



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

---

<b>Drafting Number:</b>	LLS 23-0482	<b>Date:</b>	July 31, 2023
<b>Prime Sponsors:</b>	Sen. Rodriguez; Baisley Rep. Daugherty; Lindsay	<b>Bill Status:</b>	Vetoed by Governor
		<b>Fiscal Analyst:</b>	Kristine McLaughlin   303-866-4776 kristine.mclaughlin@coleg.gov

---

**Bill Topic:** CONSUMER PROTECTION IN EVENT TICKETING SALES

---

<b>Summary of Fiscal Impact:</b>	<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 would have expanded the definition of deceptive trade practice for online ticket resales, exempted select tickets from sale limitations, and outlined a civil penalty structure for violations. The bill may have minimally impacted state and local workload on an ongoing basis.

---

**Appropriation Summary:** No appropriation was required.

---

**Fiscal Note Status:** The fiscal note reflects the enrolled bill. This bill was vetoed by the Governor on June 6, 2023; therefore, the impacts identified in this analysis do not take effect.

---

## Summary of Legislation

The bill expands the definition of deceptive trade practice for online ticket resales to include sellers who:

- advertise resale tickets without directly selling and violate restrictions placed on sellers;
- use automated systems to purchase tickets;
- use website designs intended to mimic the original seller's advertisement without consent;
- do not meet disclosure requirements;
- increase the price of the ticket, once it has been selected, except for adding delivery fees;
- sell tickets without permission from the rights holder or that do not conform to their description.

The bill specifies that the state law does not prohibit the sale of tickets: sold by a person that has been authorized by the event operator, to free events, to charitable events, and in compliance with the Americans with Disabilities Act.

The bill outlines a civil penalty structure for violations, which includes fines of up to \$2 million dollars for a fourth or subsequent violation.

## **State Revenue**

**Civil penalties.** Under the Colorado Consumer Protection Act, a person committing a deceptive trade practice may currently be subject to a civil penalty of up to \$20,000 for each violation. The bill increases these penalties for violations related to ticket sales. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

**Filing fees.** The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

## **State Expenditures**

**Department of Law.** Workload in the Department of Law will minimally increase to the extent that deceptive trade practice complaints are filed. The department will review complaints under the bill and prioritize investigations as necessary within the overall number of deceptive trade practice complaints and available resources.

**Judicial Department.** The trial courts in the Judicial Department may have an increase in cases filed under the Colorado Consumer Protection Act from the addition of a new deceptive trade practice. It is assumed that online marketplaces will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that this can be accomplished within existing resources and that no change in appropriations is required.

## **Local Government**

Similar to the state, to the extent district attorneys receive deceptive trade practice complaints related to the new deceptive trade practice under the bill, workload will increase to investigate complaints and seek relief when appropriate. It is assumed most such cases will be handled at the state level by the Attorney General.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature. It applies to conduct on or after that date.

## **State and Local Government Contacts**

District Attorneys  
Law

Information Technology  
Regulatory Agencies

Judicial