First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 23-0541.01 Shelby Ross x4510

HOUSE BILL 23-1120

HOUSE SPONSORSHIP

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Judiciary Appropriations

A BILL FOR AN ACT

101	CONCERNING EVICTION PROTECTIONS FOR RESIDENTIAL TENANTS
102	WHO RECEIVE PUBLIC ASSISTANCE, AND, IN CONNECTION
103	THEREWITH, MAKING AN APPROPRIATION.

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 requires a landlord and residential tenant to participate in mandatory mediation prior to commencing an eviction action if the residential tenant receives supplemental security income, federal social security disability insurance, or cash assistance through the Colorado works program (collectively, "cash assistance"). The landlord and

3rd Reading Unamended April 13, 2023

Amended 2nd Reading April 12, 2023 residential tenant do not have to participate in mediation if the residential tenant did not disclose or declined to disclose in writing to the landlord that the residential tenant receives cash assistance. Failure to comply with mandatory mediation is an affirmative defense.

The bill prohibits a law enforcement officer from executing a writ of restitution against a residential tenant for at least 30 days after the entry of judgment if the residential tenant receives cash assistance.

The bill requires a written rental agreement to include a statement that a residential tenant who receives cash assistance has a right to mediation prior to the landlord filing an eviction complaint with the court.

The bill prohibits a written rental agreement from including a waiver of mandatory mediation.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Legislative declaration. (1) The general assembly finds that:

- (a) There is a wide disparity in access to legal representation between landlords and people experiencing eviction in Colorado. A 2021 study found that renters are represented by legal counsel in only one percent of eviction cases, while landlords are represented in 77 percent of cases.
- (b) This disparity in access to legal representation creates an imbalance in power during eviction proceedings;
- (c) Prelitigation mediation helps to restore the balance of power during eviction proceedings by facilitating communication between renters and landlords in a neutral setting. Skilled, neutral mediators can help guide the parties to find a reasonable and long-lasting alternative to eviction.
- (d) Colorado is experiencing a housing shortage. A 2022 report from the general assembly's affordable housing and transformational task force found that the state needs an additional 325,000 rental units to meet current demand.

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1 (e) People with disabilities face an additional barrier to finding 2 housing that meets their accessibility requirements; 3 (f) People who receive cash assistance face an additional barrier 4 to finding housing that is affordable on a fixed income; and 5 (g) Extending the period of time before law enforcement can 6 execute a writ of restitution gives a renter with disabilities or a renter who 7 receives cash assistance more time to find new housing and improves the 8 renter's likelihood of remaining housed. 9 (2) The general assembly further finds that: 10 (a) Evictions threaten existing affordable housing by creating 11 additional burdens for independent property owners, including legal fees, 12 unpaid rent and utility fees, additional vacancies, and resident turnover; 13 and 14 (b) Reducing evictions and preventing people from becoming 15 homeless saves taxpayers money by reducing public spending on court 16 costs, emergency shelter, medical care, foster care, and juvenile 17 delinquency. 18 (3) Therefore, the general assembly declares it is necessary to 19 avoid eviction proceedings and provide additional protections for people 20 with disabilities and people who receive cash assistance who are 21 experiencing an eviction. 22 **SECTION 2.** In Colorado Revised Statutes, 13-40-110, amend 23 (1) as follows: 24 **13-40-110.** Action - how commenced. (1) (a) An action under 25 this article ARTICLE 40 is commenced by filing with the court a complaint 26 in writing describing the property with reasonable certainty, the grounds 27 for the recovery thereof, the name of the person in possession or

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1	occupancy, and a prayer for recovery of possession, AND A SIGNED
2	AFFIDAVIT THAT STATES:
3	(I) THE RESIDENTIAL TENANT RECEIVES SUPPLEMENTAL SECURITY
4	INCOME, SOCIAL SECURITY DISABILITY INSURANCE UNDER TITLE II OF THE
5	FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 401 ET SEQ., AS
6	AMENDED, OR CASH ASSISTANCE THROUGH THE COLORADO WORKS
7	PROGRAM CREATED IN PART 7 OF ARTICLE 2 OF TITLE 26, AND THE
8	COMPLAINANT AND RESIDENTIAL TENANT PARTICIPATED IN MANDATORY
9	MEDIATION AND THE MEDIATION WAS UNSUCCESSFUL;
10	(II) THE COMPLAINANT AND RESIDENTIAL TENANT DID NOT
11	PARTICIPATE IN MANDATORY MEDIATION BECAUSE THE RESIDENTIAL
12	TENANT:
13	(A) DID NOT DISCLOSE OR DECLINED TO DISCLOSE IN WRITING IN
14	RESPONSE TO A WRITTEN INQUIRY FROM THE COMPLAINANT THAT THE
15	RESIDENTIAL TENANT RECEIVES SUPPLEMENTAL SECURITY INCOME, SOCIAL
16	SECURITY DISABILITY INSURANCE UNDER TITLE II OF THE FEDERAL
17	"SOCIAL SECURITY ACT", 42 U.S.C. SEC. 401 ET SEQ., AS AMENDED, OR
18	CASH ASSISTANCE THROUGH THE COLORADO WORKS PROGRAM CREATED
19	IN PART 7 OF ARTICLE 2 OF TITLE 26; OR
20	(B) DOES NOT RECEIVE SUPPLEMENTAL SECURITY INCOME, SOCIAL
21	SECURITY DISABILITY INSURANCE UNDER TITLE II OF THE FEDERAL
22	"SOCIAL SECURITY ACT", 42 U.S.C. SEC. 401 ET SEQ., AS AMENDED, OR
23	CASH ASSISTANCE THROUGH THE COLORADO WORKS PROGRAM CREATED
24	IN PART 7 OF ARTICLE 2 OF TITLE 26; OR
25	(III) THE COMPLAINANT AND RESIDENTIAL TENANT DID NOT
26	PARTICIPATE IN MANDATORY MEDIATION BECAUSE THE COMPLAINANT IS:
27	(A) A $501(c)(3)$ nonprofit organization that offers

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1	OPPORTUNITIES FOR MEDIATION TO RESIDENTIAL TENANTS PRIOR TO FILING
2	A RESIDENTIAL EVICTION IN COURT; OR
3	(B) A LANDLORD WITH FIVE OR FEWER SINGLE-FAMILY RENTAL
4	HOMES AND NO MORE THAN FIVE TOTAL RENTAL UNITS, INCLUDING ANY
5	SINGLE-FAMILY HOMES.
6	(b) MANDATORY MEDIATION MUST BE CONDUCTED BY A TRAINED
7	NEUTRAL THIRD PARTY AND BE PROVIDED AT NO COST TO THE
8	RESIDENTIAL TENANT. THE LANDLORD IS ONLY REQUIRED TO PAY FOR THE
9	LANDLORD'S PORTION OF THE MANDATORY MEDIATION. THE
10	COMPLAINANT AND RESIDENTIAL TENANT MAY HAVE LEGAL
11	REPRESENTATION PRESENT DURING THE MANDATORY MEDIATION. A
12	RESIDENTIAL TENANT MAY VOLUNTARILY WAIVE THE TENANT'S RIGHT TO
13	MANDATORY MEDIATION, BUT A WAIVER MUST NOT BE IN ANY LEASE
14	AGREEMENT OR OTHER AGREEMENT BETWEEN THE COMPLAINANT AND
15	RESIDENTIAL TENANT PURSUANT TO SECTION 38-12-801.
16	(c) The office of alternative dispute resolution shall
17	SCHEDULE THE MANDATORY MEDIATION AT THE FIRST AVAILABLE DATE,
18	BUT NO LATER THAN FOURTEEN CALENDAR DAYS AFTER THE LANDLORD
19	REQUESTS THE MEDIATION.
20	(d) Failure to comply with the mandatory mediation
21	REQUIREMENTS OUTLINED IN THIS SUBSECTION (1) IS AN AFFIRMATIVE
22	DEFENSE. IF THE AFFIRMATIVE DEFENSE IS RAISED AND THE COMPLAINANT
23	CANNOT DEMONSTRATE THAT THE REQUIREMENTS WERE MET, THE COURT
24	SHALL DISMISS THE CASE WITHOUT PREJUDICE AND A NEW COMPLAINT
25	MUST BE FILED.
26	(e) The complaint may also set forth the amount of rent due, the
27	rate at which it is accruing, the amount of damages due, and the rate at

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1	which they are accruing and may include a prayer for rent due or to
2	become due, present and future damages, costs, and any other relief to
3	which plaintiff is entitled.
4	SECTION 3. In Colorado Revised Statutes, 13-40-122, amend
5	(1) as follows:
6	13-40-122. Writ of restitution after judgment. (1) (a) A court
7	shall not issue a writ of restitution upon any judgment entered in any
8	action pursuant to this article 40 until forty-eight hours after the time of
9	the entry of the judgment. If the Writ of Restitution concerns a
10	RESIDENTIAL TENANT WHO RECEIVES SUPPLEMENTAL SECURITY INCOME,
11	SOCIAL SECURITY DISABILITY INSURANCE UNDER TITLE II OF THE FEDERAL
12	"SOCIAL SECURITY ACT", 42 U.S.C. SEC. 401 ET SEQ., AS AMENDED, OR
13	CASH ASSISTANCE THROUGH THE COLORADO WORKS PROGRAM CREATED
14	IN PART 7 OF ARTICLE 2 OF TITLE 26, THE WRIT MUST SPECIFY THAT THE
15	WRIT IS NOT EXECUTABLE FOR THIRTY DAYS AFTER ENTRY OF JUDGMENT
16	PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION; EXCEPT IN THE CASE:
17	(I) IN WHICH A COURT HAS ORDERED A JUDGMENT FOR POSSESSION
18	FOR A SUBSTANTIAL VIOLATION PURSUANT TO SECTION 13-40-107.5; OR
19	(II) OF A LANDLORD WITH FIVE OR FEWER SINGLE FAMILY RENTAL
20	HOMES AND NO MORE THAN FIVE TOTAL RENTAL UNITS INCLUDING ANY
21	SINGLE FAMILY HOMES.
22	(b) A writ of restitution shall MUST be executed by the officer
23	having the same only in the daytime and between sunrise and sunset, and
24	the officer shall not execute a writ of restitution concerning a residential
25	tenancy until at least ten days after entry of the judgment; EXCEPT THAT
26	THE OFFICER SHALL NOT EXECUTE A WRIT OF RESTITUTION CONCERNING
27	A RESIDENTIAL TENANCY UNTIL AT LEAST THIRTY DAYS AFTER ENTRY OF

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1	JUDGMENT IF THE RESIDENTIAL TENANT RECEIVES SUPPLEMENTAL
2	SECURITY INCOME, SOCIAL SECURITY DISABILITY INSURANCE UNDER TITLE
3	II of the federal "Social Security Act", 42 U.S.C. sec. 401 et seq.,
4	AS AMENDED, OR CASH ASSISTANCE THROUGH THE COLORADO WORKS
5	PROGRAM CREATED IN PART 7 OF ARTICLE 2 OF TITLE 26, AS SPECIFIED IN
6	THE WRIT; EXCEPT IN THE CASE:
7	(I) IN WHICH A COURT HAS ORDERED A JUDGMENT FOR POSSESSION
8	FOR A SUBSTANTIAL VIOLATION PURSUANT TO SECTION 13-40-107.5; OR
9	(II) OF A LANDLORD WITH FIVE OR FEWER SINGLE FAMILY RENTAL
10	HOMES AND NO MORE THAN FIVE TOTAL RENTAL UNITS INCLUDING ANY
11	SINGLE FAMILY HOMES.
12	(c) Any writ of restitution governed by this section may be
13	executed by the county sheriff's office in which the property is located by
14	a sheriff, undersheriff, or deputy sheriff, as described in section
15	16-2.5-103 (1) or (2), while off duty or on duty at rates charged by the
16	employing sheriff's office in accordance with section 30-1-104 (1)(gg).
17	SECTION 4. In Colorado Revised Statutes, amend 13-40-106 as
18	follows:
19	13-40-106. Written demand. (1) The demand required by
20	section 13-40-104 shall be made in writing, specifying the grounds of the
21	demandant's right to the possession of such premises, describing the
22	same, and the time when the same shall be delivered up, and shall be
23	signed by the person claiming such possession, his agent, or his attorney.
24	(2) THE DEMAND MUST ALSO INCLUDE A STATEMENT THAT A
25	RESIDENTIAL TENANT WHO RECEIVES SUPPLEMENTAL SECURITY INCOME,
26	SOCIAL SECURITY DISABILITY INSURANCE UNDER TITLE II OF THE FEDERAL
27	"SOCIAL SECURITY ACT", 42 U.S.C. SEC. 401 ET SEQ., AS AMENDED, OR

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1	CASH ASSISTANCE THROUGH THE COLORADO WORKS PROGRAM CREATED
2	IN PART 7 OF ARTICLE $\overline{2}$ OF TITLE $\overline{26}$ HAS A RIGHT TO MEDIATION PRIOR TO
3	THE LANDLORD FILING AN EVICTION COMPLAINT WITH THE COURT
4	PURSUANT TO SECTION 13-40-110.
5	SECTION 5. In Colorado Revised Statutes, 24-34-502, add (1.8)
6	as follows:
7	24-34-502. Unfair housing practices prohibited - definitions
8	(1.8) It is not a violation of this section for a landlord to ask a
9	RESIDENTIAL TENANT WHETHER THE TENANT RECEIVES SUPPLEMENTAL
10	SECURITY INCOME, SOCIAL SECURITY DISABILITY INSURANCE UNDER TITLE
11	II of the federal "Social Security Act", 42 U.S.C. sec. 401 et seq.
12	AS AMENDED, OR CASH ASSISTANCE THROUGH THE COLORADO WORKS
13	PROGRAM CREATED IN PART 7 OF ARTICLE 2 OF TITLE 26 FOR THE PURPOSES
14	OF COMPLYING WITH SECTION $13-40-110$ (1).
15	SECTION 6. In Colorado Revised Statutes, 38-12-801, amend
16	(3); and add (2.5) as follows:
17	38-12-801. Written rental agreement - prohibited clauses
18	copy - tenant. (2.5) (a) A WRITTEN RENTAL AGREEMENT MUST INCLUDE
19	A STATEMENT THAT SECTION 24-34-502 (1) PROHIBITS SOURCE OF INCOME
20	DISCRIMINATION AND REQUIRES A NON-EXEMPT LANDLORD TO ACCEPT
21	ANY LAWFUL AND VERIFIABLE SOURCE OF MONEY PAID DIRECTLY
22	INDIRECTLY, OR ON BEHALF OF A PERSON, INCLUDING INCOME DERIVED
23	FROM ANY LAWFUL PROFESSION OR OCCUPATION AND INCOME OR RENTAL
24	PAYMENTS DERIVED FROM ANY GOVERNMENT OR PRIVATE ASSISTANCE
25	GRANT, OR LOAN PROGRAM.
26	(b) This subsection (2.5) does not apply to a landlord with
7	FIVE OD FEWED SINGLE FAMILY DENTAL HOMES AND NO MODE THAN FIVE

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I	TOTAL RENTAL UNITS INCLUDING ANY SINGLE FAMILY HOMES.
2	(3) (a) A written rental agreement must not include:
3	(a) (I) An unreasonable liquidated damages clause that assigns a
4	cost to a party stemming from an eviction notice or an eviction action
5	from a violation of the rental agreement; or
6	(b) (II) A one-way, fee-shifting clause that awards attorney fees
7	and court costs only to one party. Any fee-shifting clause contained in a
8	rental agreement must award attorney fees to the prevailing party in a
9	court dispute concerning the rental agreement, residential premises, or
10	dwelling unit.
11	(III) A WAIVER OF MANDATORY MEDIATION REQUIRED PURSUANT
12	TO SECTION 13-40-110 (1); OR
13	(IV) A CLAUSE THAT ALLOWS A LANDLORD TO RECOUP ANY COSTS
14	ASSOCIATED WITH MANDATORY MEDIATION REQUIRED PURSUANT TO
15	SECTION 13-40-110 (1).
16	(c) (b) Any clause in violation of subsection (3)(a) or (3)(b) of this
17	section THIS SUBSECTION (3) is null and void and unenforceable.
18	SECTION 7. Appropriation. For the 2023-24 state fiscal year,
19	\$228,546 is appropriated to the judicial department. This appropriation
20	is from the general fund and is based on an assumption that the
21	department will require an additional 0.6 FTE. To implement this act, the
22	department may use this appropriation for general courts administration.
23	SECTION 8. Safety clause. The general assembly hereby finds,
24	determines, and declares that this act is necessary for the immediate
25	preservation of the public peace, health, or safety.

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