



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated March 7, 2023)

Drafting Number:	LLS 23-0766	Date:	April 17, 2023
Prime Sponsors:	Rep. Weissman; Mabrey Sen. Gonzales	Bill Status:	Senate Business
		Fiscal Analyst:	Clayton Mayfield 303-866-5851 clayton.mayfield@coleg.gov

Bill Topic: **AMENDING TERMS CONSUMER LENDING LAWS**

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input 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

The bill modifies the requirements for loans not exceeding \$1,000 and provides that state law applies to interest rates on consumer credit transactions. Starting in FY 2023-24, state and local expenditures and revenues may minimally increase on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill.

Summary of Legislation

The bill reduces the allowable charges and modifies loan terms and application procedures for loans of less than \$1,000. Additionally, the bill exercises a state option to exempt consumer credit transactions from certain federal interest rate limits, and instead applies interest rate limits in state law to those transactions.

State Revenue and Expenditures

The bill primarily concerns contracts between private parties. Although the Department of Law serves as the administrator of the Colorado Uniform Consumer Credit Code, which the bill amends, the changes are not anticipated to affect the expenditures or revenues of the department. To the extent that civil filings with the trial courts increase, Judicial Department workload and revenue from filing fees may increase. Revenue from filing fees is subject to TABOR. No change in appropriations is required.

Local Government

Similar to the state, to the extent civil cases are filed, workload and revenue for Denver County Court may increase.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature. It applies to loans made or renewed on or after the effective date of the bill, except that changes to fees and processes for loans under \$1,000 takes effect January 1, 2024 and applies to loans made or renewed on or after that date.

State and Local Government Contacts

Judicial

Law

Regulatory Agencies