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October 26, 2026

The Honorable Phil Weiser
Colorado Attorney General
Ralph L. Carr Judicial Building
1300 Broadway, 10th Floor
Denver, Colorado 80203

RE: Comments on October 6 Interim Draft Rules for the Automated Decision-Making Technology Act

Dear Attorney General Weiser,

The Consumer Technology Association (CTA®) urges the Colorado Department of Law to make further changes to its proposed rules implementing the *Automated Decision-Making Technology Act*. Colorado can protect consumers from harmful uses of AI without creating unnecessary barriers for companies developing and using this technology. While the October 6, 2026, draft reflects improvements, several provisions would impose burdens beyond those required by the statute, raising compliance costs and making it harder for innovative companies to operate in Colorado.

CTA is North America's largest technology trade association, representing more than 1200 companies, ranging from startups to global brands. Our members support more than 17 million American jobs. CTA also owns and produces CES®, the world's most powerful technology event.

We appreciate the Department's consideration of CTA's July 13 and September 4 comments. For smaller companies in particular, the cost of navigating different and increasingly complex state regulations can determine whether they bring an innovation to market at all. Colorado's final rules should protect consumers while keeping compliance practical, aligning with other state AI laws, and avoiding requirements that go beyond what the legislature enacted

Our comments below focus on provisions that still need changes.

Consumer Technology Association®
Producer of CES®

Responses to Issues for Clarification and Follow-Up Posed in the Cover Letter

Grace Period: Companies will have little time between publication of the final rules and the law’s January 1, 2027 effective date. They cannot reasonably implement all required compliance measures in that compressed period. While the Department’s commitment to exercise “appropriate discretion” in enforcement is welcome, companies need certainty that good-faith compliance efforts will not result in penalties. CTA therefore urges the Department to establish a twelve-month enforcement grace period in the rules themselves, rather than solely in an accompanying memo.

Definition of Financial or Lending Service: CTA urges the Department to adopt the following definition of “financial or lending service.” This definition would align the rules with the legislature’s intent and avoid covering installment payment plans and other services that were not intended to fall within the law’s scope.

“Financial or Lending Service” as used in section 6-1-1701(6)(d), C.R.S. means a consumer financial product or service for which its primary purpose is the provision of the financial product or service, such as the extension of a line of general purpose credit, credit or a loan, the transmitting or exchanging of funds, the provision of deposit or checking accounts, or check cashing. The term does not include an installment payment plan or similar arrangement for the purchase of goods or services where payment over time is incidental to the sale.

Follow-Up Question Regarding Materially Influence: To avoid requiring a separate rebuttal for every individual decision produced through a consistent process, the rules should establish a clear safe harbor. CTA urges the Department to provide that an ADMT output is a de minimis factor — and does not materially influence a Consequential Decision — when a human reviewer performs a meaningful independent assessment before the finalizing decision.

The rules should clarify that satisfying any one of the rebuttal criteria is sufficient to demonstrate the absence of material influence. A human reviewer who meets criteria like those outlined in the current rebuttal process before making a decision should qualify the deployment for safe-harbor protection. The Department should also measure whether a review was meaningful based on the process used, not the outcome.

Comments on the Interim Draft Proposed Rules (October 6, 2026) for the Automated Decision-Making Technology Act

1.3 – Effective Date: The rules should establish a twelve-month enforcement grace period to protect companies making good-faith efforts to comply. Companies will not have enough time between publication of the final rules and the January 1, 2027 effective date to implement all required compliance measures.

2.2 – Defined Terms:

De Minimis Factor 1: The fact that a human and an ADMT reach the same conclusion does not demonstrate that the ADMT influenced the Consequential Decision. The Department should strike “whether the Consequential Decision was consistent with the ADMT output” from this factor. The remaining factors, except Factor 6 discussed below, are sufficient to assess whether an ADMT output was a De Minimis Factor.

De Minimis Factor 6: The Department should remove this factor. Automated systems are generally faster than humans, but processing speed does not measure whether an ADMT influenced a decision. Retaining this factor would penalize the operational efficiency that automated technologies are designed to provide and would effectively undermine the De Minimis exception in nearly all cases.

Financial or Lending Service: The Department should adopt the definition of Financial or Lending Service proposed above to ensure the rules remain within the scope of the law.

4.2 – Developer Obligations in Multiparty Arrangements: Although the Department removed the term “Midstream Developer,” this section still expands the law beyond what the legislature intended. The draft creates new requirements for developers that integrate existing covered ADMT, even though “integrate” is undefined and the underlying statute does not establish this category. The Department should not create new classes of regulated entities through rulemaking. Section 4.2(B) should also use “should” instead of “must” to avoid imposing requirements beyond the statute.

6.1 – Presumption of Material Influence:

A: The Department should strike “(c) is consistent with the outcome of the Consequential Decision.” A human reaching the same conclusion as an ADMT does not mean the ADMT influenced the human’s decision. This language would cover cases in which a human and an ADMT independently reached the same outcome, even when neither influenced the other.

B: The rules should allow a presumption of Material Influence to be rebutted at the system level, rather than requiring a separate rebuttal for every decision. Requiring companies to rebut each decision produced through a consistent process would create repetitive and costly compliance burdens. The Department should also strike “The adverse outcome of the” from Section B(3)(a) so the provision applies to any Consequential Decision, regardless of outcome.

7.2 – Form of ADMT Adverse Outcome Disclosure: CTA appreciates the Department’s revision to generally require only one means of disclosure. To ensure consistency, the Department should replace “all channels” with “at least one of the channels.”

7.4 – Content of ADMT Adverse Outcome Disclosure and Consumer Rights Procedures:

B(2)(a): The examples in this section create uncertainty about the level of detail required. The Department should clarify that a standardized, category-based description is sufficient for all decisions within a given category.

B(2)(d): The rules should not require companies to disclose specific thresholds, cutoffs, or scores associated with automatic denials. Such disclosures could expose proprietary information and allow systems to be gamed or manipulated. The Department should instead permit a general statement that a threshold or cutoff was applied.

B(2)(e): The Department should clarify that a standardized, system-level explanation is sufficient. Requiring individualized explanations for each decision would impose significant compliance costs and would be difficult to implement at scale.

7.5 – Content of ADMT Adverse Outcome Disclosures: Examples by Sector:

E(2): The example involving an ADMT promotion recommendation goes beyond the law’s scope. It could require disclosures for adverse outcomes in competitive decisions, including discretionary promotions and early-stage candidate screening. This would greatly expand disclosure requirements and impose unworkable compliance burdens. The Department should limit disclosures to adverse outcomes involving the denial or termination of an existing opportunity or access.

7.6 – Deployer Responses to Consumer Requests Regarding Covered ADMTs: The 15-day response requirement is inconsistent with similar requirements in other state laws. CTA urges the Department to adopt a 45-day response period, consistent with California’s approach, to reduce compliance burdens for companies operating across state lines.

Conflicting operational timelines across state borders create compliance fragmentation and place disproportionate engineering and administrative burdens on startups and smaller companies that lack localized regulatory teams. Harmonizing this window would preserve cross-state interoperability.

A(5): The rules should not require companies to identify specific data sources. Doing so would be difficult to implement and could expose proprietary information. A general description of data source categories should be sufficient.

8.2 – Submitting Requests to Exercise ADMT Consumer Rights: This section should give deployers flexibility in how they comply with the law. Rather than prescribing specific methods, the rules should provide illustrative examples of how companies can inform consumers about their rights to request corrections or human review. This would allow companies to meet their legal responsibilities without imposing rigid requirements that may not work across different business models.

8.3 – Right to Request Personal Data Used in a Consequential Decision That Used a Covered ADMT:

B(2): The Department should not classify “rank, score, classification, recommendation, prediction, profiles, or other inferences” as personal information by default. Requiring disclosure of these internal metrics could expose proprietary information. The Department should also replace “all ADMT inputs” with “the personal data used by the Covered ADMT” to align the rules with the statute.

C: This section requires companies to provide an unreasonable level of detail about third parties. The Department should instead allow companies to identify the third party by name. The response period should also be extended to 45 days to align with similar requirements in Colorado and other states, including California.

8.7 – Right to Meaningful Human Review and Reconsideration:

C(5): The rules should not prohibit ADMT from assisting in a Meaningful Human Review. These tools can provide information that helps human reviewers make better decisions. The Department should remove this restriction or clarify that ADMT may assist in a review, provided the human reviewer does not defer to its outcome.

D(3): The rules should measure whether a review was meaningful based on the process used, not the outcome.

E(5)(b): The rules should require reconfiguring an ADMT or repeating a decision-making process only when commercially reasonable.

F: Requiring detailed, individualized explanations for every consumer request would impose significant compliance burdens. The Department should allow companies to describe the outcome, the general review process, and the factors considered, rather than requiring a detailed list of reasons for each decision.

Colorado has an opportunity to show that protecting consumers and supporting AI innovation are not competing goals. Clear, practical rules can accomplish both. But regulations that go beyond the law, impose unnecessary costs, and create conflicting requirements across states will make it harder for companies, especially startups and small businesses, to bring new technologies to market.

CTA urges the Department to adopt these changes, provide companies sufficient time to comply, and keep the final rules focused on the consumer protections the legislature actually enacted. Colorado should be a place where innovators want to build, invest, and create jobs.

Sincerely,

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