

  
*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 11-0739

**Date:** February 21, 2011

**Prime Sponsor(s):** Rep. Fields  
Sen. White

**Bill Status:** House Economic & Business Development  
**Fiscal Analyst:** Harry Zeid (303-866-4753)

**TITLE:** CONCERNING LEGAL REMEDIES FOR CONSUMER CREDIT LAWS ENFORCED BY THE ADMINISTRATOR OF THE "UNIFORM CONSUMER CREDIT CODE".

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013	FY 2013-2014
State Revenue General Fund*			<\$5,000
State Expenditures			
FTE Position Change			
<b>Effective Date:</b> July 1, 2011.			
<b>Appropriation Summary for FY 2011-2012:</b> None required.			
<b>Local Government Impact:</b> None.			

\* Civil penalty General Fund revenue, which is estimated to be less than \$5,000 per year, will not begin before FY 2013-14.

**Summary of Legislation**

The bill adds legal remedies to the consumer credit laws that are enforced by the Attorney General as the administrator of the Uniform Consumer Credit Code. The administrator may assess a civil penalty of up to \$1,000 for each violation of the following:

- the Refund Anticipation Loans Act;
- the Colorado Rental Purchase Agreement Act; or
- the Uniform Consumer Credit Code.

The district court for the city and county of Denver may order restitution for consumers or creditors for violations of the Colorado Fair Debt Collection Practices Act. The court may impose civil penalties of up to \$1,500 for each violation and award reasonable costs and attorney fees if the Attorney General prevails in an action brought under the act. The bill also authorizes the Attorney General to require a collection agency to refund or reimburse money to a consumer that the agency collected but is not entitled to receive. Finally, the bill allows for restitution and penalties of up to \$1,500 for each violation of the Colorado Credit Services Organization Act. Any civil penalties assessed under the bill will be credited to the General Fund.

**State Revenue**

**The bill will create General Fund revenue that is projected to be less than \$5,000 per year beginning in FY 2013-14.** Civil penalties will be assessed for certain violations of consumer credit laws under the Uniform Consumer Credit Code. Fines can be up to \$1,000 or \$1,500, depending on the act that has been violated. It is assumed that the legal remedies to be sought by the Attorney General will take two years to reach a final outcome through the court system. Therefore, FY 2013-14 will be the first year that fine revenue will be credited to the General Fund.

**State Expenditures**

The bill does not impose additional workload or duties on the Department of Law or on the Judicial Branch. Therefore, no state expenditure impact is anticipated.

**Departments Contacted**

Judicial          Law          Secretary of State