



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note Memorandum

TO: Members of the House Business Affairs and Labor Committee
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DATE: February 19, 2025

Fiscal Assessment of L.001 to HB25-1004

This memorandum is an assessment of the fiscal impact of the attached proposed amendment L.001 to HB25-1004. This fiscal assessment is for the impact of the bill with inclusion of this amendment only. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

L.001 strikes everything below the enacting clause of the introduced bill. Notably, the amendment removes the requirement that the Department of Local Affairs (DOLA) develop and undertake a public education program designed to inform the public of the provisions of the bill.

Fiscal Impact of Amendment

By eliminating the requirement that DOLA develop and undertake a public education program, L.001 eliminates DOLA's associated costs for this effort. These costs increased state expenditures by about \$82,000 in FY 2025-26, and required a General Fund appropriation of about \$64,000 to the DOLA for FY 2025-26.

Bill's Revised Fiscal Impact with Amendment

The bill, as amended by L.001, will no longer require an appropriation to the DOLA. The bill will still have impacts to state revenue and expenditures based on the new illegal restraint of trade that remains in the bill with the adoption of L.001. State revenue impacts are from the potential imposition of civil penalties, which may be sought in enforcement actions brought by the state. These penalties are classified as damage awards and are not subject to TABOR.



State expenditure impacts are workload increases from discretionary enforcement actions by the Department of Law and in the trial courts of the Judicial Department from a potential increase in civil case filings. Overall, it is assumed that landlords will follow the law and any workload increase is expected to be minimal, requiring no change in appropriations.

Table 1
State Fiscal Impacts

Type of Impact¹	Budget Year FY 2025-26	Out Year 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

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