

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0563.01 Richard Sweetman x4333

HOUSE BILL 25-1004

HOUSE SPONSORSHIP

Woodrow and Mabrey,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING PRICING COORDINATION BY LANDLORDS, AND, IN
102 CONNECTION THEREWITH, PROHIBITING LANDLORDS FROM
103 USING COORDINATORS, PROHIBITING COORDINATORS FROM
104 FACILITATING AGREEMENTS THAT REDUCE COMPETITION
105 BETWEEN LANDLORDS, AND PROHIBITING TWO OR MORE
106 LANDLORDS FROM ENGAGING IN CONSCIOUSLY PARALLEL
107 PRICING COORDINATION.

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>.)

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 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; 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) Under existing law, specifically section 6-4-104, Colorado
5 Revised Statutes, it is illegal to enter into or engage in any of the
6 following in restraint of trade or commerce:

7 (I) A contract;

8 (II) A combination in the form of a trust or other form of
9 combination; or

10 (III) A conspiracy.

11 (2) The general assembly also finds that:

12 (a) When a landlord or an agent, a representative, or a
13 subcontractor of a landlord subscribes to, contracts with, or otherwise
14 exchanges any form of consideration in return for the services of a
15 coordinator, such action has the effect of restraining trade or commerce;

1 (b) When a coordinator facilitates an agreement among landlords
2 that restricts competition with respect to dwelling units, including by
3 performing a coordinating function, such action has the effect of
4 restraining trade or commerce; and

5 (c) When 2 or more landlords engage in consciously parallel
6 pricing coordination, such action has the effect of restraining trade or
7 commerce.

8 (3) Therefore, the general assembly declares that the provisions
9 of this act deeming certain actions to be illegal restraints of trade or
10 commerce in violation of section 6-4-104, Colorado Revised Statutes, are
11 a clarification of existing law.

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

14 **38-12-703. Consciously parallel pricing coordination by**
15 **landlords prohibited - use of coordinators prohibited - illegal**
16 **restraint of trade or commerce - public education program -**
17 **definitions - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
18 OTHERWISE REQUIRES:

19 (a) "CONSCIOUSLY PARALLEL PRICING COORDINATION" MEANS A
20 TACIT AGREEMENT BETWEEN TWO OR MORE LANDLORDS TO RAISE, LOWER,
21 CHANGE, MAINTAIN, OR MANIPULATE THE PRICE OF RENT TO BE PAID BY
22 TENANTS.

23 (b) "COORDINATING FUNCTION" MEANS:

24 (I) COLLECTING HISTORICAL OR CONTEMPORANEOUS PRICES,
25 SUPPLY LEVELS, OR LEASE OR RENTAL CONTRACT TERMINATION AND
26 RENEWAL DATES OF DWELLING UNITS FROM TWO OR MORE LANDLORDS;

27 (II) ANALYZING OR PROCESSING THE INFORMATION DESCRIBED IN

1 SUBSECTION (1)(b)(I) OF THIS SECTION THROUGH THE USE OF A SYSTEM,
2 SOFTWARE, OR PROCESS THAT USES COMPUTATION, INCLUDING BY
3 COMPUTATION OF THE INFORMATION TO TRAIN AN ALGORITHM; AND

4 (III) RECOMMENDING RENT PRICES, LEASE RENEWAL TERMS, OR
5 IDEAL OCCUPANCY LEVELS TO A LANDLORD.

6 (c) "COORDINATOR" MEANS AN INDIVIDUAL WHO OPERATES A
7 SOFTWARE OR DATA ANALYTICS SERVICE THAT PERFORMS A
8 COORDINATING FUNCTION FOR ONE OR MORE LANDLORDS, INCLUDING A
9 LANDLORD THAT IS PERFORMING A COORDINATING FUNCTION FOR THE
10 LANDLORD'S OWN BENEFIT.

11 (d) "DWELLING UNIT" HAS THE MEANING SET FORTH IN SECTION
12 38-12-502 (3); EXCEPT THAT "DWELLING UNIT" DOES NOT INCLUDE AN
13 INPATIENT MEDICAL CARE FACILITY, A LICENSED LONG-TERM CARE
14 FACILITY, OR A DETENTION OR CORRECTIONAL FACILITY.

15 (e) "LANDLORD" HAS THE MEANING SET FORTH IN SECTION
16 38-12-502 (5).

17 (f) "RENTAL AGREEMENT" HAS THE MEANING SET FORTH IN
18 SECTION 38-12-502 (7).

19 (g) "TENANT" HAS THE MEANING SET FORTH IN SECTION 38-12-502
20 (9).

21 (2) IT IS UNLAWFUL FOR:

22 (a) A LANDLORD OR AN AGENT, A REPRESENTATIVE, OR A
23 SUBCONTRACTOR OF A LANDLORD TO SUBSCRIBE TO, CONTRACT WITH, OR
24 OTHERWISE EXCHANGE ANY FORM OF CONSIDERATION IN RETURN FOR THE
25 SERVICES OF A COORDINATOR;

26 (b) A COORDINATOR TO FACILITATE AN AGREEMENT AMONG
27 LANDLORDS THAT RESTRICTS COMPETITION WITH RESPECT TO DWELLING

1 UNITS, INCLUDING BY PERFORMING A COORDINATING FUNCTION; OR

2 (c) TWO OR MORE LANDLORDS TO ENGAGE IN CONSCIOUSLY
3 PARALLEL PRICING COORDINATION.

4 (3) A VIOLATION OF SUBSECTION (2) OF THIS SECTION IS DEEMED
5 TO BE AN ILLEGAL RESTRAINT OF TRADE OR COMMERCE IN VIOLATION OF
6 SECTION 6-4-104 AND IS PUNISHABLE IN ACCORDANCE WITH THE
7 "COLORADO STATE ANTITRUST ACT OF 2023", ARTICLE 4 OF TITLE 6.

8 (4) (a) A TENANT PLAUSIBLY PLEADS A VIOLATION OF THE
9 "COLORADO STATE ANTITRUST ACT OF 2023", ARTICLE 4 OF TITLE 6, IF
10 THE COMPLAINT CONTAINS FACTUAL ALLEGATIONS DEMONSTRATING THAT
11 THE EXISTENCE OF A CONTRACT, COMBINATION IN THE FORM OF TRUST OR
12 OTHERWISE, OR CONSPIRACY IN RESTRAINT OF TRADE OR COMMERCE IS
13 AMONG THE REALM OF PLAUSIBLE POSSIBILITIES.

14 (b) A TENANT NEED NOT ALLEGE FACTS TENDING TO EXCLUDE THE
15 POSSIBILITY OF INDEPENDENT ACTION.

16 (5) (a) THE DIVISION OF HOUSING WITHIN THE DEPARTMENT OF
17 LOCAL AFFAIRS SHALL DEVELOP AND UNDERTAKE A PUBLIC EDUCATION
18 PROGRAM DESIGNED TO INFORM COLORADO RESIDENTS OF THE
19 PROVISIONS OF THIS SECTION.

20 (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2027.

21 **SECTION 3. Act subject to petition - effective date -**
22 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
23 the expiration of the ninety-day period after final adjournment of the
24 general assembly; except that, if a referendum petition is filed pursuant
25 to section 1 (3) of article V of the state constitution against this act or an
26 item, section, or part of this act within such period, then the act, item,
27 section, or part will not take effect unless approved by the people at the

1 general election to be held in November 2026 and, in such case, will take
2 effect on the date of the official declaration of the vote thereon by the
3 governor.

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