

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 26-0738.01 Josh Schultz x5486

SENATE BILL 26-093

SENATE SPONSORSHIP

Sullivan, Benavidez, Coleman, Cutter, Exum, Gonzales J., Jodeh, Kipp, Marchman, Mullica, Wallace

HOUSE SPONSORSHIP

Mauro and Lindsay,

Senate Committees

Business, Labor, & Technology
Appropriations

House Committees

Business Affairs & Labor

A BILL FOR AN ACT

101 **CONCERNING ENSURING COMPLIANCE WITH WORKERS'**
102 **COMPENSATION INSURANCE COVERAGE REQUIREMENTS.**

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 prohibits the state, a county, a municipality, a city and county, a district, or other political subdivision of the state (governmental entity) from issuing or renewing a building permit, construction permit, or contractor's license unless the applicant has first filed with the governmental entity's licensing authority or permitting agency a signed declaration verifying that the applicant, the general contractor, and every

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.

HOUSE
Amended 2nd Reading
May 7, 2026

SENATE
3rd Reading Unamended
April 29, 2026

SENATE
Amended 2nd Reading
April 28, 2026

subcontractor at any tier either maintains valid workers' compensation insurance coverage or has rejected such coverage. An applicant shall provide proof of the workers' compensation insurance coverage or proof of rejection of coverage through filing specified documents.

Prior to commencing any work under a building or construction permit, a general contractor or permit holder shall ensure that every subcontractor at any tier and any person performing work under the permit has provided proof of workers' compensation insurance coverage or proof of rejection of coverage.

If at any time the governmental entity's licensing authority or permitting agency finds that a violation of the bill has occurred, the governmental entity's licensing authority or permitting agency shall revoke or suspend any building permit, construction permit, or contractor's license issued to that contractor.

The director of the division of workers' compensation is authorized to adopt rules to implement the bill, including procedures for electronic verification of coverage, reporting requirements, and coordination with licensing authorities and permitting agencies.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 8-41-213 as
3 follows:

4 **8-41-213. Declaration of workers' compensation required -**
5 **building permit - construction permit - definitions.**

6 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
7 REQUIRES:

8 (a) "APPLICANT" MEANS A PERSON APPLYING FOR A PERMIT WITH
9 THE PERMITTING AGENCY OF A GOVERNMENTAL ENTITY.

10 (b) "DECLARATION" MEANS A FORM DESIGNATED BY THE DIVISION
11 AND AVAILABLE ON THE DIVISION'S WEBSITE THAT ENSURES ANY PERSON,
12 INCLUDING ANY SUBCONTRACTORS, WORKING UNDER A PERMIT MAINTAINS
13 WORKERS' COMPENSATION INSURANCE COVERAGE IN COMPLIANCE WITH
14 THE REQUIREMENTS OF ARTICLES 40 TO 47 OF THIS TITLE 8 FOR THE
15 DURATION OF THE WORK PERFORMED UNDER THE PERMIT.

1 (c) (I) "GOVERNMENTAL ENTITY" MEANS THE STATE, A COUNTY,
2 A MUNICIPALITY, A CITY AND COUNTY, _____ OR OTHER POLITICAL
3 SUBDIVISION OF THE STATE.

4 (II) "GOVERNMENTAL ENTITY" DOES NOT INCLUDE A SPECIAL
5 DISTRICT.

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7 (d) "PERMIT" MEANS A BUILDING PERMIT OR CONSTRUCTION
8 PERMIT FOR A PROJECT WITH A TOTAL CONSTRUCTION COST OF MORE THAN
9 ONE MILLION DOLLARS, EXCEPT FOR A PERMIT ISSUED BY THE DIVISION OF
10 PROFESSIONS AND OCCUPATIONS IN THE DEPARTMENT OF REGULATORY
11 AGENCIES.

12 (2) PRIOR TO COMMENCING ANY WORK UNDER A PERMIT, AN
13 APPLICANT SHALL FILE A SIGNED DECLARATION UNDER PENALTY OF
14 PERJURY WITH THE PERMITTING AGENCY ENSURING THAT ANY PERSON,
15 INCLUDING ANY SUBCONTRACTORS, WORKING UNDER THE PERMIT
16 MAINTAINS WORKERS' COMPENSATION INSURANCE COVERAGE IN
17 COMPLIANCE WITH THE REQUIREMENTS OF ARTICLES 40 TO 47 OF THIS
18 TITLE 8 FOR THE DURATION OF THE WORK PERFORMED UNDER THE PERMIT.

19 (3) A PERSON MAY FILE A COMPLAINT WITH THE DIVISION
20 ALLEGING A PERSON'S WORKERS' COMPENSATION INSURANCE COVERAGE
21 IS NOT IN COMPLIANCE WITH THE REQUIREMENTS OF ARTICLES 40 TO 47 OF
22 THIS TITLE 8.

23 ■ ■

24 **SECTION 2. Applicability.** This act applies to conduct occurring
25 on or after the effective date of this act, including determinations of
26 permit or license applications pending on the effective date.

27 **SECTION 3. Safety clause.** The general assembly finds,

1 determines, and declares that this act is necessary for the immediate
2 preservation of the public peace, health, or safety or for appropriations for
3 the support and maintenance of the departments of the state and state
4 institutions.