

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

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 25-0563.01 Richard Sweetman x4333

HOUSE BILL 25-1004

HOUSE SPONSORSHIP

Woodrow and Mabrey, Bacon, Boesenecker, Brown, English, Feret, Froelich, Garcia, Jackson, Joseph, Lieder, Lindsay, Lindstedt, McCluskie, Ricks, Rutinel, Sirota, Story, Titone, Velasco, Willford, Zokaie

SENATE SPONSORSHIP

Gonzales J. and Hinrichsen, Coleman, Cutter, Danielson, Exum, Jodeh, Kipp, Michaelson Jenet, Sullivan, Wallace, Weissman, Winter F.

House Committees
Business Affairs & Labor

Senate Committees
Business, Labor, & Technology

A BILL FOR AN ACT

101 **CONCERNING PRICING COORDINATION BY LANDLORDS.**

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>.)

The bill prohibits:

- A landlord or an agent, a representative, or a subcontractor of a landlord from subscribing to, contracting with, or otherwise exchanging any form of consideration in return for the services of a coordinator;
- A coordinator from facilitating an agreement among landlords that restricts competition with respect to dwelling units, which includes performing a coordinating function;

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.

SENATE
3rd Reading Unamended
April 28, 2025

SENATE
Amended 2nd Reading
April 23, 2025

HOUSE
3rd Reading Unamended
March 26, 2025

HOUSE
Amended 2nd Reading
March 25, 2025

- or
- 2 or more landlords from engaging in consciously parallel pricing coordination.

A violation is deemed to be an illegal restraint of trade or commerce and is punishable in accordance with the "Colorado State Antitrust Act of 2023".

The division of housing within the department of local affairs is required to develop and undertake a public education program designed to inform Colorado residents of the provisions of the bill.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) Agreements or conspiracies between competitors to fix prices
5 or other commercial terms are illegal under current Colorado law, and
6 algorithmic devices have made illegal agreements more challenging to
7 detect; and

8 (b) In recent years, several lawsuits have been filed alleging that
9 the use of algorithmic devices by landlords to set prices and other
10 commercial terms in the residential housing market results in higher rents
11 and constrained housing supply for residential tenants; and

12 (c) A recent White House study titled "The Cost of
13 Anticompetitive Pricing Algorithms in Rental Housing" estimated that in
14 2023, the cost to renters of anticompetitive pricing was \$3.8 billion, and
15 the cost to renters in the Denver metro area was the second highest of any
16 metro area in the country.

17 (2) Therefore, the general assembly declares that, with certain
18 exceptions, the distribution and use of an algorithmic device by a service
19 provider or landlord to set rents and other certain commercial terms
20 regarding the occupancy of rental housing is prohibited.

1 **SECTION 2.** In Colorado Revised Statutes, **add 38-12-703** as
2 follows:

3 **38-12-703. Determination of rent amount - sale, distribution,**
4 **and use of algorithmic devices prohibited - illegal restraint of trade**
5 **or commerce - definitions.** (1) (a) THE SALE OR DISTRIBUTION FOR
6 CONSIDERATION OF AN ALGORITHMIC DEVICE IS PROHIBITED IF:

7 (I) THE ALGORITHMIC DEVICE IS SOLD OR DISTRIBUTED WITH THE
8 INTENT THAT IT WILL BE USED BY TWO OR MORE LANDLORDS IN THE SAME
9 MARKET OR A RELATED MARKET TO SET OR RECOMMEND THE AMOUNT OF
10 RENT, LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL TERM ASSOCIATED
11 WITH THE OCCUPANCY OF A RESIDENTIAL PREMISES; AND

12 (II) THE DEVICE SETS OR RECOMMENDS THE AMOUNT OF RENT,
13 LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL TERM ASSOCIATED WITH
14 THE OCCUPANCY OF A RESIDENTIAL PREMISES BASED ON DATA OR A
15 FORMULA THAT IS SIMILAR FOR EACH LANDLORD.

16 (b) THE USE OF AN ALGORITHMIC DEVICE BY A PERSON TO SET OR
17 RECOMMEND THE AMOUNT OF RENT, LEVEL OF OCCUPANCY, OR OTHER
18 COMMERCIAL TERM ASSOCIATED WITH THE OCCUPANCY OF A RESIDENTIAL
19 PREMISES IS PROHIBITED IF:

20 (I) THE PERSON KNEW OR SHOULD HAVE KNOWN THAT ANOTHER
21 PERSON USED THE ALGORITHMIC DEVICE TO SET OR RECOMMEND THE
22 AMOUNT OF RENT, LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL TERM
23 ASSOCIATED WITH THE OCCUPANCY OF A RESIDENTIAL PREMISES; AND

24 (II) THE CIRCUMSTANCES SUGGEST THAT THE PERSON ADHERED TO
25 OR PARTICIPATED IN A SCHEME TO FIX THE AMOUNT OF RENT, LEVEL OF
26 OCCUPANCY, OR OTHER COMMERCIAL TERM ASSOCIATED WITH THE
27 OCCUPANCY OF A RESIDENTIAL PREMISES.

1 (c) A PERSON ENGAGED IN THE BUSINESS OF PROVIDING
2 ALGORITHMIC DEVICE SERVICES OR PRODUCTS THAT ARE USED TO SET OR
3 RECOMMEND THE AMOUNT OF RENT, LEVEL OF OCCUPANCY, OR OTHER
4 COMMERCIAL TERM ASSOCIATED WITH THE OCCUPANCY OF A RESIDENTIAL
5 PREMISES SHALL NOT USE NONPUBLIC COMPETITOR DATA PERTAINING TO
6 RESIDENTIAL PROPERTIES IN COLORADO IN SETTING OR RECOMMENDING
7 THE AMOUNT OF RENT, LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL
8 TERM ASSOCIATED WITH THE OCCUPANCY OF A RESIDENTIAL PREMISES FOR
9 RESIDENTIAL PROPERTIES IN COLORADO.

10 (2) A VIOLATION OF SUBSECTION (1) OF THIS SECTION IS AN
11 ILLEGAL RESTRAINT OF TRADE OR COMMERCE IN VIOLATION OF SECTION
12 6-4-104 AND IS PUNISHABLE IN ACCORDANCE WITH THE "COLORADO
13 STATE ANTITRUST ACT OF 2023", ARTICLE 4 OF TITLE 6.

14 (3) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
15 CONTRARY, A PERSON THAT PROVIDES AN ESTIMATED AMOUNT OF RENT,
16 LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL TERM ASSOCIATED WITH
17 THE OCCUPANCY OF A RESIDENTIAL PREMISES DOES NOT USE AN
18 ALGORITHMIC DEVICE TO SET OR RECOMMEND THE AMOUNT OF RENT,
19 LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL TERM ASSOCIATED WITH
20 THE OCCUPANCY OF A RESIDENTIAL PREMISES AS PROHIBITED BY
21 SUBSECTION (1)(b) OF THIS SECTION SO LONG AS THE PERSON:

22 (a) DEVELOPS THE ESTIMATE USING PUBLICLY AVAILABLE DATA;
23 AND

24 (b) MAKES THE ESTIMATE AVAILABLE TO THE PUBLIC AT NO COST.

25 (4) EXCEPT AS DESCRIBED IN SUBSECTION (2) OF THIS SECTION,
26 THIS SECTION SHALL NOT BE CONSTRUED TO LIMIT OR IMPAIR THE
27 APPLICABILITY OF ANY STATE OR FEDERAL ANTITRUST LAW. THE

1 PROHIBITIONS DESCRIBED IN SUBSECTION (1) OF THIS SECTION APPLY IN
2 ADDITION TO, AND NOT IN LIEU OF, ANY PROHIBITIONS DESCRIBED IN
3 APPLICABLE STATE OR FEDERAL ANTITRUST LAWS.

4 (5) AS USED IN THIS SECTION:

5 (a) "ALGORITHMIC DEVICE" MEANS A DEVICE THAT USES ONE OR
6 MORE ALGORITHMS TO PERFORM CALCULATIONS OF DATA, INCLUDING
7 DATA CONCERNING LOCAL OR STATEWIDE RENT AMOUNTS BEING CHARGED
8 TO TENANTS BY LANDLORDS, FOR THE PURPOSE OF ADVISING A LANDLORD
9 CONCERNING THE AMOUNT OF RENT, LEVEL OF OCCUPANCY, OR OTHER
10 COMMERCIAL TERM ASSOCIATED WITH RENTAL HOUSING. "ALGORITHMIC
11 DEVICE":

12 (I) INCLUDES A PRODUCT THAT INCORPORATES AN ALGORITHMIC
13 DEVICE; AND

14 (II) DOES NOT INCLUDE:

15 (A) A PRODUCT THAT PROVIDES INFORMATION TO THE PUBLIC AND
16 NOT FOR THE PURPOSE OF RECOMMENDING OR SETTING A COMMERCIAL
17 TERM BY TWO OR MORE PERSONS IN THE SAME MARKET OR A RELATED
18 MARKET, SO LONG AS THE INFORMATION WAS NOT TRAINED USING
19 NONPUBLIC COMPETITOR DATA;

20 (B) A PRODUCT USED FOR THE PURPOSE OF ESTABLISHING RENT OR
21 INCOME LIMITS IN ACCORDANCE WITH THE AFFORDABLE HOUSING
22 PROGRAM GUIDELINES OF THE STATE, THE FEDERAL GOVERNMENT, A
23 LOCAL GOVERNMENT, OR OTHER POLITICAL SUBDIVISION; OR

24 (C) A MULTIPLE LISTING SERVICE.

25 (b) "MULTIPLE LISTING SERVICE" MEANS A SERVICE AVAILABLE ON
26 EQUAL TERMS TO SUBSCRIBERS THAT LISTS PROPERTIES FOR RENT OR SALE
27 BUT DOES NOT SET, RECOMMEND, OR PROVIDE NONPUBLIC COMPETITOR

1 DATA ABOUT THE RENT, LEVEL OF OCCUPANCY, OR OTHER COMMERCIAL
2 TERM ASSOCIATED WITH THE OCCUPANCY OF A RESIDENTIAL PREMISES.

3 (c) "NONPUBLIC COMPETITOR DATA" MEANS NONPUBLIC DATA,
4 INCLUDING INFORMATION ABOUT ACTUAL RENT PRICES, OCCUPANCY
5 RATES, LEASE START AND END DATES, AND SIMILAR DATA, REGARDLESS OF
6 WHETHER THE DATA ARE ATTRIBUTABLE TO A SPECIFIC COMPETITOR OR
7 ANONYMIZED, THAT ARE DERIVED FROM OR OTHERWISE PROVIDED BY A
8 PERSON THAT COMPETES IN THE SAME MARKET, OR IN A RELATED MARKET,
9 AS ANOTHER PERSON.

10 (d) "NONPUBLIC DATA" MEANS INFORMATION THAT IS NOT WIDELY
11 AVAILABLE OR EASILY ACCESSIBLE TO THE PUBLIC, INCLUDING
12 PUBLIC-FACING DATA MADE AVAILABLE UNDER TERMS OF SERVICE THAT
13 PROHIBIT THE USE OF THAT DATA.

14 (e) "RENT" MEANS THE TOTAL AMOUNT OF RENT, INCLUDING
15 CONCESSIONS AND FEES, THAT A RESIDENTIAL TENANT IS REQUIRED TO
16 PAY PURSUANT TO A RENTAL AGREEMENT.

17 **SECTION 3.** In Colorado Revised Statutes, **add 6-4-123** as
18 follows:

19 **6-4-123. Pleading standards.** A PLAINTIFF PLAUSIBLY PLEADS A
20 VIOLATION OF SECTION 6-4-104 IF THE COMPLAINT CONTAINS FACTUAL
21 ALLEGATIONS DEMONSTRATING THAT THE EXISTENCE OF A CONTRACT,
22 COMBINATION IN THE FORM OF TRUST OR OTHERWISE, OR CONSPIRACY IN
23 RESTRAINT OF TRADE OR COMMERCE IS AMONG THE REALM OF PLAUSIBLE
24 POSSIBILITIES. A PLAINTIFF NEED NOT ALLEGE FACTS TENDING TO
25 EXCLUDE THE POSSIBILITY OF INDEPENDENT ACTION.

26 **SECTION 4. Act subject to petition - effective date -**
27 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following

1 the expiration of the ninety-day period after final adjournment of the
2 general assembly; except that, if a referendum petition is filed pursuant
3 to section 1 (3) of article V of the state constitution against this act or an
4 item, section, or part of this act within such period, then the act, item,
5 section, or part will not take effect unless approved by the people at the
6 general election to be held in November 2026 and, in such case, will take
7 effect on the date of the official declaration of the vote thereon by the
8 governor.

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