

Current Bills Working through the Legislative Process in Colorado

Welcome back to the show. Today, we are taking a trip right to the steps of the state capitol. It's the 2026 legislative session and things are moving fast.

They really are. And I know when people hear legislative session, their eyes, you know, they start to glaze over. They picture these dry committee hearings and well, a lot of paper.

It can definitely look that way from the outside, but when you actually read the text of these bills, the picture changes a lot. Exactly. And that's why we're doing this.

The stack of paper you brought in today it isn't just bureaucratic noise. We are talking about the roof over your head. Literally, we're talking about how you pay your water bill, whether a past mistake can follow you forever and how you protect your biggest asset from the next big hailstorm.

These are kitchen table issues. They absolutely are. And we've pulled some of the most significant bills on the docket.

But before we get into the weeds, we have to start with a massive disclaimer. Right. The giant flashing sign.

This is probably the most important part of our discussion today. Everything we are about to discuss is currently under consideration. These are bills.

They are not laws. Exactly. They are working their way through committees.

They could be amended. They could be completely rewritten or, and this happens all the time, they could just die in committee. So nobody should go out and change their lease agreement or argue with their landlord based on what they hear today.

Please don't think of this as a forecast. We're looking at what might happen. So you can be prepared if these shifts do become law.

Okay. Forecast mode is on. So give us the lay of the land.

What are the big buckets we're looking at today? We've really got three distinct themes. First up is the renter's reality. We're looking at a, well, a pretty controversial way of billing for utilities and some major changes to eviction privacy.

That privacy piece sounds fascinating. It is. Then second, we move to something every Coloradan understands, disaster mitigation.

You mean our enthusiastic weather patterns? That's a polite way to put it. Yes. And finally, we have a very technical, but I think a very helpful tweak to real estate transactions.

It's about that awkward period when you sell a house, but haven't quite moved out. All right. Let's start with the renters.

There's a bill here, House Bill 26-10-13 about something called ratio utility billing systems. R-U-B-S. R-U-B-S.

Usually when I hear ratio and billing together, I assume I'm about to lose money. So what is this? So R-U-B-S. R-U-B-S is the acronym.

And to get it, you have to picture a lot of the older apartment buildings we have in Colorado. Think of those brick walk-ups from the 60s or 70s. Sure.

Charming, creaky floors, probably zero insulation. And critically, one master water meter or one master gas meter for the whole building. They just weren't built with separate meters for every single unit.

Okay. So if I live there, how does the landlord bill me? Do they just guess? Historically, they just bake it into the rent or charge a flat fee. But that creates a problem.

If I'm a tenant paying a flat fee, I can take hour-long showers, leave the heat on, and it doesn't cost me an extra dime. Right. The all-you-can-eat buffet problem.

I'm not paying per plate, so why not? Exactly. So landlords want to use R-U-B-S. This bill would authorize them to use a formula to split that master bill among the tenants.

Your bill is calculated based on a ratio, like square footage or the number of people in your unit. I see the logic for conservation, but it feels imprecise. If I'm traveling for a month, I'm still paying for water I didn't use, right? That's the core criticism, yes.

It connects your wallet to usage, but imperfectly. You are, in a way, subsidizing your neighbor who might be home all day. So what stops a landlord from just using this as a profit center? You know, oh, the water bill was high, everyone owes me 50 bucks plus a handling fee.

And that is exactly what this bill, HB 26-1013, tries to prevent with some pretty strict guard rails. The most important one, this cannot be a profit generator. The total amount billed to all the tenants combined cannot be more than the actual bill from the utility company.

So no skimming off the top? None. The bill also explicitly bans adding administrative fees. The convenience charge.

Right. And this part is huge for fairness. They have to exclude common areas.

Meaning I'm not paying for the water in the swimming pool. Correct. Or the electricity for the parking lot lights.

And it all has to be disclosed in the rental agreement from day one. You have to know what you're walking into. It sounds like a compromise then.

Yeah. It helps landlords of older buildings modernize their billing, but it tries to keep tenants from getting gouged. That's the balance it's trying to strike, yeah.

Okay, let's pivot to the other side of this. House Bill 26-1047. This one feels a little heavier.

It's about privacy and eviction records. This one addresses what a lot of housing advocates call the scarlet letter of renting. Eviction.

Right. So a quick legal primer. Currently, when a landlord files for eviction, that court record is initially suppressed.

It's hidden. Because just filing a lawsuit doesn't mean the tenant did anything wrong. Exactly.

But under the current law, if the landlord wins and gets a judgment, that record becomes public. And once it's public, all the data scrapers find it. Immediately.

Background check companies pull those records constantly. So even if you were evicted just once, maybe you lost your job and fell behind, it shows up on every future background check. Which makes it almost impossible to find a new place to live.

It's a spiral. It is. So this bill proposes a really radical shift.

It says that these court records should remain suppressed permanently, even if the landlord wins. Permanently. Wow.

So a future landlord would never know. That feels like a huge blind spot for someone trying to screen tenants. It's a big shift, but there's a major exception.

The records would become public if there was a substantial violation of the lease. OK, we need to define substantial. Yeah.

Because not paying rent feels pretty substantial to a landlord. The sources suggest this is meant to distinguish between financial problems and dangerous or destructive behavior. A substantial violation isn't just missing rent.

It implies things like violence, drug activity, major property damage, that sort of thing. I see. So if you're a danger to the community, the record is public.

If you're just having a financial problem, it's private. That's the philosophical split it's trying to create, yes. It treats poverty differently than, say, criminality.

This bill also had a piece about notices on doors. It does. If a landlord has to post a demand for rent on your door, this bill would require them to redact personal information.

Which just seems like basic dignity. Your neighbors shouldn't know your business just by walking down the hall. Exactly.

And there's one more piece here that I think is really important. It's about the digital divide. The bill would require landlords to offer at least one payment option that does not require an online portal and does not charge a fee.

Oh, that's huge. Every service now wants you to use an app and then charges you a \$3 convenience fee. And if you're an elderly tenant who doesn't use a smartphone, or maybe you don't have a traditional bank account, that's a real barrier.

This just ensures paying rent is accessible to everyone. All right, let's leave the apartment complex for a minute. Let's talk about the weather.

Senate Bill 26-049, Homeowner Natural Disaster Mitigation. This is the Colorado reality check bill. Yeah, between the wind and the hail and the wildfires, my insurance premiums are starting to look like another mortgage payment.

You are not alone. And that's exactly what this bill is targeting. Insurance companies are pulling back.

Deductibles are going through the roof, sometimes 1 or 2% of your home's value. Which on a typical home around here could be a \$10,000, \$15,000 deductible. Who has that just sitting around? Almost no one.

So this bill tries to build a financial buffer. First, it expands an existing state grant program. So individual homeowners and even HOAs can apply for money to, say, fire harden their property.

Okay, grants are good. But there's a new tool in here too, right? A savings account. Yes, and this is the real innovation.

It establishes what they're calling a catastrophe savings account, or a CSA. A CSA. It sounds like an HSA, a health savings account, but for your roof.

That is a perfect analogy. Just like an HSA gives you a tax break to save for medical bills, a CSA would give you a state income tax deduction for money you contribute. And the interest is tax-free too.

The interest it earns is also tax-exempt, yes. Okay, so I can put money in tax-free. What can I spend it on? It's strictly regulated.

You can use it to pay your insurance deductible, which solves that \$10,000 problem. Or you can use it for property-specific mitigation. So like, better shingles.

Exactly. The bill specifically mentions things like impact-resistant roofing materials. Class 4 shingles.

Every roofer talks about them. That's the one. Or fire-resistant siding.

The idea is to harden the home before the disaster hits. This feels like a big strategic shift. It feels like the state is saying, hey, your insurance might not cover it all, or the deductible will be huge, so you need to start self-insuring.

It is absolutely a move toward incentivizing self-reliance. It acknowledges that the risk of living in Colorado has changed. It puts more of the responsibility on the homeowner to plan ahead.

It's empowering, but also a little scary. It forces you to look at your house as a risk you have to manage. And this gives you a tax advantage tool to do that.

Okay, let's move to our third and final bucket. Senate Bill 26054. This is about security deposits and post-closing occupancy agreements.

That's a mouthful. It is. But I know this situation.

This is the rent back. Correct. So for anyone who hasn't been in the real estate market lately, what's the scenario here? Okay, so imagine you sell your house.

You close on a Tuesday. But your new house isn't ready to move into until Friday. So I'm homeless for three days.

Unless you sign a post-closing occupancy agreement. You basically agree to rent your old house back from the new owner for those three days. So I become a tenant in the house I just sold.

Exactly. And that's the problem. Because you're technically a tenant, you fall under landlord-tenant law.

And current law says a landlord can't ask for a security deposit that's more than two months' rent. Which is a great protection in a normal lease. It is.

But in this specific transaction, the risk is totally different. The buyer just gave you hundreds of thousands of dollars. Now you're moving heavy furniture out.

If you scratch the floors, a small deposit might not cover it. Right. If I'm the buyer, I'm terrified.

I have very little leverage to make sure the seller leaves the house in good shape. And that mismatch created so much friction. A lot of agents were advising buyers not to do rent backs because the risk was just too high.

It made moving incredibly stressful. So this bill, SB 26054, it just fixes that glitch. It creates a specific exception.

It says the two-month limit on security deposits does not apply to these post-closing agreements. So the buyer can ask for a bigger deposit just for those few days to make sure they're protected. Exactly.

And we have to say, this just looks like a good change. It's a logical update that matches the law to what's actually happening in the real world. It just sounds like common sense.

It removes the friction. It really does. It acknowledges that a seller staying for three days is not the same as a year-long tenant.

It makes the whole transaction easier and safer for everyone. And when would that kick in? The bill sets the date for November 1st, 2026, if it passes. OK, let's zoom out.

We've covered a lot here. We've got landlords doing math on water bills, eviction records going dark, tax breaks for hail protection, and a fix for real estate closings. It really shows the diversity of issues in one session.

It's fairness, privacy, climate resilience, and commerce. And again, for everyone listening, I'm going to sound like a broken record here, but it's crucial. None of this is law yet.

Right. These are just bills. Amendments are happening.

Lobbyists are, well, lobbying. The details can and probably will shift before anything gets signed by the governor. So if you had to pull one big thread through all these different bills, one takeaway for people to chew on, what would it be? I think the thread is responsibility shifting.

How so? Well, look at that disaster mitigation bill. The state is now explicitly encouraging homeowners to self-insure through tax breaks, and that raises a really provocative question for the future. OK.

As climate risks get worse and traditional insurance gets more expensive, are we going to see more and more legislation that shifts the financial burden of preparedness away from insurance companies and directly onto the homeowner's own savings account? That is a heavy thought. Are we moving toward a world where your safety net is just your own net? It's something to watch. This catastrophe savings account could be just the beginning of a whole new way we think about property risk.

Well, on that cheerful note, start saving, folks. Thank you for walking us through this legislative maze. It is always fascinating to see how the sausage gets made.

My pleasure. Always happy to decode it with you. And to our listeners, thanks for joining our discussion.

We will keep tracking these bills as they move through the Capitol. Until next time, stay curious.

Posts on these bills can be found on the [apexreschool.com](https://www.apexreschool.com) website