



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

**HB 18-1248**

**FINAL  
FISCAL NOTE**

<b>Drafting Number:</b>	LLS 18-0665	<b>Date:</b>	August 22, 2018
<b>Prime Sponsors:</b>	Rep. Kraft-Tharp; Sias Sen. Priola; Williams A.	<b>Bill Status:</b>	Deemed Lost
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**Bill Topic:** UNAUTHORIZED FUNDS TRANSFERS CONSUMER PROTECTION

<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure ( <i>potential, minimal</i> )	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have modified consumer protections related to electronic transfers. The bill would have created a potential, minimal ongoing workload increase.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

**Summary of Legislation**

Current law requires Colorado banks to protect the electronic fund transfers of each account holder and limits the account holder's liability for an unauthorized transfer to \$50. This bill broadens the protections to include any consumer who enters into a transaction primarily for personal, family or household purposes and incorporates federal regulations on electronic fund transfers into state statute. Under the federal regulations, if a financial institution has provided the required disclosures to the consumer, the liability of a consumer for an unauthorized transfer is based on whether the consumer provides timely notice to the financial institution. Failure to provide timely notice increases the consumer's liability for the unauthorized transfer.

**State Expenditures**

Beginning in FY 2018-19, this bill may increase workload for the Consumer Protection section in the Department of Law. If the section receives a number of valid complaints about a financial institution as a result of this bill, it may take enforcement action. The number of complaints is expected to be minimal and can be addressed within existing appropriations.

**Effective Date**

The bill is deemed lost since the House of Representatives laid the bill over until May 10, 2018, during second reading on April 2, 2018.

**State and Local Government Contacts**

Information Technology

Law

Regulatory Agencies