



Statement of Basis, Purpose, Specific Statutory Authority, and Findings

Wage Protection Rules, 7 CCR 1103-7 (2025), as proposed September 27, 2024; to be followed and replaced by a final Statement at the conclusion of the rulemaking process.

I. Basis:

The Director (“Director”) of the Division of Labor Standards and Statistics (“Division”) has the authority to adopt rules and regulations on wage-and-hour and workplace conditions, under authority listed in Part II, which is incorporated into Part I as well. These rules update the Wage Protection Rules, 7 CCR 1103-7, which implement the Colorado Wage Act (“CWA”) as amended, including but not limited to the Wage Protection Act (“WPA”), Colorado Revised Statutes (“C.R.S.”) § 8-4-101 et seq., Colorado Senate Bill 22-161 (“SB161”), and Colorado Senate Bill 23-231 (“SB231”); the Healthy Families and Workplaces Act (“HFWA”), C.R.S. § 8-13.3-401 et seq.; the Agricultural Labor Rights and Responsibilities Act (“ALRRA”), codified in relevant part at C.R.S. §§ 8-6-101.5, 8-6-120, and 8-13.5-201 et seq.; the Equal Pay for Equal Work Act (“EPEWA”), C.R.S. §§ 8-5-101 et seq.; the Colorado Employment Opportunity Act, C.R.S. § 8-2-126; the Social Media and the Workplace Law, C.R.S. § 8-2-127; the Chance to Compete Act, C.R.S. § 8-2-130; and the Job Application Fairness Act, C.R.S. § 8-2-131.

II. Specific Statutory Authority:

The Director is authorized to adopt and amend rules and regulations to enforce, execute, apply, and interpret Articles 1, 2, 4-6, 12, 13.3, and 13.5 of Title 8, C.R.S. (2024), and all rules, regulations, investigations, and other proceedings of any kind thereunder, by the Colorado Administrative Procedure Act (“Colorado APA”), C.R.S. § 24-4-103, and provisions of Articles 1, 2, 4-6, 12, 13.3, and 13.5.

III. Findings, Justifications, and Reasons for Adoption:

Pursuant to C.R.S. § 24-4-103(4)(b), the Director finds as follows: **(A)** demonstrated need exists for these rules, as detailed in the findings in Part IV, which are incorporated into this finding as well; **(B)** proper statutory authority exists for the rules, as detailed in the list of statutory authority in Part II, which is incorporated into this finding as well; **(C)** to the extent practicable, the rules are clearly stated so that their meaning will be understood by any party required to comply; **(D)** the rules do not conflict with other provisions of law; and **(E)** any duplicating or overlapping has been minimized and is explained by the Division.

IV. Specific Findings for Adoption:

Pursuant to C.R.S. § 24-4-103(6) the Director finds as follows.

A. Rule 2: Definitions and Clarifications

Rule 2.16 is amended to clarify, and avoid confusion, that for a written demand to be valid, a person must send the written demand at a time when wages are owed and past due.

B. Rule 9: Wage Theft Enforcement Fund

Amendments to the Colorado Youth Employment Opportunity Act of 1971 (“CYEOA Amendments”), [Colorado House Bill 24-1095](#) (Ch. 378, Sec. 2561, § 8-12-101 et seq., 2024 Colo. Sess. Laws 2561–2568) were enacted June 4, 2024, and will be fully effective January 1, 2025. Because the CYEOA Amendments expanded liability,

remedies, fines, and penalties (among other matters) for CYEOA violations, H.B. 24-1095 also included nominal amendments to the Colorado Wage Act (“CWA”), including to language describing Division enforcement authority in C.R.S. § 8-4-113. These CWA amendments made clear that the Division may use its enforcement authority for violations of C.R.S., Article 12 of Title 8, and other articles authorizing investigation of alleged labor violations. The passage of these CYEOA Amendments thus warranted amending the Wage Protection Rules to conform to those statutory additions and changes. Specifically, the amendments to Rule 9 ensure that the revised language expressly conforms to the changes made in C.R.S. § 8-4-113(4) and (5).

V. Effective Date:

If adopted, these rules take effect January 1, 2025, or as soon after as rulemaking completes.



Scott Moss
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Colorado Department of Labor and Employment
Dated: September 27, 2024