



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1233: VETERANS BENEFITS CLAIMS CONSUMER PROTECTIONS

Prime Sponsors:

Rep. Richardson
Sen. Hinrichsen

Fiscal Analyst:

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Published for: House State Affairs**Drafting number:** LLS 25-0769**Version:** Initial Fiscal Note**Date:** February 12, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

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.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
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

The bill limits the amount of compensation a person can receive to assist veterans with a veterans' benefits matter. A person may only be compensated for advising, assisting, or consulting on a veterans' benefits matter if the person secures an increase in the benefits awarded, not to exceed \$12,500. The bill puts other limitations on assisting veterans with benefit issues, including requiring a written business agreement and specific disclosures for any compensation a person receives for advising, assisting, or consulting on a veterans' benefit matter.

A person violating any of the bill's limitations or requirements engages in a deceptive trade practice. If the attorney general or district attorney collects any civil penalty from enforcing these actions as deceptive trade practice, any revenue from fines is deposited in the Colorado State Veterans Trust Fund.

State Revenue

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 credited to the Colorado State Veterans Trust Fund, rather than the General Fund like most deceptive trade practice penalties. This revenue is classified as a damage award and is 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 veterans' benefits assistance providers 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 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, applies to violations on or after that date.

State and Local Government Contacts

Judicial

Military Affairs

Law

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](#).