



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 25-1234: UTILITY CONSUMER PROTECTION

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**Prime Sponsors:**

Rep. Ricks; Joseph  
Sen. Winter F.

**Fiscal Analyst:**

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**Published for:** House Energy & Environment**Drafting number:** LLS 25-0337**Version:** Initial Fiscal Note**Date:** February 27, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** The bill prohibits utilities from selling customer data and limits when they can disconnect services.

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

- State Expenditure
- 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 prohibits electric or gas utilities from disclosing or selling customer data without the customer's consent, or unless it is sharing data with a governmental entity as required to implement a public assistance program. The bill also prohibits utilities from disconnecting service:

- from October to May, and during other periods of extreme heat or cold;
- during an emergency event;
- during periods of poor air quality; or
- if the customer has a medical emergency, as noted by a healthcare provider, and postpones the disconnection for 180 days.

The existing Energy Assistance System Benefit Charge funds utility bill payment assistance through a nonprofit organization, Energy Outreach Colorado. The bill specifies such assistance is available to qualified customers year-round.

## State Expenditures

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### Ratepayer Impacts

If reductions in utility revenue result in an increase in utility costs, the state, as a ratepayer, will see that charge on its utility bills. This impact is indeterminate.

## Local Government

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### Municipal Utilities

Since utility service disconnections typically occur when a customer has missed payments, restricting when municipal utilities can disconnect service is expected to significantly reduce their revenue. A survey conducted by the Colorado Association of Municipal Utilities conducted over a one-month period during the pandemic—when municipal utilities voluntarily suspended disconnections—found that the average revenue loss in a month was:

- about \$14,000 for municipal utilities with 1,000 or fewer customers;
- about \$87,000 for municipal utilities with 1,000 to 4,000 customers;
- about \$150,000 for municipal utilities with 4,000 to 10,000 customers;
- about \$660,000 for municipal utilities with 10,000 to 100,000 customers; and
- about \$9,800,000 for municipal utilities with over 200,000 customers.

The bill prohibits service disconnections from October to May, a period of eight months. While this revenue may be recouped in back payments, it presents additional risk and cash flow pressure on municipal utilities.

## **Effective Date**

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

## **State and Local Government Contacts**

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Law

Regulatory Agencies

Municipalities

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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](#).