



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 22, 2024)

Table with 2 columns: Field (Drafting Number, Prime Sponsors, Date, Bill Status, Fiscal Analyst) and Value (LLS 24-0585, Rep. Snyder, March 26, 2024, House Second Reading, Clayton Mayfield | 303-866-5851, clayton.mayfield@coleg.gov)

Bill Topic: UNIFORM CONSUMER DEBT DEFAULT JUDGMENTS ACT

Table with 2 columns: Summary of Fiscal Impact and checkboxes for State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, and Statutory Public Entity.

The bill enacts the Uniform Consumer Debt Default Judgments Act. Starting in FY 2024-25, the bill increases state expenditures on an ongoing basis.

Table with 2 columns: Appropriation Summary and Description (For FY 2024-25, the bill requires an appropriation of \$444,717 to the Judicial Department.)

Table with 2 columns: Fiscal Note Status and Description (This revised fiscal note reflects the introduced bill, which was recommended by the Colorado Commission on Uniform State Laws. State expenditures have been updated to include new information and assumptions about the implementation of the bill.)

Table 1
State Fiscal Impacts Under HB 24-1274

Main fiscal impact table with columns: Category (Revenue, Expenditures, Transfers, Other Budget Impacts), Sub-category, Budget Year FY 2024-25, and Out Year FY 2025-26.

Summary of Legislation

The bill enacts the Uniform Consumer Debt Default Judgements Act, which requires that prior to entering a motion for default judgment in certain consumer debt collection cases, complaints must contain certain information and that consumers in the complaint have been given a notice with required information.

State Expenditures

The bill increases state expenditures in the Judicial Department by about \$527,000 in FY 2024-25, and by \$539,000 in FY 2025-26 and beyond, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 24-1274

	FY 2024-25	FY 2025-26
Judicial Department		
Personal Services	\$358,791	\$430,550
Operating Expenses	\$6,010	\$7,212
Capital Outlay Costs	\$79,915	\$2,000
Centrally Appropriated Costs ¹	\$82,547	\$99,056
Total Cost	\$527,263	\$538,818
Total FTE	4.0 FTE	4.8 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Staff. The Judicial Department requires 4.8 FTE to review complaints prior to entering a default judgment to ensure they contain information required by the bill, as described below. Staff are prorated for a September 1, 2024 start date.

- *Magistrates.* Under current law, complaints are only required to contain basic information and are not required to follow a standard format. Based on the bill's changes to the complaint and judgment process, judicial officers will spend about 2 additional minutes per case reviewing complaints before issuing a default judgement. Given an estimated 37,000 cases annually that will be impacted by the bill, 0.6 FTE magistrate is required. Per Judicial Department policy, a county court magistrate requires support staff at a 1:2 ratio, resulting in the need for 1.2 FTE support staff. In addition to standard operating and capital outlay costs, the fiscal note includes additional costs pursuant to Judicial Department common policies costs for these staff.
- *Court clerks.* In addition to the time spent by the courts to review complaints, clerk staff will spend about 10 additional minutes per case reviewing complaints, resulting in the need for an additional 3.0 FTE.

Local Government

Similar to the state, the bill increases workload in Denver County Court, which is locally funded, to ensure motions and court procedures comply with the provisions of the bill.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2024-25, the bill requires a General Fund appropriation of \$444,717 to the Judicial Department, and 4.0 FTE.

State and Local Government Contacts

Judicial
Regulatory Agencies

Law

Legislative Legal Services

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).