



Madsen: House Bill 1071 more anti-business overreach by majority Dems

Shayne Madsen

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Majority Democrats in Colorado's General Assembly are poised to enact yet another government overreach bill based on California law, but this time in the area of anti-business civil litigation.

House Bill 1071 passed the House of Representatives on Valentine's Day and is now headed for the Senate. Although the bill prints out on only two pages, it has serious and far reaching implications.

Simply stated, the Bill seeks to amend the Colorado Consumer Protection Act, which is designed to allow the Colorado Attorney General to initiate consumer claims on the behalf of injured consumers against defendants that violate Colorado's consumer protection laws. Think unscrupulous debt collectors or tenacious robocallers.

HB 1071 would allow trial lawyers to bring such claims as a class action case, with the trial attorneys authorized to collect their attorneys fees from the defendant. No additional damages would be awarded to the actual wronged consumer. Only the trial attorneys who filed the case. Nor would a small business that successfully defended against the action be allowed to recover its attorney's fees.

This same kind of law is in effect in California where businesses and their attorneys report that such consumer claims are routinely added to all litigation against businesses, resulting in a dramatically increased caseload to the courts and in costs to businesses. Even where the trial lawyer claims are frivolous and groundless.

The Cato Institute in its recent "Freedom in the 50 States" report **rated Colorado** as "better than average" in its civil litigation regime. Passage of HB 1071 will certainly impact this rating in the future.

The bill is sponsored by Rep. Steven Woodrow of Denver, who is himself a class action plaintiff's attorney. It goes without saying that Rep Woodrow's business will reap the benefits of passage, but the individual consumers in his district will see no benefit for themselves.

Hopefully the Senate comes to it senses.