

#### SB 25-070: ONLINE MARKETPLACES & THIRD-PARTY SELLERS

**Prime Sponsors:** 

Sen. Liston; Roberts Rep. Armagost; Lindstedt

**Bill Outcome:** Signed into Law **Drafting number:** LLS 25-0483

Fiscal note status: The final fiscal note reflects the enacted bill.

**Version:** Final Fiscal Note

**Fiscal Analyst:** 

**Date:** August 5, 2025

Matt Bishop, 303-866-4796 matt.bishop@coleg.gov

## **Summary Information**

**Overview.** The bill requires online marketplaces to report the sale of stolen goods on their platforms.

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

State Revenue

Local Government

Minimal State Workload

Appropriations. No appropriation is required.

# Table 1 State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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 requires online marketplaces to notify law enforcement if a third-party seller attempts to sell stolen goods to a Colorado consumer, unless they receive a notice from law enforcement first. Online marketplaces must have a mechanism to communicate with law enforcement and procedures in place to detect organized retail crime. A marketplace's violation is a deceptive trade practice under the Colorado Consumer Protection Act.

#### **State Revenue**

The bill may increase state revenue from civil penalties or filing fees, as outlined 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. Revenue from filing fees is subject to TABOR.

# **State Expenditures**

The bill increases workload and potentially costs in multiple state agencies.

# **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 online marketplaces will abide by the law and that any violation of the legislation will result in minimal new cases. Cases may also increase if reporting stolen goods to law enforcement leads to additional charges. The limited scope of these notifications is expected to result in minimal new cases. No change in appropriations is required.

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### **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. Workload may also increase for local law enforcement to investigate additional reports of stolen goods.

#### **Effective Date**

The bill was signed into law by the Governor on June 4, 2025, and takes effect August 6, 2025, assuming no referendum petition is filed.

#### **State and Local Government Contacts**

District Attorneys

Law

**Judicial**