



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 18-1248

FISCAL NOTE

Drafting Number:	LLS 18-0665	Date:	March 7, 2018
Prime Sponsors:	Rep. Kraft-Tharp; Sias Sen. Priola; Williams A.	Bill Status:	House Business
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Bill Topic: UNAUTHORIZED FUNDS TRANSFERS CONSUMER PROTECTION

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>potential, minimal</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies consumer protections related to electronic transfers. The bill creates a potential, minimal ongoing workload increase.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

Current law requires Colorado banks to protect the electronic fund transfers of each account holder and limits the account holder's liability for an unauthorized transfer to \$50. This bill broadens the protections to include any consumer who enters into a transaction primarily for personal, family or household purposes and incorporates federal regulations on electronic fund transfers into state statute. Under the federal regulations, if a financial institution has provided the required disclosures to the consumer, the liability of a consumer for an unauthorized transfer is based on whether the consumer provides timely notice to the financial institution. Failure to provide timely notice increases the consumer's liability for the unauthorized transfer.

State Expenditures

Beginning in FY 2018-19, this bill may increase workload for the Consumer Protection section in the Department of Law. If the section receives a number of valid complaints about a financial institution as a result of this bill, it may take enforcement action. The number of complaints is expected to be minimal and can be addressed within existing appropriations.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Information Technology

Law

Regulatory Agencies