



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

FINAL FISCAL NOTE

Drafting Number:	LLS 18-0205	Date:	August 8, 2018
Prime Sponsors:	Sen. Neville T. Rep. Kraft-Tharp; Van Winkle	Bill Status:	Signed into Law
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Bill Topic: MOTOR VEHICLE RENTAL CHARGES DISCLOSURES

Summary of Fiscal Impact:

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

This bill requires rental car companies to disclose mandatory rental charges. Beginning in FY 2018-19, it minimally increases revenue and workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

This bill requires a motor vehicle rental company to provide an estimate of all rental fee charges, including all additional mandatory charges. This estimate may exclude any mileage charges or charges for optional items. If a company fails to disclose charges, it is considered a deceptive trade practice.

State Revenue

Beginning in FY 2018-19, this bill may increase revenue from filing fees and fines if claims are brought against rental car companies for failing to disclose mandatory charges. This revenue increase is expected to be minimal; it is assumed that most rental car companies will comply with the law and disclose all mandatory fees. Additionally, penalties for deceptive trade practices go to the state General Fund. Penalties for a deceptive trade practice are \$2,000 for the first violation and up to \$10,000 for subsequent violations.

TABOR Refund

The bill minimally increases state revenue subject to TABOR in FY 2018-19 and FY 2019-20. State revenue is not currently expected to exceed the TABOR limit in either year and no refund is required. Therefore, the bill is not expected to impact TABOR refunds in these years. However, refunds in future years when the state next collects a TABOR surplus will be increased.

State Expenditures

Beginning in FY 2018-19, this bill may increase workload in the Judicial Department and the Department of Law, as explained below.

Judicial Department. Workload will increase in the trial courts for claims brought against rental car companies for failing to disclose mandatory charges. This workload increase is expected to be minimal; it is assumed that most rental car companies will comply and disclose all mandatory fees.

Department of Law. Workload may increase for the Attorney General to the extent that claims are brought against rental car companies for failing to disclose mandatory charges. As the enforcement of deceptive trade practices is permissive, the Attorney General will prioritize efforts against other complaints.

Local Government

Beginning in FY 2018-19, this bill may increase workload for district attorneys who prosecute claims brought against rental car companies. This workload is expected to be minimal. The enforcement of deceptive trade practices by District Attorneys is permissive.

Effective Date

The bill was signed into law by the Governor on March 15, 2018, and it took effect on August 8, 2018.

State and Local Government Contacts

Counties
Law

District Attorneys
Municipalities

Judicial
Revenue