

**Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 24-0451.01 Richard Sweetman x4333

**HOUSE BILL 24-1057**

**HOUSE SPONSORSHIP**

**Woodrow and Mabrey**, Amabile, Bacon, Boesenecker, Brown, Clifford, deGruy Kennedy, Froelich, Garcia, Hernandez, Herod, Jodeh, Kipp, Lieder, Lindsay, Marvin, Mauro, McCormick, Ricks, Rutinel, Sirota, Story, Titone, Velasco, Vigil, Weissman, Willford

**SENATE SPONSORSHIP**

**Gonzales and Hinrichsen**,

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**House Committees**

Transportation, Housing & Local Government

**Senate Committees**

Local Government & Housing

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**A BILL FOR AN ACT**

101      **CONCERNING PROHIBITING THE USE OF AN ALGORITHMIC DEVICE BY**  
102            **A LANDLORD FOR THE PURPOSE OF DETERMINING THE AMOUNT**  
103            **OF RENT TO CHARGE A RESIDENTIAL TENANT, AND, IN**  
104            **CONNECTION THEREWITH, DECLARING THAT SUCH USE IS AN**  
105            **UNFAIR OR DECEPTIVE TRADE PRACTICE UNDER THE**  
106            **"COLORADO CONSUMER PROTECTION ACT".**

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**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>.)*

The bill states that a landlord may not employ or rely upon an

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.*

SENATE  
Amended 2nd Reading  
April 23, 2024

HOUSE  
3rd Reading Unamended  
March 4, 2024

HOUSE  
Amended 2nd Reading  
March 1, 2024

algorithmic device in setting the amount of rent to be charged to a tenant for the occupancy of a residential premises. A violation of the prohibition is an unfair or deceptive trade practice under the "Colorado Consumer Protection Act" and may be punished accordingly.

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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 the use of algorithmic devices:

4           (a) Has been the subject of lawsuits that allege such products pose  
5 a heightened risk of anticompetitive conduct, price fixing, and collusion,  
6 all of which allegedly result in higher rents for residential tenants; and

7           (b) Allegedly poses the risk that landlords will outsource pricing  
8 decisions, which the general assembly determines should always be made  
9 by the landlord.

10           (2) Therefore, the general assembly declares that, with certain  
11 exceptions, the use of an algorithmic device by a landlord to set the  
12 amount of a residential tenant's rent is prohibited.

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

15           **38-12-703. Determination of rent amount - sale of**  
16 **algorithmic device services or products prohibited - unfair or**  
17 **deceptive trade practice - definition.** (1) (a) THE SALE OF ALGORITHMIC  
18 DEVICE SERVICES OR PRODUCTS FOR THE PURPOSE OF SETTING OR  
19 RECOMMENDING THE AMOUNT OF RENT TO BE CHARGED TO A TENANT FOR  
20 THE OCCUPANCY OF A RESIDENTIAL PREMISES IS PROHIBITED.

21           (b) A PERSON ENGAGED IN THE BUSINESS OF PROVIDING  
22 ALGORITHMIC DEVICE SERVICES OR PRODUCTS FOR THE PURPOSE OF  
23 ADVISING A LANDLORD OF THE AMOUNT OF RENT THAT THE LANDLORD

1 MAY CONSIDER CHARGING A TENANT FOR THE OCCUPANCY OF A  
2 RESIDENTIAL PREMISES SHALL NOT USE NONPUBLIC COMPETITOR DATA  
3 PERTAINING TO RESIDENTIAL PROPERTIES IN COLORADO IN ALGORITHMIC  
4 CALCULATIONS.

5 (2) A VIOLATION OF SUBSECTION (1) OF THIS SECTION BY A PERSON  
6 THAT PROVIDES ALGORITHMIC DEVICE SERVICES OR PRODUCTS FOR THE  
7 PURPOSE OF SETTING OR RECOMMENDING THE AMOUNT OF RENT TO BE  
8 CHARGED TO A TENANT FOR THE OCCUPANCY OF RESIDENTIAL PREMISES,  
9 OR BY A PERSON ENGAGED IN THE BUSINESS OF PROVIDING ALGORITHMIC  
10 DEVICE SERVICES OR PRODUCTS THAT USE NONPUBLIC COMPETITOR DATA  
11 PERTAINING TO RESIDENTIAL PROPERTIES IN COLORADO IN THE PERSON'S  
12 USE OF ALGORITHMIC CALCULATIONS FOR THE PURPOSE OF ADVISING A  
13 LANDLORD OF THE AMOUNT OF RENT THAT THE LANDLORD MAY CONSIDER  
14 CHARGING A TENANT, IS AN UNFAIR OR DECEPTIVE TRADE PRACTICE, AS  
15 DESCRIBED IN SECTION 6-1-105 (1)(eee). A PERSON WHO COMMITS A  
16 VIOLATION IS SUBJECT TO ALL PENALTIES AND REMEDIES DESCRIBED IN  
17 THE "COLORADO CONSUMER PROTECTION ACT", ARTICLE 1 OF TITLE 6.

18 (3) SUBSECTION (1) OF THIS SECTION DOES NOT APPLY TO AN  
19 ALGORITHMIC DEVICE THAT USES, INCORPORATES, OR WAS TRAINED WITH  
20 NONPUBLIC COMPETITOR DATA IF SUCH DATA INCLUDES NONPUBLIC  
21 EXECUTED LEASE DATA THAT IS ALSO MADE AVAILABLE TO THE GENERAL  
22 PUBLIC IN AN AGGREGATED AND ANONYMOUS MANNER AT NO MORE THAN  
23 A REASONABLE CHARGE. WHEN MADE AVAILABLE TO THE GENERAL  
24 PUBLIC, THE PRESENTATION OF SUCH NONPUBLIC EXECUTED LEASE DATA  
25 MAY BE TAILORED FOR THE BENEFIT OF AND USEFULNESS TO CONSUMERS  
26 AND PRESENTED AS A RANGE OF AVERAGE RENT PRICES FOR PROPERTIES  
27 IN A GEOGRAPHIC AREA DEFINED BY ITS ZIP CODE, NEIGHBORHOOD,

1 GEOGRAPHICAL RADIUS OF UP TO TEN MILES, OR OTHER TYPE OF  
2 APARTMENT INDUSTRY SUBMARKET.

3 (4) AS USED IN THIS SECTION:

4 (a) "ALGORITHMIC DEVICE" MEANS A DEVICE THAT USES ONE OR  
5 MORE ALGORITHMS TO PERFORM CALCULATIONS OF DATA, INCLUDING  
6 DATA CONCERNING LOCAL OR STATEWIDE RENT AMOUNTS BEING CHARGED  
7 TO TENANTS BY LANDLORDS, FOR THE PURPOSE OF ADVISING A LANDLORD  
8 CONCERNING THE AMOUNT OF RENT THAT THE LANDLORD MAY CONSIDER  
9 CHARGING A TENANT. "ALGORITHMIC DEVICE":

10 (I) INCLUDES A PRODUCT THAT INCORPORATES AN ALGORITHMIC  
11 DEVICE; AND

12 (II) DOES NOT INCLUDE:

13 (A) ANY REPORT PUBLISHED PERIODICALLY, BUT NO MORE  
14 FREQUENTLY THAN MONTHLY, BY A TRADE ASSOCIATION THAT RECEIVES  
15 RENTER DATA AND PUBLISHES IT IN AN AGGREGATED AND ANONYMOUS  
16 MANNER; OR

17 (B) A PRODUCT USED FOR THE PURPOSE OF ESTABLISHING RENT OR  
18 INCOME LIMITS IN ACCORDANCE WITH THE AFFORDABLE HOUSING  
19 PROGRAM GUIDELINES OF A LOCAL GOVERNMENT, THE STATE, THE  
20 FEDERAL GOVERNMENT, OR OTHER POLITICAL SUBDIVISION.

21 (b) "NONPUBLIC COMPETITOR DATA" MEANS INFORMATION THAT  
22 IS NOT WIDELY AVAILABLE OR EASILY ACCESSIBLE TO THE PUBLIC,  
23 INCLUDING INFORMATION ABOUT ACTUAL RENT PRICES, OCCUPANCY  
24 RATES, LEASE START AND END DATES, AND SIMILAR DATA, REGARDLESS OF  
25 WHETHER THE DATA ARE ATTRIBUTABLE TO A SPECIFIC COMPETITOR OR  
26 ANONYMIZED, AND THAT IS DERIVED FROM OR OTHERWISE PROVIDED BY  
27 ANOTHER PERSON THAT COMPETES IN THE SAME MARKET AS A PERSON, OR

1 A RELATED MARKET.

2 (c) "RENT" MEANS THE TOTAL AMOUNT OF RENT, INCLUDING  
3 CONCESSIONS AND FEES, THAT A RESIDENTIAL TENANT IS REQUIRED TO  
4 PAY PURSUANT TO A RENTAL AGREEMENT.

5 **SECTION 3.** In Colorado Revised Statutes, 6-1-105, **add**  
6 (1)(eeee) as follows:

7 **6-1-105. Unfair or deceptive trade practices.** (1) A person  
8 engages in a deceptive trade practice when, in the course of the person's  
9 business, vocation, or occupation, the person:

10 (eeee) VIOLATES OR ASSISTS ANOTHER PERSON IN VIOLATING  
11 SECTION 38-12-703 CONCERNING THE USE OF AN ALGORITHMIC DEVICE TO  
12 DETERMINE THE AMOUNT OF RENT TO CHARGE A TENANT FOR THE  
13 OCCUPANCY OF A RESIDENTIAL PREMISES.

14 **SECTION 4. Act subject to petition - effective date -**  
15 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following  
16 the expiration of the ninety-day period after final adjournment of the  
17 general assembly; except that, if a referendum petition is filed pursuant  
18 to section 1 (3) of article V of the state constitution against this act or an  
19 item, section, or part of this act within such period, then the act, item,  
20 section, or part will not take effect unless approved by the people at the  
21 general election to be held in November 2024 and, in such case, will take  
22 effect on the date of the official declaration of the vote thereon by the  
23 governor.

24 (2) This act applies to a landlord's calculation of the amount of  
25 rent that the landlord charges for the occupancy of a residential premises  
26 pursuant to any rental agreement that is executed on or after the  
27 applicable effective date of this act.