# First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 23-0848.02 Christopher McMichael x4775

**HOUSE BILL 23-1254** 

## **HOUSE SPONSORSHIP**

**Brown and Mabrey,** Amabile, deGruy Kennedy, Dickson, English, Epps, Froelich, Garcia, Gonzales-Gutierrez, Herod, Jodeh, Joseph, Lindsay, Lindstedt, McCluskie, Michaelson Jenet, Ortiz, Ricks, Sharbini, Sirota, Story, Titone, Velasco, Vigil, Weissman

## SENATE SPONSORSHIP

Cutter,

#### **House Committees**

### **Senate Committees**

Transportation, Housing & Local Government Appropriations

### A BILL FOR AN ACT 101 CONCERNING THE CONDITIONS COVERED UNDER THE WARRANTY OF 102 HABITABILITY FOR RESIDENTIAL PREMISES, AND, IN 103 CONNECTION THEREWITH, SPECIFYING A LANDLORD'S 104 REQUIREMENTS TO REMEDIATE A RESIDENTIAL PREMISES THAT 105 IS DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH 106 EVENT, EXPANDING WHAT CONSTITUTES RETALIATION BY A 107 LANDLORD, AND DESCRIBING SITUATIONS IN WHICH A TENANT 108 MAY TERMINATE A LEASE AFTER THE PREMISES HAS BEEN 109 DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT.

## **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 HOUSE 3rd Reading Unamended April 24, 2023

HOUSE Amended 2nd Reading April 21, 2023

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

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.

applies to the reengrossed version of this bill will be available at <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill expands conditions covered under the warranty of habitability for residential premises in relation to indoor air quality, water quality, and other health and safety issues. The bill adds water damage, fire damage, and damage due to a natural or an environmental event as conditions under which a residential premises is deemed uninhabitable.

The bill requires a landlord to have a residential premises inspected and tested by a certified industrial hygienist or an industrial hygienist to determine if the premises is safe for habitability. The bill also clarifies landlord responsibilities in remediating a residential premises to a habitable standard and how a tenant must give notice to a landlord if there are habitability issues with the tenant's residence.

The bill directs the executive director of the department of public health and environment to establish health and safety standards for habitability by January 1, 2026.

The bill prohibits a landlord from retaliating against a tenant for making a good faith complaint about the conditions of the residential premises and provides conditions by which a tenant may terminate a lease if a habitability issue is not remediated.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1. Legislative declaration.** (1) The general assembly finds and declares that: 3 4 (a) Colorado has experienced record-breaking wildfires in recent 5 years, including the Marshall fire, which burned over 6,000 acres and 6 nearly 1,100 homes in a highly urbanized area, resulting in more than 7 \$500 million in damages; 8 (b) After the Marshall fire, many renters struggled to secure safe, 9 habitable housing due to significant damage from smoke, ash, and other 10 air contaminants: 11 (c) It is typical for nearby residents to have concerns about the 12 habitability of their residential premises after being subjected to an 13 environmental public health event;

-2- 1254

1	(d) After an environmental public health event, residential
2	premises must be returned to a condition that protects the health and
3	safety of residents from environmental contaminants, such as smoke, ash,
4	and other toxic materials related to an environmental public health event;
5	and
6	(e) There is a need to promote the remediation of residential
7	premises so that landlords, tenants, and insurance companies understand
8	what remediation must be done and who is responsible for the
9	remediation to make the premises habitable after an environmental public
10	health event.
11	(2) Therefore, the general assembly declares that it is in the best
12	interest of Colorado residents to protect the health and safety of residents
13	by ensuring that their homes are returned to a healthy, habitable, and safe
14	condition after incurring damage due to an environmental public health
15	event.
16	SECTION 2. In Colorado Revised Statutes, 38-12-502, add (4.5)
17	and (10) as follows:
18	<b>38-12-502. Definitions.</b> As used in this part 5 and part 8 of this
19	article 12, unless the context otherwise requires:
20	(4.5) "ENVIRONMENTAL PUBLIC HEALTH EVENT" MEANS A
21	NATURAL DISASTER OR AN ENVIRONMENTAL EVENT, SUCH AS A WILDFIRE,
22	A FLOOD, OR A RELEASE OF TOXIC CONTAMINANTS, THAT COULD CREATE
23	NEGATIVE HEALTH AND SAFETY IMPACTS FOR TENANTS THAT LIVE IN
24	NEARBY RESIDENTIAL PREMISES.
25	(10) "VULNERABLE POPULATION" MEANS CHILDREN, INDIVIDUALS
26	WITH ASTHMA, INDIVIDUALS WITH DISABILITIES, INDIVIDUALS WHO ARE
27	PREGNANT, OR ANY OTHER GROUP OF INDIVIDUALS THAT HAS HEALTH

-3-

1	CONDITIONS THAT COULD MAKE THE INDIVIDUALS MORE SUSCEPTIBLE TO
2	ENVIRONMENTAL CONTAMINANTS.
3	SECTION 3. In Colorado Revised Statutes, 38-12-503, amend
4	(2)(a), (2.3), (2.5), and (4)(a) introductory portion; and add (2.7) as
5	follows:
6	38-12-503. Warranty of habitability - notice - landlord
7	<b>obligations.</b> (2) Except as described in subsection (2.2) of this section,
8	a landlord breaches the warranty of habitability set forth in subsection (1)
9	of this section if:
10	(a) A residential premises is:
11	(I) Uninhabitable as described in section 38-12-505 or otherwise
12	unfit for human habitation; or
13	(II) In a condition that materially interferes with the tenant's life,
14	health, or safety; and OR
15	(III) NOT IN COMPLIANCE WITH THE STANDARDS DESCRIBED IN
16	SECTION 38-12-505 (1)(b)(XIII) FOR THE REMEDIATION AND CLEAN UP OF
17	A RESIDENTIAL PREMISES THAT HAS BEEN DAMAGED DUE TO AN
18	ENVIRONMENTAL PUBLIC HEALTH EVENT; AND
19	(2.3) A tenant who gives a landlord WRITTEN OR electronic notice
20	of a condition shall send such THE notice only to the e-mail address,
21	phone number, or electronic portal specified by the landlord in the rental
22	agreement for communications. In the absence of such a provision in the
23	rental agreement, the tenant shall communicate with the landlord in a
24	manner that the landlord has previously used TYPICALLY USES to
25	communicate with the tenant. The tenant shall retain sufficient proof of
26	delivery of the electronic notice.
27	(2.5) A landlord who THAT receives from a tenant written or

-4- 1254

1	electronic notice of a condition described by subsection (2)(a) of this
2	section shall:
3	(a) Respond to the tenant not more than twenty-four hours after
4	receiving the notice; EXCEPT THAT A LANDLORD MAY TAKE UP TO
5	SEVENTY-TWO HOURS TO RESPOND TO THE TENANT AFTER RECEIVING THE
6	NOTICE WHEN THE RESIDENTIAL PREMISES IS INACCESSIBLE BECAUSE OF
7	DAMAGE DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT. The
8	response must indicate the landlord's intentions for remedying the
9	condition, including an estimate of when the remediation will commence
10	and when it will be completed.
11	(b) Inform the tenant of the Landlord's responsibilities
12	UNDER SUBSECTION (4)(a) OF THIS SECTION IF THE REPORTED CONDITION
13	CONCERNS A CONDITION DESCRIBED IN SUBSECTION (2)(a)(II) OR
14	(2)(a)(III) OF THIS SECTION.
15	(2.7) (a) A LANDLORD THAT RECEIVES NOTICE FROM A TENANT OF
16	ANY HABITABILITY ISSUES, AS DESCRIBED IN SECTION 38-12-505 (1), WITH
17	THE TENANT'S PREMISES IS RESPONSIBLE FOR REMEDIATION OF THE
18	RESIDENTIAL PREMISES TO A HABITABLE STANDARD AT THE LANDLORD'S
19	EXPENSE.
20	(b) A LANDLORD THAT RECEIVES NOTICE FROM A TENANT OF A
21	HABITABILITY ISSUE REGARDING A RESIDENTIAL PREMISES THAT HAS BEEN
22	DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT SHALL
23	COMPLY WITH THE STANDARDS DESCRIBED IN SECTION 38-12-505
24	(1)(b)(XIII) WITHIN A REASONABLE AMOUNT OF TIME GIVEN THE
25	CONDITION OF THE PREMISES AND AT THE LANDLORD'S EXPENSE.
26	(c) A LANDLORD THAT HAS REMEDIATED A RESIDENTIAL PREMISES
27	TO A HABITABLE STANDARD FOLLOWING AN ENVIRONMENTAL PUBLIC

-5- 1254

1	HEALTH EVENT MUST PROVIDE THE TENANT WITH DOCUMENTATION THAT
2	DEMONSTRATES COMPLIANCE WITH THE STANDARDS DESCRIBED IN
3	SECTION 38-12-505 (1)(b)(XIII).
4	(d) A LANDLORD'S SUBMISSION OF AN INSURANCE CLAIM FOR AN
5	UNINHABITABLE OR A CONTAMINATED RESIDENTIAL PREMISES AFTER THE
6	LANDLORD RECEIVES NOTICE FROM THE TENANT OF HABITABILITY ISSUES
7	AT THE RESIDENTIAL PREMISES IS NOT CONSIDERED EVIDENCE OF
8	REMEDIATION.
9	(4) (a) If the notice sent pursuant to subsection (2)(b) of this
10	section concerns a condition that is described by subsection (2)(a)(II) OR
11	(2)(a)(III) of this section, the landlord, at the request of the tenant, shall
12	provide the tenant:
13	SECTION 4. In Colorado Revised Statutes, 38-12-505, amend
14	(1)(b)(XI), (1)(b)(XII), and (3); and <b>add</b> (1)(b)(XIII) as follows:
15	38-12-505. Uninhabitable residential premises - habitability
16	procedures - rules. (1) A residential premises is deemed uninhabitable
17	if:
18	(b) It substantially lacks any of the following characteristics:
19	(XI) Locks on all exterior doors and locks or security devices on
20	windows designed to be opened that are maintained in good working
21	order; <del>or</del>
22	(XII) Compliance with all applicable building, housing, and health
23	codes, the violation of which would constitute a condition that materially
24	interferes with the life, health, or safety of the tenant; OR
25	(XIII) COMPLIANCE WITH APPLICABLE STANDARDS FROM THE
26	AMERICAN NATIONAL STANDARDS INSTITUTE, OR ITS SUCCESSOR
27	ORGANIZATION, FOR THE REMEDIATION AND CLEAN UP OF A RESIDENTIAL

-6- 1254

1	PREMISES FOLLOWING AN ENVIRONMENTAL PUBLIC HEALTH EVENT.
2	(3) Unless the rental agreement provides otherwise as permitted
3	by section 38-12-506, Before a LANDLORD LEASES A residential premises
4	is leased to a tenant, the LANDLORD MUST ENSURE THAT THE residential
5	premises must comply with the requirements set forth in IS FIT FOR
6	HUMAN HABITATION IN ACCORDANCE WITH section 38-12-503 (1) and
7	$\frac{(2)(a)}{(a)}$ THAT THE RESIDENTIAL PREMISES IS NOT IN A CONDITION DESCRIBED
8	IN SECTION $38-12-503$ (2)(a).
9	SECTION 5. In Colorado Revised Statutes, 38-12-506, add (3)
10	as follows:
11	38-12-506. Exception for certain single-family residences.
12	(3) NOTWITHSTANDING SUBSECTIONS (1) AND (2) OF THIS SECTION, A
13	LANDLORD AND TENANT SHALL NOT ENTER INTO AN AGREEMENT FOR THE
14	REPAIR, MAINTENANCE, ALTERATION, REMODELING, OR REMEDIATION OF
15	A RESIDENTIAL PREMISES THAT IS NECESSARY TO COMPLY WITH SECTION
16	38-12-503 THAT WOULD ENDANGER THE HEALTH OR SAFETY OF THE
17	TENANT.
18	SECTION 6. In Colorado Revised Statutes, 38-12-507, amend
19	(1)(b)(I)(B); and add $(4)$ and $(5)$ as follows:
20	38-12-507. Breach of warranty of habitability - tenant's
21	remedies. (1) If there is a breach of the warranty of habitability as set
22	forth in section 38-12-503 (2):
23	(b) (I) A tenant may obtain injunctive relief for breach of the
24	warranty of habitability in any county or district court of competent
25	jurisdiction. In a proceeding for injunctive relief, the court shall
26	determine actual damages for a breach of the warranty at the time the
27	court orders the injunctive relief. A landlord is not subject to any court

-7- 1254

1	order for injunctive relief if:
2	(B) The proceeding for injunctive relief does not concern a
3	condition described in section 38-12-503 (2)(a)(II) OR (2)(a)(III) that has
4	not been repaired or remedied.
5	(4) IF A RESIDENTIAL PREMISES IS UNINHABITABLE PURSUANT TO
6	SECTION 38-12-505 (1) AFTER BEING DAMAGED DUE TO AN
7	ENVIRONMENTAL PUBLIC HEALTH EVENT, THE TENANT MAY TERMINATE
8	THE TENANT'S LEASE IF:
9	(a) THE LANDLORD HAS NOT BEEN ABLE TO REMEDIATE THE
10	CONDITIONS OF THE RESIDENTIAL PREMISES SO THAT IT IS SAFE FOR
11	HABITABILITY WITHIN SIXTY BUSINESS DAYS AFTER THE LANDLORD HAS
12	RECEIVED NOTICE OF THE HABITABILITY ISSUE FROM THE TENANT;
13	(b) THE TENANT HAS GIVEN THE LANDLORD WRITTEN OR
14	ELECTRONIC NOTICE THAT THE RESIDENTIAL PREMISES IS NOT SAFE FOR
15	HABITABILITY DUE TO DAMAGE FROM AN ENVIRONMENTAL PUBLIC HEALTH
16	EVENT; AND
17	(c) THE LANDLORD IS NOT ABLE TO PROVIDE ADEQUATE
18	ALTERNATIVE HOUSING ACCOMMODATIONS FOR THE TENANT, PURSUANT
19	TO SECTION $38-12-503$ (4), FOR THE DURATION OF THE TIME THAT THE
20	RESIDENTIAL PREMISES IS BEING REMEDIATED.
21	(5) NOTWITHSTANDING SUBSECTION (4) OF THIS SECTION, IF A
22	TENANT IS A MEMBER OF A VULNERABLE POPULATION, THE TENANT MAY
23	TERMINATE THE TENANT'S LEASE OR AGREEMENT AFTER THE RESIDENTIAL
24	PREMISES HAS BEEN DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC
25	HEALTH EVENT IF:
26	(a) THE TENANT HAS GIVEN THE LANDLORD WRITTEN OR
27	ELECTRONIC NOTICE THAT THE RESIDENTIAL PREMISES IS NOT SAFE FOR

-8-

1	HABITABILITY DUE TO DAMAGE FROM AN ENVIRONMENTAL PUBLIC HEALTH
2	EVENT;
3	(b) THE LANDLORD HAS NOT BEEN ABLE TO REMEDIATE THE
4	CONDITIONS OF THE RESIDENTIAL PREMISES SO THAT IT IS SAFE FOR
5	HABITABILITY FOR THE TENANT WHO IS A MEMBER OF A VULNERABLE
6	POPULATION;
7	(c) THE LANDLORD IS NOT ABLE TO PROVIDE ADEQUATE
8	ALTERNATIVE HOUSING ACCOMMODATIONS FOR THE TENANT, PURSUANT
9	TO SECTION $38-12-503$ (4), FOR THE DURATION OF THE TIME THAT THE
10	RESIDENTIAL PREMISES IS BEING REMEDIATED; AND
11	(d) THE TENANT PROVIDES THE LANDLORD WITH EVIDENCE FROM
12	A LICENSED MEDICAL DOCTOR THAT THE TENANT'S CONDITION IS SUCH
13	THAT TO CONTINUE LIVING IN A RESIDENTIAL PREMISES THAT HAS BEEN
14	DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT WOULD BE
15	DETRIMENTAL TO THE TENANT'S HEALTH, SAFETY, OR QUALITY OF LIFE.
16	SECTION 7. In Colorado Revised Statutes, 38-12-509, amend
17	(1); and <b>add</b> (1.5) as follows:
18	<b>38-12-509. Prohibition on retaliation.</b> (1) (a) A landlord shall
19	not retaliate against a tenant by increasing rent or decreasing services or
20	by bringing or threatening to bring an action for possession ENGAGING IN
21	ANY OF THE ACTIVITIES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION
22	in response to the tenant:
23	(a) (I) Having made a good faith complaint to the landlord or to
24	a governmental agency alleging a condition described by section
25	38-12-505 (1) or any condition that materially interferes with the life,
26	health, or safety of the tenant; or
2.7	(b) (II) Organizing or becoming a member of a tenants'

-9- 1254

1	association or similar organization.
2	(b) PROHIBITED RETALIATION INCLUDES:
3	(I) INCREASING RENT OR DECREASING SERVICES;
4	(II) TERMINATING A LEASE OR CONTRACT WITHOUT WRITTEN
5	CONSENT OF THE TENANT EXCEPT AS OTHERWISE PROVIDED BY LAW;
6	(III) Bringing or threatening to bring an action for
7	POSSESSION; OR
8	(IV) TAKING ACTION THAT IN ANY MANNER INTIMIDATES,
9	THREATENS, DISCRIMINATES, OR RETALIATES AGAINST A TENANT.
10	(1.5) A TENANT MAY ASSERT AS A DEFENSE TO A LANDLORD'S
11	ACTION FOR POSSESSION, INCLUDING AN ACTION FOR POSSESSION BASED
12	ON A NONMONETARY VIOLATION OF THE RENTAL AGREEMENT OR AN
13	ACTION FOR POSSESSION BASED UPON A NOTICE TO QUIT OR VACATE, THAT
14	THE LANDLORD RETALIATED AGAINST THE TENANT IN VIOLATION OF
15	SUBSECTION (1) OF THIS SECTION.
16	SECTION 8. Safety clause. The general assembly hereby finds,
17	determines, and declares that this act is necessary for the immediate
18	preservation of the public peace, health, or safety.

-10-