

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0076.01 Jery Payne x2157

SENATE BILL 24-066

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SENATE SPONSORSHIP

Sullivan,

HOUSE SPONSORSHIP

Froelich,

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Senate Committees

Business, Labor, & Technology

House Committees

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A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT CERTAIN BUSINESSES WITH  
102 RELATIONSHIPS WITH FIREARMS MERCHANTS USE THE  
103 APPROPRIATE MERCHANT CATEGORY CODE.

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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 requires certain networks that facilitate payment transactions to make the merchant category code for firearms and ammunition (code) available to merchant acquirers (processor) who process transactions for firearms merchants. A processor must assign the code to each firearms merchant to which the processor provides services.

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.*

The attorney general's office has exclusive authority to enforce the bill. Before bringing an enforcement action, the attorney general's office must notify in writing the person alleged to have violated the bill. Standards are set for the notice. A violator has 30 days to cure the violation in accordance with the standards in the bill.

If a person violates the bill and does not cure the violation, the attorney general's office may bring an action to seek:

- A civil penalty of up to \$10,000 for each violation; or
- An injunction or equitable relief that prevents a further violation.

If the attorney general's office prevails in the action, a court may issue an order requiring the violator to pay reasonable attorney fees and costs incurred in bringing the action.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 2 to article  
3 27 of title 6 as follows:

4 **PART 2**

5 **PAYMENT PROCESSING FOR**  
6 **RETAIL SALES OF FIREARMS**

7 **6-27-201. Definitions.** AS USED IN THIS PART 2, UNLESS THE  
8 CONTEXT OTHERWISE REQUIRES:

9 (1) "ATTORNEY GENERAL" INCLUDES AN ATTORNEY GENERAL'S  
10 DESIGNEE ACTING WITHIN THE SCOPE OF THE DESIGNEE'S DUTIES AS AN  
11 EMPLOYEE OF THE ATTORNEY GENERAL'S OFFICE.

12 (2) "FIREARM" HAS THE MEANING SET FORTH IN SECTION 18-1-901

13 (3)(h).

14 (3) "FIREARM ACCESSORY" MEANS A DEVICE DESIGNED OR  
15 ADAPTED TO BE INSERTED INTO, ATTACHED TO, OR USED WITH A FIREARM  
16 IF THE DEVICE ALTERS:

17 (a) THE FIRING CAPABILITIES OF THE FIREARM;

18 (b) THE LETHALITY OF THE FIREARM; OR

1 (c) THE SHOOTER'S ABILITY TO HOLD OR USE THE FIREARM.

2 (4) "FIREARMS MERCHANT" MEANS A BUSINESS THAT:

3 (a) ACQUIRES AND SELLS FIREARMS, FIREARM ACCESSORIES, AND  
4 FIREARM AMMUNITION WITH THE INTENTION OF MAKING A PROFIT; AND

5 (b) HAS GROSS REVENUE OR EXPECTED GROSS REVENUE FROM THE  
6 COMBINED SALE IN COLORADO OF FIREARMS, FIREARM ACCESSORIES, OR  
7 FIREARM AMMUNITION, AS STATED BY THE BUSINESS TO ITS MERCHANT  
8 ACQUIRER IN THE ORDINARY COURSE OF BUSINESS.

9 (5) "MERCHANT ACQUIRER" MEANS A PERSON WITH A  
10 RELATIONSHIP WITH A MERCHANT FOR THE PURPOSES OF PROCESSING  
11 CREDIT, DEBIT, OR PREPAID TRANSACTIONS.

12 (6) "MERCHANT CATEGORY CODE FOR FIREARMS" OR "CODE"  
13 MEANS THE MERCHANT CATEGORY CODE FOR FIREARMS AND AMMUNITION  
14 BUSINESSES ESTABLISHED BY THE INTERNATIONAL ORGANIZATION FOR  
15 STANDARDIZATION ON SEPTEMBER 9, 2022.

16 (7) "PAYMENT CARD NETWORK" MEANS A PERSON THAT PROVIDES  
17 SERVICES TO ROUTE TRANSACTIONS BETWEEN BANK PARTICIPANTS TO  
18 CONDUCT DEBIT, CREDIT, OR PREPAID TRANSACTIONS FOR THE PURPOSES  
19 OF AUTHORIZATION, CLEARANCE, OR SETTLEMENT.

20 **6-27-202. Payment card network - merchant category code.**

21 ON AND AFTER SEPTEMBER 1, 2024, A PAYMENT CARD NETWORK SHALL  
22 MAKE THE MERCHANT CATEGORY CODE FOR FIREARMS AVAILABLE FOR  
23 MERCHANT ACQUIRERS THAT PROVIDE PAYMENT SERVICES FOR FIREARMS  
24 MERCHANTS.

25 **6-27-203. Merchant acquirer - merchant category.** EFFECTIVE

26 MAY 1, 2025, A MERCHANT ACQUIRER SHALL ASSIGN THE MERCHANT  
27 CATEGORY CODE FOR FIREARMS TO EACH FIREARMS MERCHANT TO WHICH

1 THE MERCHANT ACQUIRER PROVIDES SERVICES.

2 **6-27-204. Waivers void.** A CONTRACTUAL WAIVER OF THIS PART  
3 2 IS VOID BECAUSE THE WAIVER IS CONTRARY TO PUBLIC POLICY.

4 **6-27-205. Attorney general - exclusive enforcement authority.**  
5 THE ATTORNEY GENERAL HAS EXCLUSIVE AUTHORITY TO ENFORCE THIS  
6 PART 2, WHICH DOES NOT GRANT ANY OTHER PERSON AUTHORITY TO  
7 BRING A CIVIL ACTION TO ENFORCE THIS PART 2 OR SEEK DAMAGES AS A  
8 RESULT OF A VIOLATION OF THIS PART 2.

9 **6-27-206. Enforcement.** (1) NOT FEWER THAN FORTY-FIVE DAYS  
10 BEFORE BRINGING AN ACTION UNDER SUBSECTION (3) OF THIS SECTION,  
11 THE ATTORNEY GENERAL MUST NOTIFY IN WRITING THE PERSON ALLEGED  
12 TO BE IN VIOLATION OF THIS PART 2. A COURT SHALL DISMISS, WITHOUT  
13 PREJUDICE, AN ACTION UNTIL THE ATTORNEY GENERAL HAS COMPLIED  
14 WITH THIS SUBSECTION (1). THE NOTICE MUST CONTAIN:

15 (a) EACH SPECIFIC PROVISION OF THIS PART 2 THAT IS ALLEGED TO  
16 HAVE BEEN VIOLATED; AND

17 (b) THE ACTS OR OMISSIONS THAT ARE ALLEGED TO HAVE  
18 VIOLATED EACH PROVISION DESCRIBED IN SUBSECTION (1)(a) OF THIS  
19 SECTION.

20 (2) THE ATTORNEY GENERAL SHALL NOT BRING AN ACTION UNDER  
21 THIS SECTION IF THE PERSON THAT RECEIVES THE NOTICE DESCRIBED IN  
22 SUBSECTION (1) OF THIS SECTION:

23 (a) CURES THE DESCRIBED VIOLATION WITHIN THIRTY DAYS AFTER  
24 RECEIVING THE NOTICE;

25 (b) PROVIDES THE ATTORNEY GENERAL A WRITTEN STATEMENT,  
26 MADE UNDER PENALTY OF PERJURY, THAT THE PERSON HAS:

27 (I) CURED THE VIOLATION; AND

1 (II) MADE ANY NECESSARY CHANGES TO THE PERSON'S INTERNAL  
2 POLICIES TO PREVENT FUTURE VIOLATIONS OF THIS SECTION; AND

3 (c) PROVIDES ANY NECESSARY SUPPORTING DOCUMENTATION  
4 THAT SHOWS HOW THE VIOLATION WAS CURED.

5 (3) A PERSON THAT VIOLATES THIS PART 2 AND DOES NOT CURE  
6 THE VIOLATION IN ACCORDANCE WITH SUBSECTIONS (2)(a) TO (2)(c) OF  
7 THIS SECTION IS SUBJECT TO THE FOLLOWING AND THE ATTORNEY  
8 GENERAL MAY FILE AN ACTION SEEKING:

9 (a) A CIVIL PENALTY OF UP TO TEN THOUSAND DOLLARS FOR EACH  
10 VIOLATION; OR

11 (b) AN INJUNCTION OR EQUITABLE RELIEF THAT PREVENTS A  
12 FURTHER VIOLATION OF THIS PART 2.

13 (4) IF THE ATTORNEY GENERAL PREVAILS IN AN ACTION BROUGHT  
14 PURSUANT TO THIS PART 2, A COURT MAY ISSUE AN ORDER REQUIRING THE  
15 VIOLATOR TO PAY REASONABLE ATTORNEY FEES AND COSTS INCURRED IN  
16 BRINGING THE ACTION.

17 **SECTION 2.** In Colorado Revised Statutes, **add** 11-105-211 as  
18 follows:

19 **11-105-211. Merchant code for firearms.** A PAYMENT CARD  
20 NETWORK, AS DEFINED IN SECTION 6-27-201 (7), OR A MERCHANT  
21 ACQUIRER, AS DEFINED IN SECTION 6-27-201 (5), SHALL COMPLY WITH  
22 PART 2 OF ARTICLE 27 OF TITLE 6.

23 **SECTION 3.** In Colorado Revised Statutes, **amend** 6-27-101 as  
24 follows:

25 **6-27-101. Short title.** The short title of this ~~article 27~~ PART 1 is  
26 the "Jessi Redfield Ghawi's Act For Gun Violence Victims' Access to  
27 Justice and Firearms Industry Accountability".

1           **SECTION 4.** In Colorado Revised Statutes, 6-27-103, **amend** the  
2 introductory portion as follows:

3           **6-27-103. Definitions.** As used in this ~~article 27~~ PART 1, unless  
4 the context otherwise requires:

5           **SECTION 5.** In Colorado Revised Statutes, 6-27-105, **amend** (1),  
6 (2), (3)(a), (3)(d), and (4) as follows:

7           **6-27-105. Cause of action for violations of standards of**  
8 **responsible conduct.** (1) A person or entity that has suffered harm as a  
9 result of a firearm industry member's acts or omissions in knowing  
10 violation of section 6-27-104 may bring a civil action pursuant to this  
11 ~~article 27~~ PART 1 in a court of competent jurisdiction.

12           (2) The attorney general, or the attorney general's designee, may  
13 bring a civil action in a court of competent jurisdiction to enforce this  
14 ~~article 27~~ PART 1 and remedy harms caused by any acts or omissions in  
15 knowing violation of section 6-27-104.

16           (3) In an action brought pursuant to this section, if the court  
17 determines that a firearm industry member engaged in conduct in  
18 violation of section 6-27-104, the court shall award just and appropriate  
19 relief, which may include but is not limited to:

20           (a) Injunctive relief sufficient to prevent the firearm industry  
21 member and any other defendant from further violating this ~~article 27~~  
22 PART 1;

23           (d) Any other just and appropriate relief necessary to enforce this  
24 ~~article 27~~ PART 1 and remedy the harm caused by the violation.

25           (4) In an action brought pursuant to this ~~article 27~~ PART 1, and  
26 notwithstanding any intervening act by a third party, if a firearm industry  
27 member's knowing violation of this ~~article 27~~ PART 1 creates a reasonably

1 foreseeable risk that harm would occur, the firearm industry member's  
2 violation is presumed to be the proximate cause of the harm suffered by  
3 the plaintiff.

4 **SECTION 6.** In Colorado Revised Statutes, **amend** 6-27-106 as  
5 follows:

6 **6-27-106. Limitations.** (1) Nothing in this ~~article 27~~ PART 1  
7 limits or impairs in any way the right of the attorney general, or any  
8 person or entity, to pursue a legal action pursuant to any other law, cause  
9 of action, tort theory, or other authority.

10 (2) Nothing in this ~~article 27~~ PART 1 limits or impairs in any way  
11 an obligation or requirement placed on a firearm industry member by any  
12 other authority.

13 (3) This ~~article 27~~ PART 1 must be construed and applied in a  
14 manner that is consistent with the requirements of the constitutions of  
15 Colorado and the United States.

16 **SECTION 7. Act subject to petition - effective date.** This act  
17 takes effect at 12:01 a.m. on the day following the expiration of the  
18 ninety-day period after final adjournment of the general assembly; except  
19 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
20 of the state constitution against this act or an item, section, or part of this  
21 act within such period, then the act, item, section, or part will not take  
22 effect unless approved by the people at the general election to be held in  
23 November 2024 and, in such case, will take effect on the date of the  
24 official declaration of the vote thereon by the governor.