



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 25-131: REDUCING THE COST OF HOUSING

Prime Sponsors:

Sen. Lundeen

Fiscal Analyst:

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

Summary Information

Overview. The bill specifies when a construction defect claim may be asserted and eases restrictions and requirements on landlords related to evictions of tenants and residential habitability.

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

- Minimal State Workload
- Minimal State Revenue
- Local Government

Appropriations. No appropriation is required.

**Table 1
State Fiscal Impacts**

Type of Impact	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

Summary of Legislation

The bill makes changes to housings-related statutes, including construction defects and landlord-tenant relationships. Notable among its many changes, this bill:

- specifies the conditions under which a construction defect claim may be asserted;
- repeals some warranty of habitability requirements and provisions that give tenants clearer pathways to seek remedies for violations;
- eases requirements for issuing notices of eviction and starting actions against mobile home park residents;
- removes protections for tenants who receive public benefits and for pets during a writ of restitution; and
- repeals lease terms that are prohibited under current law, such as source of income discrimination, waiver of a right to a jury trial, and certain fees.

Finally, the bill requires that any provision of any energy code adopted by local governments on or after January 1, 2026 be cost effective using existing energy efficiency standards as a base of comparison, and where economic benefits exceed the economic costs.

State Revenue and Expenditures

The bill has an indeterminate, but minimal impact on the Judicial Department. The changes to requirements for court actions may affect the number of cases files in trial courts, though the overall impact of each provision is expected to be minimal, and no change in appropriations is required. Filing fees are subject to TABOR.

Local Government

The bill increases expenditures in counties and municipalities to perform economic cost benefit analysis before amending or adopting any energy code. This cost has not been estimated, as it will vary by jurisdiction depending on the frequency and type of energy code updates.

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

Counties
Judicial

Law
Municipalities

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](#).