



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

**SB 25-145: ONLINE CANCELLATION OF AUTOMATIC RENEWAL CONTRACTS**

**Prime Sponsors:**

Sen. Kipp  
Rep. Lindsay; Zokaie

**Fiscal Analyst:**

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

**Bill Outcome:** Signed into Law  
**Drafting number:** LLS 25-0310

**Version:** Final Fiscal Note  
**Date:** August 6, 2025

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

**Summary Information**

**Overview.** The bill requires sellers of goods and services to implement simple mechanisms for canceling an automatic renewal contract or a trial period offer.

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

- 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**

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The bill requires sellers of goods and services to offer simple mechanisms for consumers to cancel automatic renewal contracts or trial period offers either online or in a store. Failure to comply with the methods described in the bill constitute a deceptive trade practice under the Colorado Consumer Protection Act.

## **State Revenue**

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### **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**

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### **Department of Law**

Workload in the Department of Law will minimally increase to adopt rules, and 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 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.

## Local Government

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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

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The bill was signed into law by the Governor on June 3, 2025, and took effect on August 6, 2025, except that its application to businesses takes effect February 16, 2026. It applies to contracts offered or renewed on or after those dates.

## State and Local Government Contacts

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District Attorneys	Law
Judicial	

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).