



**Colorado
Legislative
Council
Staff**

HB17-1098

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0639

Date: February 1, 2017

Prime Sponsor(s): Rep. Liston; Pabon
Sen. Kefalas; Lundberg

Bill Status: House Business Affairs and Labor
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: DAMAGES FOR LOSS OF USE OF RENTAL MOTOR VEHICLES

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal reduction.	
Cash Funds	See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: Ongoing minimal expenditure reduction.		

Summary of Legislation

This bill limits civil damages recoverable by a rental car company for the loss of use of a rental vehicle to actual profits lost as a result of the vehicle being unavailable for rental. Under current law, a rental car company may pursue all lost revenue resulting from the loss of use of the vehicle while it is being repaired.

Background

In *Judith Koenig v. PurCo Fleet Services, Inc.*, the Colorado Supreme court ruled that PurCo Fleet Services was entitled to recover damages for loss of use of a rental vehicle regardless of its actual lost profits.

State Expenditures

This bill may minimally reduce expenditures from the Risk Pool in the Department of Personnel and Administration for loss of use costs that may no longer be charged against the state. To date, the state has not been charged for loss of use costs concerning vehicle rentals by state employees or rental vehicles damaged by state vehicles, but may be in the future based on the Supreme Court decision.

Local Government Impact

Similar to the reduction in state expenditures, this bill may also reduce expenditures for local governments that may no longer be charged for loss of use costs in cases where a rental car is damaged.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Information Technology

Judicial

Personnel