



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 22-0845	<b>Date:</b>	August 25, 2022
<b>Prime Sponsors:</b>	Rep. Gonzales-Gutierrez; Benavidez Sen. Gonzales; Rodriguez	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** REPEAL OF ATTORNEY FEES ON MOTIONS TO DISMISS

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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 type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill creates exemptions from awarding attorney fees to defendants in certain civil cases. It may increase state revenue and expenditures beginning in FY 2022-23.

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**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

Under current law, a defendant may be awarded reasonable attorney fees in tort actions if the case is dismissed on motion of the defendant prior to trial. The bill creates an exemption for certain cases, including those filed to clarify an undecided question of law or to modify existing legal precedent.

## Background and Assumptions

From 2017 to 2019, the average amount of attorney fees awarded to defendants in civil cases was \$101 and the median was \$0. The fiscal note assumes that these are similar for cases dismissed prior to trial and that the small decrease in financial risk will not substantially incentivize plaintiffs to file additional cases.

## State Revenue and Expenditures

To the extent that additional civil actions are filed, state revenue from filing fees and state workload in trial courts will increase. Filing fees are subject to TABOR. Based on the assumptions above, any change is expected to be minimal and no change in appropriations is required.

## Effective Date

This bill was signed into law by the Governor and took effect on June 8, 2022.

## State and Local Government Contacts

Counties

Judicial