



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1238: GUN SHOW REQUIREMENTS

Prime Sponsors:

Rep. Joseph; Camacho
Sen. Kipp

Fiscal Analyst:

Clayton Mayfield, 303-866-5851
clayton.mayfield@coleg.gov

Published for: House State Affairs**Drafting number:** LLS 25-0770**Version:** Initial Fiscal Note**Date:** February 20, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill repeals and reenacts statute related to the operation of gun shows.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis starting in FY 2025-26:

- Minimal State Revenue
- Minimal State Workload
- 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 repeals and reenacts statute regarding the operation of gun shows. The bill retains current law requirements for gun shows, including the volume of activity that constitutes a gun show and requirements for background checks at gun shows. Additional changes for gun shows include:

- requiring that security plans by promoters be submitted to appropriate local law enforcement;
- requiring promoters to carry liability insurance for incidents that may occur at gun shows;
- prohibiting vendors that are ineligible or violate certain laws regarding the sale of firearms;
- requiring that firearms brought into the gun show are tagged to ensure chain of custody;
- prohibiting persons under 21 years old from entering gun shows;
- requiring certification of vendors by promoters;
- requiring that notices be posted related to vendor and gun show requirements; and
- setting display and storage requirements of vendor items.

The bill creates new offenses for unlawful gun show activity. Violations by promoters are punishable as a class 2 misdemeanor for a first offense, or as a class 1 misdemeanor for a subsequent offense. Additionally, promoters are prohibited from conducting gun shows for five years upon a subsequent offense. Unlawful participation in a gun show by a vendor is punishable as a class 2 misdemeanor, or a class 1 misdemeanor for a subsequent offense. Other unlawful vendor activity is punishable as a separate offense with the same penalties.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior Conviction Data and Assumptions

This bill creates three new offenses related to unlawful gun show activity, all class 2 misdemeanors for a first offense, and class 1 misdemeanors for subsequent offenses. To form an estimate on the prevalence of these new crimes, the fiscal note analyzed the existing offense of failure to conduct required background checks at a gun show, a class 1 misdemeanor, as a comparable crime. From FY 2021-22 to FY 2023-24, zero offenders have been convicted and sentenced for this existing offense; therefore, the fiscal note assumes that there will be minimal or no additional case filings or convictions for the new offenses under the bill. Visit leg.colorado.gov/fiscalnotes for more information about criminal justice costs in fiscal notes.

State Revenue

Based on the assumptions above, this analysis assumes that there will be a minimal impact on state revenue. Under the bill, criminal fines and court fees, which are subject to TABOR, may increase by a minimal amount.

State Expenditures

Criminal Justice System Impacts

The bill will minimally increase workload and costs for the Judicial Department, including the trial courts, Division of Probation, and agencies that provide representation to indigent persons. No change in appropriations is required.

Department of Revenue

By adding a potential violation of Article 12 of Title 18, the bill may increase workload and costs for the Firearms Dealer Division in the Department of Revenue (DOR), which will begin issuing state dealer permits on July 1, 2025. Current law requires the DOR to issue warnings for a first violation of any of the provisions of Article 12 of Title 18, with suspension or revocation of a permit as a penalty for a second or subsequent violation. Assuming 1 percent of permit holders violate the provisions of the bill, this results in approximately 450 hours of work for the department, which is an absorbable impact. If the number of violations exceeds this estimate, additional resources will be requested through the annual budget process.

To the extent that the Department of Law must provide legal services to the DOR for enforcement actions, workload for the department will increase. Based on the assumed minimal number of violations, no change in appropriations is required.

Local Government

Similar to the state, it is expected that any workload or cost increases for local law enforcement to enforce the laws, district attorneys to prosecute more offenses, or for county jails to imprison more individuals under the bill will be minimal.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to gun shows held on or after this date.

State and Local Government Contacts

District Attorneys

Revenue

Judicial

Law

Public Safety

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](#).