

**Second Regular Session  
Seventy-fifth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 26-1003.01 Christopher McMichael x4775

**SENATE BILL 26-174**

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**SENATE SPONSORSHIP**

**Roberts,**

**HOUSE SPONSORSHIP**

**Carter and Soper, Garcia**

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**Senate Committees**  
Judiciary

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE PROHIBITION OF LEAD GENERATION MARKETING**  
102      **FOR LEGAL SERVICES.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill establishes that the practice of lead generation marketing for legal services is a deceptive trade practice that is subject to enforcement under the "Colorado Consumer Protection Act".

"Lead generation legal marketing" is defined in the bill as a form of marketing in which a lawyer, law firm, or legal paraprofessional pays money or other compensation to a third party to receive information about

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing law.  
Dashes through the words or numbers indicate deletions from existing law.

a potential client or case, including the client's contact information or information about the potential client's legal issue or case.

The bill prohibits an attorney, law firm, or legal paraprofessional from paying money or other compensation to any person engaged in lead generation legal marketing.

The bill prohibits a person from engaging in the practice of lead generation legal marketing. A person may not solicit or market for legal services in Colorado unless the person is:

- A licensed attorney, law firm, or licensed legal paraprofessional;
- Working on behalf of a licensed attorney, law firm, or licensed legal paraprofessional and the attorney, law firm, or licensed legal paraprofessional is clearly identified in any advertisement and marketing materials, information, or resources; or
- A nonprofit organization that provides legal services.

The bill establishes that a person that engages in the practice of lead generation legal marketing may be subject to both civil and criminal penalties.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-105, **add**  
3 (1)(qqqq) as follows:

4 **6-1-105. Unfair or deceptive trade practices - definitions.**

5 (1) A person engages in a deceptive trade practice when, in the  
6 course of the person's business, vocation, or occupation, the person:

7 (qqqq) VIOLATES SECTION 6-1-741.

8 **SECTION 2.** In Colorado Revised Statutes, **add** 6-1-741 as  
9 follows:

10 **6-1-741. Lead generation legal marketing - deceptive trade**  
11 **practice - enforcement - penalties - rules - definitions - legislative**  
12 **declaration.**

13 (1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

14 (a) CONSISTENT WITH RULES ADOPTED BY THE COLORADO

1 SUPREME COURT REGARDING THE PRACTICE OF LAW BY ATTORNEYS AND  
2 LICENSED LEGAL PARAPROFESSIONALS, TRADITIONAL LEGAL MARKETING  
3 ALLOWS ATTORNEYS AND LAW FIRMS TO ADVERTISE THEIR SERVICES  
4 WHILE CLEARLY IDENTIFYING THEMSELVES AND ALLOWING CONSUMERS  
5 TO MAKE INFORMED DECISIONS REGARDING THEIR LEGAL  
6 REPRESENTATION;

7 (b) LEAD GENERATION LEGAL MARKETING FOR LEGAL SERVICES  
8 INVOLVES THIRD PARTIES THAT SOLICIT CONSUMERS WHO MAY NEED  
9 LEGAL SERVICES BY OBTAINING THE CONSUMER'S PERSONAL INFORMATION  
10 AND INFORMATION ABOUT THE CONSUMER'S LEGAL ISSUE AND THEN  
11 SELLING THAT INFORMATION TO ATTORNEYS OR LAW FIRMS;

12 (c) LEAD GENERATION LEGAL MARKETING FOR LEGAL SERVICES IS  
13 INHERENTLY MISLEADING TO CONSUMERS BECAUSE THE PERSON  
14 CONDUCTING THE LEAD GENERATION LEGAL MARKETING PURPORTS TO BE  
15 AN ATTORNEY OR REPRESENTATIVE FROM A LAW FIRM BUT IS ACTUALLY  
16 NOT AN ATTORNEY OR LAW-FIRM REPRESENTATIVE;

17 (d) LEAD GENERATION LEGAL MARKETING FIRMS TYPICALLY USE  
18 "BAIT-AND-SWITCH" TACTICS, "LOOK-ALIKE" ADVERTISING,  
19 IMPERSONATION, FRAUD, AND OTHER DECEPTIVE ADVERTISING PRACTICES  
20 TO TARGET INJURED OR VULNERABLE CONSUMERS WHO ARE IN NEED OF  
21 LEGAL REPRESENTATION;

22 (e) LEAD GENERATION LEGAL MARKETING ALSO MISLEADS THE  
23 ATTORNEYS OR LAW FIRMS THAT PURCHASE THE CONSUMER INFORMATION  
24 FROM THE LEAD GENERATION LEGAL MARKETING ORGANIZATION BECAUSE  
25 THE CONSUMER INFORMATION IS OFTEN SOLD TO MULTIPLE FIRMS, THE  
26 INFORMATION IS ERRONEOUS, OR THE INFORMATION DOES NOT REPRESENT  
27 A VIABLE LEGAL CASE;

1 (f) BECAUSE OF THE HARM THAT LEAD GENERATION LEGAL  
2 MARKETING CAN HAVE ON CONSUMERS, ATTORNEYS, AND THE LEGAL  
3 PROFESSION, IT IS IMPERATIVE THAT THIS PRACTICE BE PROHIBITED IN THE  
4 STATE AND ENFORCED THROUGH CIVIL AND CRIMINAL PENALTIES;

5 (g) CIVIL AND CRIMINAL VIOLATIONS RELATED TO THE PRACTICE  
6 OF LEAD GENERATION LEGAL MARKETING ARE CAPABLE OF BEING  
7 ENFORCED BY THE ATTORNEY GENERAL AND THE STATE'S DISTRICT  
8 ATTORNEYS UNDER THE "COLORADO CONSUMER PROTECTION ACT",  
9 ARTICLE 1 OF TITLE 6, AND THE COLORADO CRIMINAL CODE, INCLUDING,  
10 BUT NOT LIMITED TO, CRIMINAL IMPERSONATION, FRAUD, AND  
11 RACKETEERING; AND

12 (h) THEREFORE, IT IS IN THE BEST INTEREST OF COLORADANS TO  
13 PROHIBIT PERSONS THAT CONDUCT LEAD GENERATION LEGAL MARKETING  
14 FOR LEGAL SERVICES FROM DOING BUSINESS IN THE STATE.

15 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
16 REQUIRES:

17 (a) (I) "LEAD GENERATION LEGAL MARKETING" MEANS ANY FORM  
18 OF MARKETING IN WHICH AN ATTORNEY, LAW FIRM, OR LICENSED LEGAL  
19 PARAPROFESSIONAL PAYS MONEY OR OTHER COMPENSATION TO A THIRD  
20 PARTY TO RECEIVE INFORMATION ABOUT A POTENTIAL CLIENT OR CASE,  
21 WHICH INFORMATION MAY INCLUDE THE POTENTIAL CLIENT'S CONTACT  
22 INFORMATION OR INFORMATION ABOUT THE POTENTIAL CLIENT'S LEGAL  
23 ISSUE.

24 (II) "LEAD GENERATION LEGAL MARKETING" INCLUDES  
25 MARKETING IN WHICH COMPENSATION IS PROVIDED TO A THIRD PARTY  
26 DIRECTLY, INDIRECTLY, ON A PER-LEAD OR PER-CASE BASIS, OR AS A  
27 SUBSCRIPTION MODEL AND INCLUDES COMPENSATION MADE THROUGH

1 INTERMEDIARIES, AFFILIATES, OR OTHER ENTITIES.

2 (III) "LEAD GENERATION LEGAL MARKETING" DOES NOT INCLUDE  
3 THE SHARING OF FEES BETWEEN LICENSED ATTORNEYS, LAW FIRMS, OR  
4 LICENSED LEGAL PARAPROFESSIONALS SO LONG AS THE FEES ARE SHARED  
5 IN COMPLIANCE WITH STATE LAW AND RULES ADOPTED BY THE COLORADO  
6 SUPREME COURT.

7 (b) (I) "TRADITIONAL LEGAL MARKETING" MEANS MARKETING  
8 DONE BY AN ATTORNEY, LAW FIRM, OR LICENSED LEGAL  
9 PARAPROFESSIONAL, OR BY A THIRD PARTY ON BEHALF OF AN ATTORNEY,  
10 LAW FIRM, OR LICENSED LEGAL PARAPROFESSIONAL, DURING WHICH  
11 MARKETING THE ATTORNEY, LAW FIRM, OR LICENSED LEGAL  
12 PARAPROFESSIONAL THAT IS ADVERTISING THEIR SERVICES IS CLEARLY  
13 IDENTIFIED TO THE CONSUMER.

14 (II) "TRADITIONAL LEGAL MARKETING" INCLUDES, BUT IS NOT  
15 LIMITED TO, SEARCH ENGINE OPTIMIZATION, PAY-PER-CLICK INTERNET  
16 ADVERTISING, RADIO ADVERTISING, TELEVISION ADVERTISING, STREAMING  
17 ADVERTISING, BILLBOARD ADVERTISING, AND LISTING IN LEGAL  
18 DIRECTORIES IN WHICH THE NAME OR IDENTITY OF THE ATTORNEY, LAW  
19 FIRM, OR LICENSED LEGAL PARAPROFESSIONAL IS CLEARLY DISCLOSED.

20 (3) CONSISTENT WITH RULES ADOPTED BY THE COLORADO  
21 SUPREME COURT REGARDING THE PRACTICE OF LAW BY ATTORNEYS AND  
22 LICENSED LEGAL PARAPROFESSIONALS, AND UNLESS A PERSON MEETS THE  
23 CRITERIA DESCRIBED IN SUBSECTION (4) OF THIS SECTION, A PERSON SHALL  
24 NOT:

25 (a) PAY MONEY OR OTHER COMPENSATION FOR LEAD GENERATION  
26 LEGAL MARKETING SERVICES IN THE STATE;

27 (b) ENGAGE IN THE PRACTICE OF LEAD GENERATION LEGAL

1 MARKETING IN THE STATE; OR

2 (c) SELL LEADS TO AN ATTORNEY, LAW FIRM, OR LICENSED LEGAL  
3 PARAPROFESSIONAL IN THE STATE. \_\_\_

4 (4) A PERSON MAY SOLICIT A POTENTIAL CLIENT OR MARKET FOR  
5 LEGAL SERVICES IN THE STATE IF THE PERSON IS:

6 (a) AUTHORIZED BY THE COLORADO SUPREME COURT TO PRACTICE  
7 LAW IN THE STATE;

8 (b) WORKING ON BEHALF OF A PERSON AUTHORIZED BY THE  
9 COLORADO SUPREME COURT TO PRACTICE LAW IN THE STATE, AND THE  
10 PERSON WHO IS AUTHORIZED TO PRACTICE LAW IN THE STATE OR THE LAW  
11 FIRM OR BUSINESS FOR WHICH THE PERSON WORKS IS CLEARLY IDENTIFIED  
12 IN ANY ADVERTISEMENT, MARKETING MATERIAL, INFORMATION, OR  
13 RESOURCES; OR

14 (c) A NONPROFIT ORGANIZATION THAT ENGAGES IN LEGAL  
15 SERVICES IN THE STATE.

16 (5) THIS SECTION DOES NOT PROHIBIT A PERSON FROM ENGAGING  
17 IN THE PRACTICE OF TRADITIONAL LEGAL MARKETING.

18 (6) (a) A COURT MAY ORDER INJUNCTIVE RELIEF IN A CIVIL ACTION  
19 BROUGHT PURSUANT TO THIS SECTION.

20 (b) AN ATTORNEY, LAW FIRM, OR LICENSED LEGAL  
21 PARAPROFESSIONAL OR ANY CONSUMER WHO HAS BEEN AFFECTED BY  
22 LEAD GENERATION LEGAL MARKETING MAY BRING A CIVIL ACTION TO  
23 ENFORCE THIS SECTION.

24 (c) IF A PERSON IS HELD TO BE IN VIOLATION OF THIS SECTION AS  
25 A RESULT OF A CIVIL ACTION, THE CLAIMANT IS ENTITLED TO DAMAGES IN  
26 THE AMOUNT OF TEN THOUSAND DOLLARS PER VIOLATION, PLUS  
27 REASONABLE ATTORNEY FEES AND COSTS.

1 (7) THE ATTORNEY GENERAL OR A DISTRICT ATTORNEY MAY BRING  
2 A CRIMINAL ACTION AGAINST A PERSON THAT ENGAGES IN THE PRACTICE  
3 OF LEAD GENERATION LEGAL MARKETING IF THE ATTORNEY GENERAL OR  
4 DISTRICT ATTORNEY DETERMINES THAT THE PERSON'S ACTIONS  
5 CONSTITUTE A CRIME PURSUANT TO THE COLORADO CRIMINAL CODE,  
6 INCLUDING:

7 (a) CRIMINAL IMPERSONATION, AS DESCRIBED IN SECTION  
8 18-5-113;

9 (b) OFFENSES INVOLVING FRAUD, AS DESCRIBED IN ARTICLE 5 OF  
10 TITLE 18;

11 (c) RACKETEERING ACTIVITY, AS DEFINED IN SECTION 18-17-103  
12 (5); OR

13 (d) ANY OTHER CRIME UNDER COLORADO LAW.

14 (8) THE ATTORNEY GENERAL MAY ADOPT ANY RULES NECESSARY  
15 TO ENFORCE THIS SECTION.

16 (9) THIS SECTION DOES NOT LIMIT THE COLORADO SUPREME  
17 COURT'S RULE-MAKING AUTHORITY, DECISION-MAKING AUTHORITY, OR  
18 ENFORCEMENT AUTHORITY RELATED TO THE PRACTICE OF LAW IN THE  
19 STATE, INCLUDING THE UNAUTHORIZED PRACTICE OF LAW.

20 **SECTION 3. Act subject to petition - effective date -**  
21 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
22 the expiration of the ninety-day period after final adjournment of the  
23 general assembly (August 12, 2026, if adjournment sine die is on May 13,  
24 2026); except that, if a referendum petition is filed pursuant to section 1  
25 (3) of article V of the state constitution against this act or an item, section,  
26 or part of this act within such period, then the act, item, section, or part  
27 will not take effect unless approved by the people at the general election

1 to be held in November 2026 and, in such case, will take effect on the  
2 date of the official declaration of the vote thereon by the governor.

3 (2) This act applies to conduct occurring on or after the applicable  
4 effective date of this act.