proposed rules.

B. Hybrid Hearing Procedures

At the beginning of the hearing, we will mute all public participants attending online. After the introduction, summary of the rulemaking, and review of any proposed revisions to the rules, we will open the hearing to testimony as follows:

- For the sake of efficiency, those who are attending this hearing in person will be called upon first to provide their public comment. We will reference the sign-up sheet provided and individually call upon participants who wish to provide their testimony. Once we have exhausted the sign-up sheet, we will move forward with the testimony of online participants.
- Referencing registration records, we will identify and individually unmute online participants who indicated that they plan to testify during the hearing.
- When we exhaust the list, we will ask whether any additional attendees wish to testify. In-person attendees may raise their hands to indicate their intention to testify, and online attendees may raise/lower their hand virtually.
- To ensure that the hearing is prompt and efficient, oral testimony may be time limited.

C. Webinar Audio Requirements

We strongly encourage attendees to join the webinar through their computer or Zoom meeting app even if they use their telephone to dial in for audio. To testify during the hearing, it is best to use your computer microphone and speakers or a headset or headphones. As outlined above, we will first receive online testimony from attendees whose registration indicates that they plan to provide testimony and then we will offer attendees the option to raise their hand to testify.

D. Written Comments

You may submit written comments through the rulemaking comment portal (opens new window) during the comment period between August 11, 2026, and October 26, 2026. If the formal rulemaking hearing continues beyond October 26, 2026, the comment period will continue through the last day of the formal rulemaking hearing. Please submit written comments by September 4, 2026 to be considered for any proposed revisions presented at the hearing. Any interim updates to the proposed draft rules will be provided to the Colorado Automated Decision-Making Technology and Chatbot Safety Law rulemaking mailing list (opens new window) and posted on the Department of Law's website by September 23, 2026.

All written comments must be received on or before October 26, 2026, at 11:59 PM MT, or if the formal rulemaking hearing continues beyond October 26, 2026, before 11:59 PM MT on the last day of the formal rulemaking hearing.

As soon as possible after receipt, written comments will be posted online at the Automated Decision-Making Technology Act and Chatbot Safety Act rulemaking comment portal (opens new window). All written comments will be added to the official rulemaking record, which is public information.

To promote timely sharing of information among all stakeholders, the Department of Law strongly encourages stakeholders to submit written comments early in this process.

VI. Recording of the Hearing

The hearing will be recorded. Both the hearing and recordings will be part of the public rulemaking record. After the hearing concludes, the recording will be available on the Automated Decision-Making Technology & Chatbot Safety rulemaking website at coag.gov/AI (opens new window).