



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1004: NO PRICING COORDINATION BETWEEN LANDLORDS

Prime Sponsors:

Rep. Woodrow; Mabrey

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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill prohibits certain conduct by landlords regarding rent pricing and requires the Department of Local Affairs to conduct a public education program.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis starting in FY 2025-26:

- State Expenditures
- State Revenue

Appropriations. For FY 2025-26, the bill requires an appropriation of \$64,318 to the Department of Local Affairs.

Table 1
State Fiscal Impacts

Type of Impact ¹	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0	\$0
State Expenditures	\$81,982	\$75,312	\$0
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	1.0 FTE	1.0 FTE	0.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

Table 1A
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
General Fund	\$64,318	\$57,648	\$0
Cash Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$17,664	\$17,664	\$0
Total Expenditures	\$81,982	\$75,312	\$0
Total FTE	1.0 FTE	1.0 FTE	0.0 FTE

Summary of Legislation

The bill prohibits landlords from entering into rental pricing coordination agreements, and prohibits persons from facilitating such agreements. Landlords and their agents, representatives, or subcontractors are also prohibited from paying for certain services that lead to pricing coordination. Violations are punishable as an illegal restraint of trade or commerce under the Colorado State Antitrust Act.

Finally, the bill requires the Division of Housing in the Department of Local Affairs (DOLA) to conduct a public education program to inform residents of these provisions. This education program is repealed on July 1, 2027.

Background

The Colorado State Antitrust Act prohibits certain commercial conduct. The Attorney General, acting through the Department of Law (DOL), has discretionary authority to enforce the act through civil and criminal proceedings. Similarly, violations may result in civil or criminal charges.

Comparable Crime Analysis

Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or creates a new factual basis for an existing crime. The following section outlines crimes that are comparable to the offense in this bill and discusses assumptions on future rates of criminal convictions resulting from the bill.

Prior Conviction Data and Assumptions

This bill creates a new factual basis for the existing offense of illegal restraint of trade or commerce, a class 5 felony, by including pricing coordination among landlords. From FY 2021-22 to FY 2023-24, zero offenders have been sentenced and convicted for this offense; therefore, the fiscal note assumes that there will continue to be minimal or no additional criminal case filings or convictions for this offense under the bill. Because the bill is not expected to have a tangible impact on criminal justice related revenue or expenditures at the state or local levels, these potential impacts are not discussed further in this fiscal note. Visit leg.colorado.gov/fiscalnotes for more information about criminal justice costs in fiscal notes.

State Revenue

Under the Colorado State Antitrust Act, a person engaged in an illegal restraint of trade or commerce may be subject to a civil penalty of up to \$1 million for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

State Expenditures

The bill increases state expenditures in the Department of Local Affairs by \$82,000 in FY 2025-26 and \$75,000 in FY 2026-27. These costs, paid from the General Fund, are summarized in Table 2 and discussed below. The bill also minimally affects workload in the Department of Law and the Judicial Department.

Table 2
State Expenditures
Department of Local Affairs

Cost Component	Budget Year FY 2025-26	Out Year FY 2026-27	Out Year FY 2027-28
Personal Services	\$56,368	\$56,368	\$0
Operating Expenses	\$1,280	\$1,280	\$0
Capital Outlay Costs	\$6,670	\$0	\$0
Centrally Appropriated Costs	\$17,664	\$17,664	\$0
Total Costs	\$81,982	\$75,312	\$0
Total FTE	1.0 FTE	1.0 FTE	0.0 FTE

Public Education Program — Department of Local Affairs

From FY 2025-26 to FY 2026-27, the DOLA requires staff to conduct the public education program required by the bill. Staff will develop educational materials, conduct education sessions with the public, and train other staff on program content. Costs are prorated for a September 2025 start date and include standard operating and capital outlay expenses. The public education program requirement is repealed July 1, 2027, so no staff are required beyond FY 2026-27.

Enforcement — Department of Law

Workload in the Department of Law will minimally increase to the extent antitrust proceedings are initiated. The department will review antitrust activity under the bill and prioritize investigations as necessary within the overall number of antitrust investigations and available resources. It is assumed this work will be accomplished within existing appropriations for DOL enforcement activities.

Trial Court Impacts — Judicial Department

The trial courts in the Judicial Department may have an increase in cases filed under the Colorado State Antitrust Act from the addition of new antitrust activity. It is assumed that landlords will abide by the law and that any violation of the legislation will result in a minimal number of new cases. The fiscal note assumes this can be accomplished within existing resources and that no change in appropriations is required.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, leased space, and indirect cost assessments, are shown in the expenditure table(s) above.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2025-26, the bill requires a General Fund appropriation of \$64,318 to the Department of Local Affairs, and 1.0 FTE.

State and Local Government Contacts

Corrections

Law

Judicial

Local Affairs

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).