

April 3, 2023

Office of the Attorney General  
Colorado Department of Law  
Ralph L. Carr Judicial Building  
1300 Broadway, 10th Floor  
Denver, CO 80203

Attorney General Weiser:

HB23-1192 Additional Protections in Consumer Code would have detrimental impacts on the Colorado business community. What was initially proposed as a reasonable update to Colorado's antitrust statute has become a far-reaching and fundamental overhaul of the standards within Colorado's Consumer Protection Act (CCPA). We, the undersigned organizations, want to express our deep concern about the impact of Section 1 of this legislation.

Section 1 of the bill would upend Colorado's Consumer Code by erasing the guardrails that prevent misuse of the law and frivolous litigation. Section 1 of this bill eliminates the standard for public impact and the standard for knowing or reckless behavior that must be proven to file CCPA claims. Without those standards, the legal risks for day-to-day business fundamentally change. This change will exacerbate the litigious environment in Colorado and make Colorado vastly less appealing and competitive for investments in housing, health care, and more.

The Colorado Consumer Protection Act (CCPA) has necessarily punitive remedies to deter abusive behavior. Those stiff penalties—treble damages and attorneys' fees—are proportional to the high standards required to file a CCPA claim. The erosion of Colorado's high standards creates a new exposure risk for business and perverse incentives to pursue unmeritorious claims. It will be too expensive and too risky to do business in Colorado if every individual business dispute can have a CCPA claim. This would make Colorado a lawsuit factory, and the threat of punitive damages would stop business in its tracks.

Section 1 will adversely impact small businesses, health care, housing development, and any industry where business transactions don't go as planned. We believe it is essential to remove Section 1 in its entirety. If Section 1 cannot be removed from HB23-1192, we ask that updates to Colorado's Antitrust laws be pursued through a new piece of legislation.

Thank you for your consideration,



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CC:

Governor Jared Polis

Senate President Steve Fenberg

Senate Majority Leader Dominick Moreno

Senate Minority Leader Paul Lundeen

House Speaker Julie McCluskie

House Majority Leader Monica Duran

House Minority Leader Mike Lynch

Representative Mike Weissman

Senator Julie Gonzales

Senator Robert Rodriguez