



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 22-0038	Date:	August 18, 2022
Prime Sponsors:	Sen. Holbert; Fenberg Rep. Hooton; Van Winkle	Bill Status:	Signed into Law
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Bill Topic:	INFO SHARING FOR CONSUMER PROTECTION INVESTIGATION
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Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill amends the Colorado Consumer Protection Act to allow record sharing to enforce consumer protection and unfair trade laws. The bill increases state and local workload, and potentially increases revenue and expenditures, on an ongoing basis beginning in FY 2022-23.

Appropriation Summary:	No appropriation is required.
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Fiscal Note Status:	The fiscal note reflects the enacted bill.
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Summary of Legislation

The bill allows the Attorney General to enter into interagency agreements with state licensing authorities for referrals of complaints, information sharing, confidentiality requirements, and other terms to facilitate the investigation and enforcement of Colorado consumer protection laws. In addition, district attorneys are permitted to request records about a regulated individual from the applicable state or local licensing authority after receiving a complaint that the individual has violated the Colorado Consumer Protection Act, if the complaint asserts that:

- the complainant suffered damages of at least \$20,000 and the district attorney determines the amount appears to be reasonable; or
- two or more individuals regulated by the licensing authority jointly engaged in conduct that led to the complaint.

The complainant may be required to pay the regulated person's costs incurred, actual damages sustained, and attorney fees incurred, in relation to an investigation by the district attorney or the attorney general, or the licensing authority in certain circumstances, if a court determines that the complaint is groundless or if the regulated individual prevails in the matter.

The licensing authority must provide access to the requested records if the licensing authority has determined that it will not take action against a regulated individual. Copies of the records that a licensing authority sends to a district attorney, or to the Attorney General or their designee, are not subject to the Colorado Open Records Act.

State Expenditures

Beginning in FY 2022-23, the bill may increase state workload and expenditures for state licensing authorities in state executive agencies and in the Judicial Department.

State licensing authorities. The bill may increase workload for state licensing authorities to coordinate and provide records about regulated individuals to district attorneys or the Attorney General. This fiscal note assumes that the increase in workload associated with record sharing will be minimal and can be accomplished within existing resources. Costs for state licensing authorities may also increase to the extent that the need for legal services or representation from the Department of Law increase. If additional resources are required to accommodate these costs, it will be addressed through the annual budget process.

Judicial Department. Improved access to records about regulated professional may potentially increase the number of civil and criminal cases heard by the courts relating to consumer protection and unfair trade practices. These additional cases may increase workload and costs in various parts of the Judicial Department, including the trial courts, Division of Probation, and agencies that provide representation to indigent persons. If additional resources are required to accommodate these costs, it will be addressed through the annual budget process.

Local Government

Beginning in FY 2022-23, the bill may increase workload for local licensing authorities and district attorney offices regarding record requests about regulated individuals. To the extent that the ability to request records increases the number of complaints investigated by district attorneys, workload will increase. Generally, it is assumed that most consumer protection cases will be investigated by the Attorney General for civil violations, and by local law enforcement for criminal matters. District attorneys are funded by the counties within each judicial district.

Effective Date

The bill was signed into law by the Governor on May 6, 2022, and it took effect on August 9, 2022.

State and Local Government Contacts

Counties	District Attorney	Education
Governor	Information Technology	Judicial
Law	Public Health and Environment	Public Safety
Regulatory Agencies	Revenue	