

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 25-0501.01 Jennifer Berman x3286

HOUSE BILL 25-1010

HOUSE SPONSORSHIP

Zokaie and Brown, Clifford, Garcia, Mabrey, Rutinel, Smith, Stewart R., Velasco

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House Committees
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A BILL FOR AN ACT

101 **CONCERNING A PROHIBITION AGAINST ENGAGING IN PRICE GOUGING.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

Under current law, a person engages in an unfair and unconscionable act or practice in violation of consumer protection laws (unfair act) if the person engages in price gouging during a declared disaster. The bill adds engaging in price gouging in the sale of necessities as an unfair act and creates a presumption that, if the price of a necessity is increased by 10% or more above the average price that the necessity cost during the 90 days preceding the price increase, the price increase amounts to price gouging.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

The bill also defines "necessities" as goods or services that are necessary for the health, safety, and welfare of consumers or of the general public.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-730, **amend** (1)
3 introductory portion, (1)(a)(I), (3), (5) introductory portion, and (5)(k);
4 and **add** (2.5) and (4.5) as follows:

5 **6-1-730. Price gouging prohibited - deceptive trade practice -**
6 **rules - legislative declaration - definitions.** (1) The general assembly:
7 hereby:

8 (a) Finds and determines that:

9 (I) Under ordinary conditions, the pricing of ~~consumer~~ goods and
10 services generally is best left to the marketplace; except that, when a
11 declared disaster results in abnormal disruptions of the market OR A
12 SELLER UNFAIRLY OR UNCONSCIONABLY RAISES THE PRICE OF NECESSITIES,
13 the public interest requires that any unfair and unconscionable increase
14 in the price of ~~consumer~~ goods or services be discouraged; and

15 (2.5) A PERSON ENGAGES IN AN UNFAIR AND UNCONSCIONABLE
16 ACT OR PRACTICE WHEN THE PERSON CHARGES PRICES FOR NECESSITIES
17 THAT ARE SO EXCESSIVE AS TO AMOUNT TO PRICE GOUGING. INCREASING
18 THE PRICE OF A NECESSITY BY TEN PERCENT OR MORE ABOVE THE
19 AVERAGE PRICE THAT THE NECESSITY COST DURING THE NINETY DAYS
20 PRECEDING THE PRICE INCREASE IS PRESUMED TO BE ENGAGING IN THE
21 UNFAIR AND UNCONSCIONABLE ACT OR PRACTICE OF PRICE GOUGING.

22 (3) A price shall not be considered unreasonably excessive if the
23 seller can prove that ~~due to the events that gave rise to the disaster~~
24 ~~declaration~~; the price charged by the seller is directly attributable to

1 additional costs imposed by the seller's supplier or suppliers or other
2 direct costs of providing the good or service sold or offered for sale by
3 the seller.

4 (4.5) THE ATTORNEY GENERAL MAY ADOPT RULES AS NECESSARY
5 TO IMPLEMENT THIS SECTION.

6 (5) As used in this section, UNLESS THE CONTEXT OTHERWISE
7 REQUIRES:

8 (k) "Necessities" means goods and services that are necessary for
9 ~~human or animal survival during a disaster period~~ THE HEALTH, SAFETY,
10 AND WELFARE OF CONSUMERS OR OF THE GENERAL PUBLIC.

11 **SECTION 2. Act subject to petition - effective date -**
12 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
13 the expiration of the ninety-day period after final adjournment of the
14 general assembly; except that, if a referendum petition is filed pursuant
15 to section 1 (3) of article V of the state constitution against this act or an
16 item, section, or part of this act within such period, then the act, item,
17 section, or part will not take effect unless approved by the people at the
18 general election to be held in November 2026 and, in such case, will take
19 effect on the date of the official declaration of the vote thereon by the
20 governor.

21 (2) This act applies to conduct occurring on or after the applicable
22 effective date of this act.