

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number: LLS 23-0218 **Date:** May 18, 2023 Bill Status: **Prime Sponsors:** Rep. Titone; Weinberg Senate Agriculture Sen. Hinrichsen; Marchman Fiscal Analyst: Clayton Mayfield | 303-866-5851 clayton.mayfield@coleg.gov **Bill Topic:** CONSUMER RIGHT TO REPAIR AGRICULTURE EQUIPMENT Summary of ☐ TABOR Refund **Fiscal Impact:** ☐ State Transfer ☐ Statutory Public Entity The bill incorporates agricultural equipment into the existing consumer right-to-repair statutes. The bill may minimally increase state workload and revenue, and local government workload, on an ongoing basis. **Appropriation** No appropriation is required. Summary: **Fiscal Note** The fiscal note reflects the enacted bill. Status:

Summary of Legislation

The bill adds agricultural equipment to the existing consumer right-to-repair statutes. It requires a manufacturer to provide necessary parts, software, firmware, tools, or documentation to independent repair providers and owners under fair and reasonable terms and costs for agricultural equipment. The bill creates a deceptive trade practice for manufacturers that do not comply with the requirements of the bill.

In addition, the bill clarifies that it does not authorize independent repair providers or owners to modify agricultural equipment in a way that permanently deactivates safety systems, evades applicable emissions, copyright, trademark, or patent laws, or engage in illegal equipment modification.

Finally, the bill specifies that manufacturer memorandums of understanding regarding right-to-repair govern agricultural equipment, unless the memorandums deny any rights granted by state law. The provisions of the bill are repealed if Congress enacts federal legislation establishing a right-to-repair agricultural equipment.

State Revenue

Beginning in FY 2023-24, the bill potentially increases state revenue from civil penalties and fees, 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. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill will increase workload in the Department of Law and the Judicial Department beginning in FY 2023-24.

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 agriculture equipment manufacturers will abide by the law and that any violation of the legislation will result in minimal number of new cases. The fiscal note assumes that 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 on April 25, 2023, and takes effect on January 1, 2024, assuming no referendum petition is filed.

Page 3 May 18, 2023 HB **23-1011**

State and Local Government Contacts

Agriculture District Attorneys Information Technology

Judicial Law