

# COLORADO

Department of Regulatory Agencies

**Division of Real Estate** 

#### Colorado HOA Information & Resource Center HOA Forum

Thank you for joining us! The presentation will begin momentarily

#### HOA Forum – 2023 Legislative Session



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#### What Is the HOA Information & Resource Center?

#### What We Do

- Provide information to homeowners regarding their basic rights and responsibilities under the Colorado Common Interest Ownership Act ("CCIOA").
- Gather, analyze, and report information through complaints and HOA registrations.
- Create resource materials.
- Provide education and forums.
- Provide a website with information for the public.
- Register HOAs pursuant to \$38-33.3-401(1), C.R.S.
- Provide an Annual Report to the Legislature.

#### What We D<u>on t</u> Do

- <u>Cannot</u> provide legal advice.
- Do <u>not</u> act as an advocate.
- <u>Cannot</u> assess fines or penalties.
- Do <u>not</u> enforce an HOA's failure to register.
- Do <u>not</u> mediate/arbitrate.
- Is <u>not</u> a regulatory program.



**COLORADO** Department of Regulatory Agencies Division of Real Estate

#### **Disclaimer**:

The information provided during this presentation is for educational purposes only and is not meant to provide, nor should it be construed as legal advice.

Any legal questions should be directed to a qualified attorney licensed in Colorado.



# 2023 Colorado General Assembly Legislative Session



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The purpose of this presentation is to discuss the legislative changes implemented by the Colorado General Assembly during the last legislative session which affect Common Interest Communities ("CIC's") in Colorado.



# 2023 Colorado General Assembly Legislative Session



The 74th General Assembly convened on January 9, 2023 and adjourned May 8, 2023. Visit the Colorado General Assembly's website for additional information: https://leg.colorado.gov/



### 2023 Colorado General Assembly Legislative Session

The acts that will be discussed in this presentation (in order) are:

- Senate Bill 23-016
- House Bill 23-1068
- House Bill 23-1233
- House Bill 23-1287
- Senate Bill 23-178
- House Bill 23-1174
- House Bill 23-1105



CONCERNING MEASURES TO PROMOTE REDUCTIONS IN GREENHOUSE GAS EMISSIONS IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION



Introduced: January 10, 2023

Signed: May 11, 2023

Effective Date: August 7, 2023

<u>Sponsors</u>: BY SENATOR(S) Hansen, Buckner, Cutter, Danielson, Exum, Fields, Gonzales, Jaquez Lewis, Kolker, Marchman, Moreno, Priola, Rodriguez, Winter F., Fenberg; also REPRESENTATIVE(S) McCormick and Sirota, Amabile, Bacon, Boesenecker, Brown, deGruy Kennedy, Dickson, English, Epps, Froelich, Gonzales-Gutierrez, Hamrick, Herod, Jodeh, Joseph, Kipp, Lindsay, Lindstedt, Mabrey, McLachlan, Ricks, Sharbini, Titone, Valdez, Velasco, Vigil, Weissman, Willford, Woodrow, Story, Garcia, Michaelson Jenet, Ortiz, Parenti, McCluskie.

<u>Summary</u>: Generally, SB23-016 addresses the various climate goals of the State of Colorado. The bill clarifies the definition of renewable energy generation devices.







CCIOA, at section 38-33.3-206.7, is amended to clarify the definition of an "Energy Efficiency Measure", which now includes "a heat pump system, as defined in section 39-26-732(2)(c), C.R.S."

Section 38-30-168(1)(b): the definition of "renewable energy generation device" is expanded to now include a "heat pump system, as defined in section 39-26-732(2)(c), C.R.S."







CONCERNING PET ANIMAL OWNERSHIP IN HOUSING, AND, IN CONNECTION THEREWITH, PROHIBITING RESTRICTIONS ON DOG BREEDS FOR OBTAINING HOMEOWNER'S INSURANCE, PROVIDING FOR THE MANNER IN WHICH PET ANIMALS ARE HANDLED WHEN A WRIT OF RESTITUTION IS EXECUTED, LIMITING SECURITY DEPOSITS AND RENT FOR PET ANIMALS FROM PERSONAL PROPERTY LIENS



Introduced: January 19, 2023

**Signed**: June 7, 2023

Effective Date: January 1, 2024

<u>Sponsors</u>: BY REPRESENTATIVE(S) Valdez, Duran, Garcia, Lindsay, Mabrey, McCormick, Ortiz, Woodrow, Amabile, Joseph, Sharbini; also SENATOR(S) Winter F. and Jaquez Lewis, Cutter.

**Summary**: Pet ownership and its affects on (a) homeowners' insurance, (b) execution of writs of restitution, (c) security deposits, (d) additional rent, and (e) landlord liens.







CONCERNING ENERGY EFFICIENCY, AND, IN CONNECTION THEREWITH, REQUIRING THE STATE ELECTRICAL BOARD TO ADOPT RULES FACILITATING ELECTRIC VEHICLE CHARGING AT MULTIFAMILY BUILDINGS, LIMITING THE ABILITY OF THE STATE ELECTRICAL BOARD TO PROHIBIT THE INSTALLATION OF ELECTRIC VEHICLE CHARGING STATIONS, FORBIDDING PRIVATE PROHIBITIONS ON ELECTRIC VEHICLE CHARGING AND PARKING, REQUIRING LOCAL GOVERNMENTS TO COUNT CERTAIN SPACES SERVED BY AN ELECTRIC VEHICLE CHARGING STATION FOR MINIMUM PARKING REQUIREMENTS, FORBIDDING LOCAL GOVERNMENTS FROM PROHIBITING THE INSTALLATION OF ELECTRIC VEHICLE CHARGING STATIONS, EXEMPTING ELECTRIC VEHICLE CHARGERS FROM BUSINESS PERSONAL PROPERTY TAX, AND AUTHORIZING ELECTRIC VEHICLE CHARGING SYSTEMS ALONG HIGHWAY RIGHTS-OF-WAY



Introduced: March 8, 2023

Signed: May 23, 2023

Effective Date: May 23, 2023



<u>Sponsors</u>: BY REPRESENTATIVE(S) Mauro and Valdez, Brown, Woodrow, Bacon, Boesenecker, deGruy Kennedy, Dickson, Duran, Epps, Froelich, Garcia, Hamrick, Jodeh, Joseph, Kipp, Lindsay, Mabrey, Michaelson Jenet, Ortiz, Parenti, Sirota, Story, Amabile, English, Gonzales-Gutierrez, McCormick, Velasco, Vigil, Willford; also SENATOR(S) Priola and Winter F., Cutter.

<u>Summary</u>: According to the General Assembly, reduction of greenhouse gas emissions and vehicle electrification are key strategies for the transportation sector. HB23-1233 acknowledges that it is less expensive to build electric-vehicle-capable parking spaces at the time of initial construction rather than through retrofitting after initial construction.



- The bill addresses several different issues, some related to Common Interest Communities and some that do not:
  - Requiring the state electrical board will prepare rules surrounding EV power transfer infrastructure for multifamily buildings, applying to new construction and major renovations of multifamily buildings. These rules are required to be prepared by September 1, 2023 and shall take effect sometime after March 1, 2024.
  - Changes that allow tenants to install at their own expense, a Level 1 or Level 2 electric vehicle charging system. The provisions pertaining to tenants in both residential rental properties and commercial rental properties.





#### Rules that directly apply to Common Interest Communities are:

- Changes to the law forbid Common Interest Communities from prohibiting unit owner from the installation of a Level 1 or Level 2 electric vehicle charging system on or in:
  a unit,
  - an assigned or deeded parking space that is part of or assigned to a unit, or
  - a parking space that is accessible to both the unit owner and other unit owners.
- THE BOARD SHALL ALSO NOT RESTRICT PARKING BASED ON A VEHICLE BEING A PLUG-IN HYBRID VEHICLE OR PLUG-IN ELECTRIC VEHICLE.







#### CONCERNING A COUNTY'S REGULATORY AUTHORITY RELATED TO SHORT-TERM RENTALS OF LODGING UNITS



Introduced: April 5, 2023

Signed: June 5, 2023

Effective Date: August 7, 2023



<u>Sponsors</u>: BY REPRESENTATIVE(S) McCluskie and Lukens, Amabile, Bird, Brown, Catlin, Dickson, Duran, Froelich, Gonzales-Gutierrez, Jodeh, Kipp, Lindsay, Mabrey, McCormick, McLachlan, Michaelson Jenet, Pugliese, Sirota, Snyder, Story, Velasco, Vigil, Weissman, Willford, Woodrow; also SENATOR(S) Roberts and Will, Hansen, Priola.

<u>Summary</u>: Clarifies that the board of county commissioners may license and regulate an owner or owner's agent who rents or advertises the owner's lodging unit for a short-term rental and vacation rental services.



Short term rentals are regulated on the local level, and not at the state level.

Therefore, board of county commissioners may license and regulate an owner or owner's agent who rents or advertises the owner's lodging unit for a short-term rental and vacation rental services.

Owner's agent is defined in section 30-15-401(s)(1)(I), C.R.S.

For vacation rental services, a board of county commissioners may require a vacation rental service that displays a short-term rental for a lodging unit to obtain a local short-term rental license or permit number and require the removal of a listing if the short-term rental license or permit is suspended or revoked or has been issued a notice of violation.









# CONCERNING REMOVING BARRIERS TO WATER-WISE LANDSCAPING IN COMMON INTEREST COMMUNITIES



Introduced: March 3, 2023

Signed: May 17, 2023

Effective Date: August 7, 2023

<u>Sponsors</u>: BY SENATOR(S) Jaquez Lewis and Will, Marchman, Priola, Bridges, Buckner, Coleman, Cutter, Exum, Fields, Ginal, Gonzales, Hansen, Hinrichsen, Kolker, Moreno, Roberts, Sullivan, Fenberg; also REPRESENTATIVE(S) McCormick and Lindsay, Amabile, Bird, Boesenecker, Brown, Dickson, Froelich, Hamrick, Herod, Jodeh, Kipp, Martinez, McLachlan, Michaelson Jenet, Ortiz, Parenti, Ricks, Sirota, Snyder, Titone, Valdez, Velasco, Weissman, Willford, Woodrow, McCluskie.

<u>Summary</u>: SB23-178 allows homeowners greater flexibility in deciding whether to install xeriscaping, non-vegetative turfgrass, or drought-tolerant vegetative landscapes on property the unit owner is responsible for maintaining.





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- 1. <u>NOT</u> PROHIBIT THE USE OF NON-VEGETATIVE TURFGRASS IN THE <u>BA</u>CKYARD OF A RESIDENTIAL PROPERTY;
- 2. <u>NOT</u> UNREASONABLY REQUIRE THE USE OF HARDSCAPE ON MORE THAN TWENTY (20) PERCENT OF THE LANDSCAPING AREA OF A UNIT OWNER'S PROPERTY;
- 3. <u>ALLOW</u> A UNIT OWNER AN OPTION THAT CONSISTS OF AT LEAST EIGHTY (80) PERCENT DROUGHT-TOLERANT PLANTINGS; AND
- 4. <u>NOT</u> PROHIBIT VEGETABLE GARDENS IN THE FRONT, BACK, OR SIDE YARD OF A UNIT OWNER'S PROPERTY. "VEGETABLE GARDEN" MEANS A PLOT OF GROUND OR AN ELEVATED SOIL BED IN WHICH POLLINATOR PLANTS, FLOWERS, OR VEGETABLES OR HERBS, FRUITS, LEAFY GREENS, OR OTHER EDIBLE PLANTS ARE CULTIVATED.



\$500.00 (or actual damages)



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#### House Bill 23-1174

CONCERNING HOMEOWNERS' INSURANCE, AND IN CONNECTION THEREWITH, REQUIRING CERTAIN REPORTS RELATED TO THE COST OF RECONSTRUCTING A HOME, INCREASING THE NOTICE REQUIREMENT BEFORE AN INSURER CAN CANCEL OR REFUSE TO RENEW A HOMEOWNERS INSURANCE POLICY, CREATING GUARANTEED REPLACEMENT COST COVERAGE IN HOMEOWNER'S INSURANCE, AND MAKING AN APPROPRIATION



Introduced: February 6, 2023

Signed: May 12, 2023

Effective Date: August 7, 2023

<u>Sponsors</u>: BY REPRESENTATIVE(S) Amabile and Brown, Boesenecker, Dickson, Herod, Joseph, Kipp, Lieder, Lindsay, Lindstedt, Mabrey, Martinez, McCormick, Michaelson Jenet, Ricks, Sharbini, Story, Titone, Velasco, Weissman, Willford, McCluskie, Bacon, Bird, English, Epps, Froelich, Garcia, Hamrick, Mauro, Ortiz, Parenti, Valdez; also SENATOR(S) Baisley and Roberts, Cutter, Danielson, Gardner, Hansen, Jaquez Lewis, Kirkmeyer, Kolker, Liston, Marchman, Pelton B., Priola, Smallwood, Sullivan, Will, Fenberg.

<u>Summary</u>: The act requires an annual report due on April 1, 2025, and annually thereafter, on the cost of reconstructing homes in Colorado and requires that an insurer must mail by first-class mail to the named insured, at the last address shown in the insurer's records, at least sixty (60) days in advance, a notice of intent to cancel or refuse to renew a policy.





- Annual Report on the Cost of Reconstructing homes in Colorado
  - First report: April 1, 2025
  - Annually thereafter
- Report shall address the following factors:
  - Differing regions of the state
  - Home types by design structure
  - Different home customization types
  - Other factors set forth in section 10-4-110.8(8), C.R.S.





- Canceling or refusing to renew a policy:
  - An insurer must mail to the named insured, at the address shown in the insurer's records
  - Notice must be made sixty (60) days in advance of the intent to cancel or refuse to renew a policy.
  - Notice MUST state the reason or reasons for the proposed action.
- This does not apply to cancellation in the event of nonpayment of premium. In such a case, the insurer needs to provide at least ten (10) days notice of cancellation accompanied by the reasons for taking such action.









CONCERNING THE CREATION OF TASK FORCES TO EXAMINE ISSUES AFFECTING CERTAIN HOMEOWNERS' RIGHTS, AND, IN CONNECTION THEREWITH, CREATING THE HOA HOMEOWNERS' RIGHTS TASK FORCE AND THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK FORCE, AND MAKING AN APPROPRIATION



Introduced: January 23, 2023

<u>Signed</u>: May 24, 2023

Effective Date: May 24, 2023



**Sponsors**: BY REPRESENTATIVE(S) Parenti and Titone, Amabile, Bacon, Boesenecker, Brown, English, Froelich, Gonzales-Gutierrez, Hamrick, Jodeh, Lieder, Lindsay, Marshall, Ricks, Sharbini, Sirota, Valdez, Vigil, Weissman, Willford, Woodrow, Dickson, Kipp, Mabrey, Michaelson Jenet, Snyder, Story; also SENATOR(S) Cutter and Fields; Bridges, Gonzales, Jaquez Lewis, Kolker, Marchman, Moreno, Priola, Rodriguez.

**<u>Summary</u>**: The bill creates two task forces to explore issues confronting HOA homeowners' rights and metropolitan district homeowners' rights.



#### How Can You Obtain Updates About HB23-1105 and the Task Forces That are Created By The Act?



As the HOA Center obtains additional information, including but not limited to meeting dates, the Division will convey this information to the public and other stakeholders via the HOA Today listserv. Therefore, if you have not already, please sign up for the HOA Today emails.

To sign up, if you have not already done so, you may visit the <u>HOA</u> <u>Information & Resource Center's website</u>. If you scroll down to the bottom of the page there, on the right hand side, you will find a section entitled "Sign up for HOA Today." You can enter your email address there.



### HOA Center Provided Summaries

-- Reminder --

These summaries are not intended to constitute legal advice and are provided by the Division of Real Estate and the HOA Information & Resource Center for informational and educational purposes only.

> https://dre.colorado.gov/colorado-generalassembly-2023-legislative-updates



### HOA Center Provided Summaries

If you have additional questions, you might want to review the HOA Center's website for detailed written summaries of the aforementioned bills.

#### **HOA Life**

- ✓ Living in an HOA
- ✓ Managing your HOA
- ✓ Education and Outreach Opportunities
- CCIOA, Local, State, and Federal Laws

2023 Legislative Updates 2022 Legislative Updates

Understanding CCIOA

Federal Laws that Impact HOAs

State and Local Laws that Impact HOAs



#### Contact Your Legislator

The Colorado General Assembly's Find My Legislator Tool is a great resource for identifying who your current representatives are. Visit it here:

#### https://leg.colorado.gov/find-my-legislator



# Questions?



