



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 28, 2022)

Drafting Number: LLS 22-0845 Date: March 31, 2022
Prime Sponsors: Rep. Gonzales-Gutierrez; Benavidez; Sen. Gonzales; Rodriguez Bill Status: Senate Judiciary Fiscal Analyst: Matt Bishop | 303-866-4796 Matt.Bishop@state.co.us

Bill Topic: REPEAL OF ATTORNEY FEES ON MOTIONS TO DISMISS

- Summary of Fiscal Impact: [x] State Revenue [x] TABOR Refund [x] State Expenditure [ ] Local Government [ ] State Transfer [ ] 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.

Appropriation Summary: No appropriation is required.

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

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

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## State and Local Government Contacts

Counties

Judicial