

HB 25-1092: RENT INCREASES BY LANDLORD TO TENANT

Prime Sponsors:

Rep. Winter T. Sen. Pelton B.

Bill Outcome: Postponed Indefinitely **Drafting number:** LLS 25-0271

Fiscal Analyst:

Brendan Fung, 303-866-4781 brendan.fung@coleg.gov

Version: Final Fiscal Note **Date:** May 21, 2025

Fiscal note status: This final fiscal note reflects the introduced bill. The bill was postponed indefinitely by the House Transportation, Housing, and Local Government Committee on February 19, 2025; therefore, the impacts identified in this analysis do not take effect.

Summary Information

Overview. The bill would have permitted landlords to initiate no-fault evictions under certain circumstances and deemed rent increases reasonable if they align with fair market value.

Types of impacts. The bill was projected to affect the following areas on an ongoing basis:

State Revenue

Minimal State Workload

Appropriations. No appropriation was required.

Table 1 State Fiscal Impacts

| | Budget Year | Out Year |
|-------------------------|-------------|------------|
| Type of Impact | FY 2025-26 | FY 2026-27 |
| State Revenue | \$0 | \$0 |
| State Expenditures | \$0 | \$0 |
| Transferred Funds | \$0 | \$0 |
| Change in TABOR Refunds | \$0 | \$0 |
| Change in State FTE | 0.0 FTE | 0.0 FTE |

Summary of Legislation

Current law permits a landlord to initiate a no-fault eviction if the tenant refuses to sign a new lease with reasonable terms. The bill updates the scope of reasonable terms to include a rent increase that aligns with fair market value. If a landlord provides evidence that a rent increase aligns with fair market value, the increase is not deemed discriminatory, retaliatory, or unconscionable.

State Revenue

Starting in FY 2025-26, the bill may increase state revenue to the Judicial Department from an increase in filing fees to the extent that landlords file additional no-fault eviction cases, or tenants challenge whether rent increases reflect fair market value. Overall, it is assumed landlords will follow the new requirements. Revenue from filing fees is subject to TABOR.

State Expenditures

Similar to the State Revenue section above, the trial courts in the Judicial Department may experience a small increase in workload if additional civil cases are filed. The fiscal note assumes that landlords will comply with the law and any increase will be minimal.

Effective Date

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

State and Local Government Contacts

Judicial Regulatory Agencies
Law