

**House Transportation, Housing & Local Government**

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**HB25-1092 Rent Increases by Landlord to Tenant**

**Typed Text of Testimony Submitted**

<b>Name, Position, Representing</b>	<b>Typed Text of Testimony</b>
<p>Jack Regenbogen Against Colorado Poverty Law Project</p>	<p>Dear Members of the House Transportation, Housing &amp; Local Government Committee,</p> <p>My name is Jack Regenbogen, and I am the Deputy Executive Director of Colorado Poverty Law Project. We are a nonprofit that strives to prevent homelessness through free legal assistance, housing navigation, and advocacy. I am writing to respectfully express our opposition to House Bill 25-1092, "Rent Increases by Landlord to Tenant."</p> <p>While the bill aims to clarify the conditions under which rent increases are deemed reasonable, it raises several concerns regarding tenant protections and housing affordability.</p> <p>First, the bill proposes that a rent increase is considered reasonable if it aligns with fair market rent, as evidenced by comparable properties. This approach assumes that the fair market rent accurately reflects the economic realities of all communities. However, in rapidly gentrifying areas or markets with limited housing supply, fair market rents can escalate quickly, outpacing wage growth and making it challenging for tenants to afford increased rents. By tying reasonableness solely to market rates of "comparable properties," the bill may legitimize severe rent hikes, leading to increased housing instability and displacement among vulnerable populations.</p> <p>Furthermore, since "comparable properties" is not defined in the bill, the reliance on comparable properties to determine fair market rent may not always provide an accurate or fair assessment. Variations in property conditions, amenities, and neighborhood dynamics can make comparisons challenging and subjective. This ambiguity could lead to disputes and inconsistencies in the application of the law, further complicating landlord-tenant relationships, and in some cases, contributing to preventable evictions.</p> <p>Most concerning, this bill also does not account for the potential of collusion between landlords, as there have been several well documented examples of landlords colluding on the price-fixing of rent, which has become more prevalent due to the availability of rent-setting algorithms. Indeed, the Colorado Attorney General is currently pursuing a lawsuit for this exact type of collusion. Under this bill, rent hikes that occur near-simultaneously in a neighborhood—with or without</p>

	<p>unlawful collusion— would essentially “justify themselves,” which could lead to a “race to the top” with one rent hike legitimizing another, and so forth. Of course, this concerning trend is compounded to the extent collusion and automated rent-fixing persists.</p> <p>In conclusion, while House Bill 25-1092 seeks to provide clarity on rent increases, it would weaken tenant protections and exacerbate housing affordability issues. We urge the committee to consider alternative approaches that balance the interests of landlords with the need to protect tenants from unreasonable rent hikes and potential displacement. Implementing measures such as enhanced tenant assistance programs and incentives for landlords to maintain affordable units could offer more equitable solutions.</p> <p>Thank you for your consideration.</p> <p>Sincerely, Jack Regenbogen, Esq. Deputy Executive Director Colorado Poverty Law Project</p>
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