



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1047: VETERANS BENEFITS DECEPTIVE TRADE PRACTICES

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**Prime Sponsors:**

Rep. Keltie

Sen. Liston

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**Version:** Initial Fiscal Note

**Date:** January 14, 2025

**Fiscal note status:** The fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** The bill creates a deceptive trade practice for certain prohibited services when assisting with a veterans' benefits matter.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- State Revenue
- Local Government

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## Summary of Legislation

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The bill makes it a deceptive trade practice for an individual or entity to:

- charge a fee to assist a veteran with claiming entitled benefits or services, unless the fee is reasonable and is otherwise permitted by federal law;
- charge a fee to refer a veteran to another individual or entity for assistance with a veterans' benefit matter; or
- guarantee a particular outcome in a veterans' benefit matter.

A fee may be charged for providing assistance with a veterans' benefit matter if a written agreement is entered by both parties specifying the terms of payment, and which must be in full compliance with federal law. A violation of this provision is also a deceptive trade practice.

## State Revenue

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The bill may increase revenue from court fees and civil penalties from creation of a new deceptive trade practice starting in FY 2025-26, as outlined below.

### 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.

### Civil Penalties

Under the Colorado Consumer Protection Act, a person committing a deceptive trade practice may be subject to a civil penalty of up to \$20,000 for each violation. 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.

## State Expenditures

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The bill minimally increases workload in the Department of Law and the Judicial Department. This workload does not require new appropriations.

### Department of Law

Workload in the Department of Law will minimally increase if new deceptive trade practice complaints are filed. The department will review complaints and prioritize investigations as necessary within the overall number of deceptive trade practice complaints received and available resources.

## **Judicial**

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. The fiscal note assumes a high degree of compliance by individuals and entities providing veterans' assistance, and that any violations will result in a minimal number of new cases.

## **Local Government**

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Similar to the state, if local district attorneys receive new deceptive trade practice complaints, workload will increase for investigations and to seek relief when appropriate. It is assumed most such cases will be handled at the state level by the Attorney General.

## **Effective Date**

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, and applies to violations on or after that date.

## **State and Local Government Contacts**

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Judicial

Law

Military Affairs

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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](#).