



Fiscal Note
Legislative Council Staff
Nonpartisan Services for Colorado’s Legislature

SB 25-299: CONSUMER PROTECTION RESIDENTIAL ENERGY SYSTEMS

Prime Sponsors:

Sen. Wallace
Rep. Brown; Soper

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Published for: Senate Transportation & Energy
Drafting number: LLS 25-1062

Version: Initial Fiscal Note
Date: April 21, 2025

Fiscal note status: The fiscal note reflects the introduced bill. Due to time constraints, this analysis is preliminary and will be updated following further review and any additional information received.

Summary Information

Overview. The bill establishes procedures that solar sales companies must follow and establishes a deceptive trade practice for violations.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Revenue
- Minimal State Workload
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill establishes procedures that solar sales companies must follow when engaging with consumers. Among other provisions, the bill requires companies to:

- provide consumers with disclosures when entering into a purchase or lease agreement;
- allow a grace period for consumers to cancel agreements without financial penalty;
- not use the name, logo, or other items indicating an association with a utility provider unless authorized by that utility; and
- provide a warranty for the installation and workmanship of a solar electric system.

The bill also requires investor-owned utilities to provide certain information about financial incentives offered to consumers who utilize solar electric systems.

Lastly, violations of the bill's provisions are enforceable as a deceptive trade practice.

State Revenue

The bill potentially increases state revenue from civil penalties and filing fees as discussed below.

Civil Penalties

Under the Colorado Consumer Protection Act, a person committing a deceptive trade practice may be subject to a civil penalty of up to \$20,000 for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Filing Fees

The bill may increase revenue to the Judicial Department from an increase in civil case filings paid by private parties. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill increases workload in the Department of Law, the Judicial Department, and the Department of Regulatory Agencies as discussed below.

Department of Law

Workload in the Department of Law will minimally increase to the extent that deceptive trade practice complaints are filed. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of deceptive trade practice complaints and available resources.

Judicial Department

The trial courts in the Judicial Department may have an increase in cases filed under the Colorado Consumer Protection Act from the addition of a new deceptive trade practice. It is assumed that solar sales companies will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that this can be accomplished within existing resources and that no change in appropriations is required.

Department of Regulatory Agencies

The Public Utilities Commission (PUC) in the Department of Regulatory Agencies (DORA) regulates the investor-owned utilities that the bill requires to provide certain information about financial incentives offered to consumers who utilize solar electric systems. Thus, the bill potentially increases workload in DORA to ensure utilities follow the bill's requirements. It is assumed that most utilities will follow the law and any increase in workload for DORA to take administrative actions will be minimal. No change in appropriations is required.

Local Government

Similar to the state, to the extent district attorneys receive deceptive trade practice complaints related to the new deceptive trade practice under the bill, workload will increase to investigate complaints and seek relief when appropriate. It is assumed most such cases will be handled at the state level by the Attorney General.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial

Regulatory Agencies

Law