HOUSE BILL 24-1007

CONCERNING RESIDENTIAL OCCUPANCY LIMITS.

This bill determines that Colorado is experiencing a residential occupancy and availability crisis. In making that determination, they find that "occupancy limits and the increased availability of housing are matters of mixed statewide and local concern."

*Therefore, they are mandating that no local government shall limit the number of **people of familial relationship** from living in a single dwelling, unless a question of health and safety become an issue.*

Health and safety shall be demonstrated using the building code, health code, fire codes, and/or water and wastewater standards.

"Local government" does not include Associations. However, these types of laws a used to place additional future restrictions on those organizations that handle use restrictions. Look for this to apply to Associations in the future.

END OF REVIEW

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HOUSE BILL 24-1051

CONCERNING THE REGULATION OF BUSINESSES THAT OBTAIN A PERMIT FROM THE PUBLIC UTILITIES COMMISSION TO TOW MOTOR VEHICLES, AND IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

This bill regulates the way in which companies or persons that submit a permit to tow property has new regulations about when and how they must notify individuals being towed.

This rule likely affects any common areas or common parking areas an Association may designate, such as those found at access points to private property or the roads and roundabouts that are controlled by the Association.

The section that may affect us is in 40-10.1-405 Nonconsensual tows. It is important to remember that this law first concerns the towing company responsibility prior to towing, and then addresses the physical responsibilities of property owners.

40-10.1-405 Nonconsensual tows.
A towing company shall not nonconsensually tow a vehicle unless:
They have received documented permission for each tow within 24-hours of the tow from one of the following persons:

- Owner or leaseholder of the private property
- Property management company representative

They shall not tow without giving the vehicle owner 24-hour written notice, **unless**:

- Vehicle parked without authorization in a lot marked for exclusive use of residents or invited guests,

Property Owner must have **posted signage**

1. Not less than 2 sq. ft. in size
2. Lettering not less than 1" in height
3. Lettering that contrasts with background
4. Contains the following information:
    a. Restriction on parking
    b. Times of days and days of week
    c. Name and telephone number of towing carrier
        i. Printed in English and Spanish
5. Permanently mounted.
    1. Signage must be at the entrance to the property
    2. It must face the public way
    3. It must not be obstructed
    4. Placed no higher than 10 feet nor lower than 3 feet

END OF REVIEW

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HB 24-1091

CONCERNING PROHIBITING RESTRICTIONS ON THE USE OF FIRE-HARDENED BUILDING MATERIALS IN RESIDENTIAL REAL PROPERTY.

This legislation makes it unlawful to place covenants, restrictions, or conditions that prohibit the installation of Fire-Hardening Building Materials. Additionally, if any regulation already prohibits them, those rules are immediately unenforceable and must be removed from the governing documents.

However, the law allows the Association to **adopt and enforce reasonable standards regarding the design, dimensions, placement, or external appearance** of fire-hardened building materials **used for fencing** in accordance with:

- Bona fide safety requirements, and

Those standards shall not:

- Increase the cost of the fencing by more than 10%;
- Require a period of review and approval that exceeds 60 days after the date of the application.
- If no action is taken after 60 days, the application is deemed approved.

If an application is denied, the **denial cannot be capricious or arbitrary** and the reasons for denial must be described in writing.

The law confers the right to construct or place fire-hardened building materials on property that is:

- Owned by another person;
- Leased;
- Or a common element in a common interest community.

Fire-hardened building materials must comply with the following standards:
Sections 504 to 506 of the International Wildland-Urban Interface Code
NFPA Standard 1140 Standard for Wildland Fire Protection
NFPA Standard 1144 Reducing Structure Ignitions from Wildland Fire
IBHS Wildfire-prepared Home

END OF REVIEW

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HOUSE BILL 24-1108

CONCERNING A STUDY OF THE MARKET FOR PROPERTY AND CASUALTY INSURANCE POLICIES ISSUED TO CERTAIN ENTITIES IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

This law is compelling the Insurance Commissioner to conduct a study of the market for admitted insurance policies issued by insurers to Associations and lodging facilities. The study will include:

1. Current market conditions
    a. Availability of coverage
    b. Affordability of coverage
    c. Identification of areas of particular availability concerns
2. Recommendations to ensure the long-term sustainability and availability of property and casualty insurance policies
3. Whether captive insurance companies have been formed by an association or an owner

To gain information for the report, the Commissioner may engage a third-party to gather information and author the report.

Data to be collected may be the following:

- Number and location of each association and owner in Colorado
- Criteria used by the insurer to underwrite policies
- Combined loss and expense ratios incurred by the insurer
- Any other data

This law does not directly affect the Association at the moment. Because we are currently considering constructing a building that will require insurance, this may become something we have to participate in. Additionally, whatever future laws are created because of this study may affect us.

There is no action required at this time.

END OF REVIEW

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HOUSE BILL 24-1152

CONCERNING INCREASING THE NUMBER OF ACCESSORY DWELLING UNITS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Because of the housing shortage in the State of Colorado, and because of the Governor's attention to the problem of homelessness, and because they're throwing every solution as the two, this law declares that increasing the housing supply through the construction or conversion of accessory dwelling units is a matter of mixed statewide and local concern.

This pertains to us because they are first telling regulatory bodies, of which we are one, to remove any barriers to new construction or conversions that are specifically ADU's.

These are directed mostly at governments, so we should pay attention to how Fremont County addresses this law and how that might affect our Ranch. At this time, there is no action to be taken.

Also, the law includes short term rentals as an appropriate use for ADU's so we need to watch this in case we have to change our own policies.

This is a large bill and there are many details that we don't have to memorize at this time, but we need to continue to watch how our jurisdiction reacts.

END OF REVIEW

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HOUSE BILL 24-1173

CONCERNING STREAMLINING THE PROCES FOR PERMITTING ELECTRIC MOTOR VEHICLE CHARGING SYSTEMS.

I don't think this law will affect us except that if we ever develop new projects or property on common interest property, then we may fall under a new electrical code directive if the County adopts new requirements.

We need to keep our eyes open to see how Fremont County responds to this requirement. They are being tasked with adopting a model code that contains guidelines for EV charger permit standards and permitting processes.

There is no action to be taken at this time.

END OF REVIEW

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HOUSE BILL 24-1233

CONCERNING MODIFICATIONS TO CERTAIN PROCEDURAL REQUIREMENTS WITH WHICH A UNIT OWNERS' ASSOCIATION MUST COMPLY WHEN SEEKING PAYMENT OF DELINQUENT AMOUNTS OWED BY A UNIT OWNER.

As with all things lately, the Legislature has decided to continue drilling down on procedure on delinquent payments.

38-33.3-209.5 Responsible governance policies
An Association shall:
1. First contact the unit owner to alert the unit owner of the delinquency
    a. Maintain a record of any contact including:
        i. Type of communication used;
        ii. Date and time of contact.

- A unit owner may identify another person to serve as a **designated contact.**
- A unit owner may also identify a **preferred correspondence language** other than English.
- The unit owner and the designated contact (if applicable) must receive the **same correspondence and notices** any time communications are sent out.
- The Association may determine the manner in which a unit owner may identify a designated contact.

An Association shall send the same type of notice of delinquency required to be sent pursuant to subsection (5)(a)(V) **including sending it by certified mail, return receipt requested.**

The Association shall contact the unit owner or designated contact by **two** of the following means:
- Telephone Call (leave a voice message)
- Text Message
- E-mail

The Association may charge the unit owner an amount not to exceed the actual cost of the Certified Mail, **if** it elects to use that method of communication.

This is going to affect our Collections Policy which will be edited and presented to the Board for approval at a future meeting. Also, it will be of interest to the Secretary and the Treasurer.

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HOUSE BILL 24-1337

CONCERNING THE RIGHTS OF A UNIT OWNER IN A COMMON INTEREST COMMUNITY IN RELATION TO THE COLLECTION OF AMOUNTS OWED BY THE UNIT OWNER TO THE COMMON INTEREST COMMUNITY.

This law outlines not only the process/procedure for collections of amounts owed by a unit owner, it outlines the rights of the unit owner where the following is concerned:

- *Litigation*
- *Mediation*
- *Lien holders order*
- *Attorney's fees*
- *Foreclosure of a lien*

This information is of use to the Treasurer and the Secretary. It will require edits to the existing Collections Policy which will be presented to the Board for approval at a future meeting.

Under Section 38-33.3-123 Enforcement – limitations

Failure to Timely Pay

The Association may require, without legal proceeding, reimbursement for:

1. Actual collection costs
2. Reasonable attorney fees
   a. Not entitled to reimbursement that exceed $5,000 or 50% of the assessments, whichever is less.
3. Other actual costs (unknown)

Failure to Comply

The Association, any unit owner, or any class of unit owners adversely affected may seek (without legal proceedings) reimbursement:

1. Actual collections costs
2. Reasonable attorney fees and costs

In any civil action to enforce or defend this article or declaration, the court shall award:

1. Reasonable attorney fees,
2. Actual costs
3. Actual costs of collection to the prevailing party.
4. Shall not award attorney fees to the association in an amount in excess of $5,000 or 50% of the actual costs

Unless the non-compliance is willful.

In determining reasonable attorney fees on the foreclosure of a lien:

1. Amount of the unpaid assessments
2. Attorney fees requested exceeds the amount of the unpaid assessments

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3. Amount of time spent are disproportionate to the needs of the case
4. Whether foreclosure action was contested
5. Other factors

Limitation of attorney fees adjusted for inflation on August 1, 2025, and each year thereafter. (Denver-Aurora-Lakewood CPI)

An Association shall **not** commence a legal action to initiate a judicial foreclosure proceeding based on a unit owner's delinquency in paying assessments **unless**:

1. The Association has complied with its own documents
2. The Association has provided the owner with written offer to enter into a repayment plan and the unit owner has either:
    a. Failed to accept the repayment plan within 30 days after the written offer was made.

<u>To foreclose a lien:</u>

1. The Association must have **obtained a personal judgment** against the unit owner in a civil action;
2. The Association must have **attempted to bring a civil action** against the unit owner but was **prevented by the death of, or incapacity** of, the unit owner;
3. The Association must have **attempted to bring a civil action** against the unit owner and made a reasonable attempt to serve the unit owner, but the Association was **unable to serve the unit owner within 180 days**;
4. The **unit owner must have filed bankruptcy** petition or must have an **involuntary bankruptcy petition filed against the unit owner**, and the amount due the association is subject to the bankruptcy civil action.

<u>Subsection 10.5</u>

1. Applies exclusively to a unit owned by an individual who occupies the unit as the unit owner's principal residence)
2. Does not apply to a unit owned by an entity other than an individual or a unit that is not occupied as the unit owner's principal residence
3. Applies to a unit used for workforce housing

<u>Subsection 10.7</u>

1. 30 days before foreclosure, Association provides written and electronic notice that the Owner has the right to mediation.
2. To initiate mediation, has to respond within 30 days of the notice
    a. Mutually agreeable mediator
    b. Schedule the mediation session within 30 days after notice provided.
    c. Failure to comply, 30 days after notice, the association may file a civil action

d. At least 30 days before legal action, Association shall provide written and electronic notice to all lienholders identified and must include the amount of outstanding assessment and other money owed.

END OF REVIEW

HOUSE BILL 24-1383

CONCERNING DECLARATIONS THAT FORM COMMON INTEREST COMMUNITIES UNDER THE "COLORADO COMMON INTEREST OWNERSHIP ACT".

This is a clarifying document that responds to recent litigation (FD Interests, LLC v. Fairways at Buffalo Run Homeowners Association, Inc.)

A lower court allowed real property to be included inside the framework of a common interest community without the direct signature of the owner of the real property. It was executed by an affiliate. A higher court found that the trial court had erred in reforming (editing) the recorded declaration.

Therefore, the following changes are being made to **Section 38-33.3-217. Amendment of declaration**.

The act intends to clarify a that declaration that creates a common interest community, and any amendment to a declaration that adds real property to an existing common interest community, MUST be executed by, or on behalf of, the record owner of the real property to be included in the common interest community.

Additionally, the assembly intends to confirm that the equitable remedy of reformation should be available to correct errors relating to the execution or contents of documents affecting real property.

There is no action required at this time.

END OF REVIEW

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SENATE BILL 24-005

CONCERNING THE CONSERVATION OF WATER IN THE STATE THROUGH THE PROHIBITION OF CERTAIN LANDSCAPING PRACTICES.

This law is about addressing the State's ongoing water supply issues by addressing the installation of nonfunctional turf, artificial turf, or invasive plants species as part of a new development project or redevelopment project.

They want areas that are hardly used to be landscaped without the need for water. This is commonly referred to as xeriscaping.

Where this is applicable to us is that is that we own, control, and maintain "common interest community property."

This is not applicable to residential property.

These requirements begin on January 01, 2026.

Definitions include:
Artificial Turf means an installation of synthetic materials developed to resemble natural grass.
Nonfunctional Turf includes turf located in a street right-of-way, parking lot, median, or transportation corridor.
Invasive Plant Species has bee defined in Section 37-60-135 (2)(e).

37-99-103.
On and after January 1, 2026, a local entity shall not install, plant, or place, or allow any person to install, plant, or place, any nonfunctional turf, artificial turf, or invasive plant species, as part of a new development project or redevelopment project, on any portion of applicable property within the local entity's jurisdiction.

There is no action required at this time.

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SENATE BILL 24-058

CONCERNING LANDOWNER LIABILITY UNDER THE COLORADO RECREATIONAL USE STATUTE.

This law limits the liability of private property owners should an injury or death occur during a lawful use of an easement, trailhead, trail, route, area, or roadway where the Owner allows individuals to legally enter for recreational purposes.

This liability is only lessened if the landowner posts very specific signs at the primary access point to the private property. The language for the signage is part of the body of the law.

This law might reasonably pertain to us on the Wipiti Trail access easement. And it would likely pertain to the Pruitt lot individually.

The signage shall be:

- At least 8 inches in width and 10 inches in length, or
- At least 8 inches in length and 10 inches in width
- Is posted in a location and manner that makes the sign visible toan individual at the primary access point

The Owner must:

- Maintain photographic or other evidence of each such sign, and
- The dangerous conditions are described by the sign (any known dangerous condition not included is not covered.)

Nothing in this law is meant to limit an Owner's authority to:

- Restrict or prohibit the use of the owner's land for recreational purpose, or
- Establish times when the Owner's land is closed and unavailable to individuals to use for recreational purposes, including seasonal closures.

SENATE BILL 24-129

CONCERNING PROTECTING THE PRIVACY OF PERSONS ASSOCIATED WITH NONPROFIT ENTITIES, AND, IN CONNECTION THEREWITH, PROHIBITING PUBLIC AGENCIES FROM TAKING CERTAIN ACTIONS RELATING TO THE COLLECTION AND DISCLOSURE OF DATA THAT MAY IDENTIFY SUCH PERSONS.

This law is meant to protect a non-profit corporation, its members, employees, directors, and contractors, etc., from a public agency, where personal data is concerned.

A **public agency** is defined as any state or local governmental unit, including:

- The State
- Any department, agency, office, commission, board, division or other agency of the state,
- Any institution,
- Any political subdivision.

Since we are a non-profit corporation, we are subject to their laws as well as the CCIOA. Therefore, this pertains to us.

The basic law says a public agency shall not:

- Require any person, including a nonprofit entity, to provide the public agency with member-specific data.
- Disclose to any person one or more items of member-specific data, including employees.
- Request or require a current or prospective contractor to provide a list of non-profit entities to which the contractor has provided financial or nonfinancial support.

However, a public agency can collect if:

- Lawful subpoena or warrant
- Issued by a court of competent jurisdiction
- Part of an administrative, civil, or criminal matter
- Part of a lawful investigation
- Produced in discovery under the Colorado Rules of Civil Procedure
- Part of a protective order
- Member-specific data is admitted into evidence
- If the data was voluntarily and publicly disclosed by the person
- Sought by a nonprofit entity that request information concerning its own members

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- Identity of any director, officer, registered agent, or incorporator of a nonprofit entity required by statute to be filed with the secretary of state
- Required to be made public because disclosure of a contribution or donation made by one or more members is expressly required
- Required by statute or regulation in order for an applicant to qualify for or to operate a business activity
- Necessary to determine compliance with federal or state antitrust statutes
- Investigating alleged violations of state or local civil or criminal laws
- For evaluating the suitability of applicants for, and any potential conflicts of interest
- Evaluated for any grant, benefits, financing, or payments
- Due to State Auditor
- Due to the Department of Revenue to determine a taxpayer's compliance
- For the purposes of enforcement, examination, or other securities and commodities regulatory matters

If a non-profit is found in violation of a data release, the injured party as the right to sue

- $2,500 for each reckless violation
- $7,500 for each intentional violation
- Costs of litigation including reasonable attorney fees and witness fees.

This is of concern for the Secretary.

This will require edits to the Privacy Policy. These edits will be submitted to the Board at a future meeting for approval.

END OF REVIEW

SB 24-134

CONCERNING THE OPERATION OF A HOME-BASED BUSINESS IN A COMMON INTEREST COMMUNITY

This law adds language to the existing section 106.5 that now allows home-based businesses in common interest communities as long as certain defined measures are enumerated in the governing documents. They use the phrase "reasonable and applicable."

This rule will cause us to redefine a portion of our Covenants to comply with it.

Section 38-33.3-106.5 Prohibitions contrary to public policy

An Association shall not prohibit any of the following:

1. The operation of a home-based business by a unit owner OR a resident of the unit with the unit owner's permission,
2. The operation of a home-based business in a common-interest community,
    a. An Association may adopt and enforce any reasonable and applicable rules and regulations governing:
        i. Architectural control
        ii. Parking
        iii. Landscaping
        iv. Noise
        v. Nuisance
        vi. Other matters concerning operation
3. The operation must comply with any reasonable and applicable noise or nuisance ordinances or resolution of the Municipality or Country where they common interest community is located.

This change will require us to edit our governing documents to allow home-based businesses. This individual change will not require a vote of the owners due to its compliance with State Law.

END OF REVIEW

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SENATE BILL 24-145

CONCERNING THE ENACTMENT OF THE "UNIFORM UNLAWFUL RESTRICTIONS IN LAND RECORDS ACT".

These changes refer to "unlawful restrictions" on property. Unlawful Restrictions are defined as "a prohibition, restriction, covenant, or condition in a document that purports to interfere with or restrict the transfer, use, or occupancy of real property," where the restrictions are based on "race, color, religion, national origin, sex, familial status, disability, or other personal characteristics," and "unfair or discriminatory housing practices."

38-36.5-103. AMENDMENT BY OWNER.

An Owner may submit an amendment to the Recorder removing any unlawful restriction.

38-36.5-104. AMENDMENT BY ASSOCTION OF OWNERS

If an Association finds an unlawful restriction in their governing document, they shall remove, without a vote of the members of the Association, the restriction from the governing document(s).

A member of an association may request an Association review and remove an unlawful restriction and the Association has 90 days to determine if an unlawful restriction exists and another 90 days to record the amended governing document.

There is specific form to be used in either case that is outlined in the law.

END OF REVIEW

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