Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 26-1135: TRANSPARENCY OF CHEMICALS USED IN HAIR PRODUCTS

Prime Sponsors:
Rep. English; Joseph
Sen. Benavidez; Marchman

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Bill Outcome: Signed into Law
Drafting Number: LLS 26-0505

Version: Final Fiscal Note
Date: July 15, 2026

Fiscal note status: The final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill requires a manufacturer of hair products that contain an intentionally added carcinogen or reproductive toxicant to carry a warning label that notifies the consumer that the covered hair product contains such a substance, and establishes a deceptive trade practice for violations.

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

- Minimal State Revenue
- Minimal State Expenditures
- Local Government

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
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

On or after July 1, 2027, this bill requires a manufacturer of a hair relaxer product or a hairpiece product that contains an intentionally added carcinogen and/or a reproductive toxicant to include a warning label that notifies the consumer that the covered hair product contains such a substance. In the case of an online transaction, the hair product must include a clear and conspicuous online warning statement to the consumer. The bill includes prescriptive text and font size for the warning label or online statement. On or after July 1, 2028, the Attorney General may adopt rules updating warning label requirements. The bill does not apply to a covered hair product sold to a commercial entity for professional use and not offered for retail sale. Violations of the bill's provisions are enforceable as a deceptive trade practice.

State Revenue

The bill may increase revenue from civil penalties and filing fees beginning after July 1, 2027, as described below.

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 classified as a damage award and 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 paid by private parties. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill increases workload in the Department of Law, the Judicial Department, and the Department of Public Health and Environment as discussed below.

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 manufacturers will abide by the law and that any violation of the legislation will result in minimal number of new cases. This can be accomplished within existing resources and that no change in appropriations is required.

Department of Public Health and Environment

To the extent that CDPHE update rules to implement the bill, it will incur additional workload. 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 was signed into law by the Governor and took effect on May 29, 2026. It applies to conduct occurring on or after this date.

State and Local Government Contacts

Judicial

Public Health and Environment

Law