

SB 25-157: DECEPTIVE TRADE PRACTICE SIGNIFICANT IMPACT STANDARD

Prime Sponsors:

Sen. Weissman; Gonzales J. Rep. Mabrey; Titone

Published for: Senate Business, Labor, & Tech. **Drafting number:** LLS 25-0554

Fiscal note status: The fiscal note reflects the introduced bill.

Fiscal Analyst:

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Version: Initial Fiscal Note **Date:** February 11, 2025

Summary Information

Overview. The bill clarifies standards for enforcing unfair or deceptive trade practices.

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

Minimal State Revenue

Local Government

Minimal State Workload

Appropriations. No appropriation is required.

Table 1 State Fiscal Impacts

	Budget Year	Out Year
Type of Impact	FY 2025-26	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

Under current law, deceptive trade practices must significantly affect the public in order to be violations of the Colorado Consumer Protection Act. The bill establishes standards for what kinds of activity constitute a significant impact and what does not.

Background

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. Cases are filed in trial courts, resulting in filing fees. Revenue from filing fees is subject to TABOR. Workload associated with deceptive trade practices is handled by the Department of Law.

State Revenue and Expenditures

The bill has a minimal, indeterminate effect on state revenue and expenditures. Clarifying the evidence required to establish that a deceptive trade practice has occurred may result in some additional cases being filed, whereas other cases that would have been filed under current law may no longer occur. The overall impact on the Department of Law and the Judicial Department is expected to be minimal and no change in appropriations is required.

Local Government

Similar to the state, to the extent district attorneys receive a different number of deceptive trade practice complaints, workload will increase or decrease. It is assumed most such cases will be handled at the state level by the Department of Law.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Judicial	Law
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