

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 23-0658.01 Jennifer Berman x3286

HOUSE BILL 23-1105

HOUSE SPONSORSHIP

Parenti and Titone,

SENATE SPONSORSHIP

(None),

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF TASK FORCES TO EXAMINE ISSUES
102 AFFECTING CERTAIN HOMEOWNERS' RIGHTS, AND, IN
103 CONNECTION THEREWITH, CREATING THE HOA HOMEOWNERS'
104 RIGHTS TASK FORCE AND THE METROPOLITAN DISTRICT
105 HOMEOWNERS' RIGHTS TASK FORCE.

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 creates the HOA homeowners' rights task force (HOA task force) and the metropolitan district homeowners' rights task force (metro

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
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.

district task force) in the division of housing (division) in the department of local affairs. The director of the division or the director's designee serves as the chair of both task forces.

Members of the HOA task force must be designated or appointed on or before July 1, 2023. The HOA task force is required to:

- Study issues confronting HOA homeowners' rights, including homeowners' associations' fining authority and practices, foreclosure practices, and communications with homeowners;
- Prepare an interim report regarding its findings and conclusions, publish the interim report on the division's website, and submit copies of the report to the metro district task force on or before September 30, 2023; and
- Prepare a final report, publish the final report on the division's website, and submit copies of the final report to the metro district task force, the legislative committees with oversight of housing and local government issues (legislative committees), and the governor on or before December 31, 2023.

Members of the metro district task force must be designated or appointed on or before December 1, 2023. The metro district task force is required to:

- Study issues confronting metropolitan district homeowners' rights, including metropolitan district boards' tax levying authority and practices, foreclosure practices, and communications with homeowners, and consider the HOA task force's findings and conclusions as they relate to metropolitan district homeowners' rights; and
- Prepare a report regarding its findings and conclusions, publish the report on the division's website, and submit copies of the report to the legislative committees and the governor on or before March 1, 2024.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-32-733 as
3 follows:

4 **24-32-733. HOA homeowners' rights task force - metropolitan**
5 **district homeowners' rights task force - creation - membership -**
6 **duties - reporting - definitions - repeal.** (1) AS USED IN THIS SECTION,
7 UNLESS THE CONTEXT OTHERWISE REQUIRES:

1 (a) "COMMON INTEREST COMMUNITY" HAS THE MEANING SET
2 FORTH IN SECTION 38-33.3-103 (8).

3 (b) "DEVELOPER" MEANS ANY PERSON THAT OWNS A SUBDIVISION
4 OR IS A DESIGNEE OF THE OWNER OF A SUBDIVISION.

5 (c) "DIRECTOR" MEANS THE STATE DIRECTOR OF THE DIVISION
6 APPOINTED PURSUANT TO SECTION 24-32-704 (1).

7 (d) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
8 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

9 (e) "HOA HOMEOWNER" MEANS A "UNIT OWNER" AS DEFINED IN
10 SECTION 38-33.3-103 (31).

11 (f) "HOMEOWNERS' ASSOCIATION" OR "HOA" MEANS AN
12 "ASSOCIATION" AS DEFINED IN SECTION 38-33.3-103 (3).

13 (g) "METROPOLITAN DISTRICT" MEANS A SPECIAL DISTRICT THAT
14 IS OPERATED IN COMPLIANCE WITH SECTION 32-1-1004 AND CREATED TO
15 FINANCE INFRASTRUCTURE TO SUPPORT A HOUSING SUBDIVISION.

16 (h) "SUBDIVISION" HAS THE MEANING SET FORTH IN SECTION
17 12-10-501 (3)(a).

18 (2) THE HOA HOMEOWNERS' RIGHTS TASK FORCE AND THE
19 METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK FORCE ARE
20 CREATED IN THE DIVISION TO EXAMINE ISSUES CONFRONTING
21 COMMUNITIES THAT ARE GOVERNED BY EITHER THE EXECUTIVE BOARD OF
22 AN ASSOCIATION OR A BOARD OF A METROPOLITAN DISTRICT.

23 (3) **HOA homeowners' rights task force.** (a) THE HOA
24 HOMEOWNERS' RIGHTS TASK FORCE CONSISTS OF THE FOLLOWING:

- 25 (I) EX OFFICIO MEMBERS:
- 26 (A) THE DIRECTOR OR THE DIRECTOR'S DESIGNEE;
- 27 (B) THE DIRECTOR OF THE DIVISION OF REAL ESTATE IN THE

1 DEPARTMENT OF REGULATORY AGENCIES, AS EMPLOYED PURSUANT TO
2 SECTION 12-10-207 (1), OR THE DIRECTOR'S DESIGNEE;

3 (C) A REPRESENTATIVE OF THE DEPARTMENT OF LAW CREATED IN
4 SECTION 24-1-113 (1), APPOINTED BY THE ATTORNEY GENERAL;

5 (D) THE HOA INFORMATION OFFICER APPOINTED PURSUANT TO
6 SECTION 12-10-801 (1); AND

7 (II) MEMBERS JOINTLY APPOINTED BY THE CHAIRS OF THE HOUSE
8 OF REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL
9 GOVERNMENT COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND
10 HOUSING COMMITTEE:

11 (A) TWO HOA HOMEOWNERS IN THE STATE, AT LEAST ONE OF
12 WHOM RESIDES IN A COMMON INTEREST COMMUNITY LOCATED IN A
13 DISPROPORTIONATELY IMPACTED COMMUNITY;

14 (B) AN ATTORNEY WHO SPECIALIZES IN COMMON INTEREST
15 COMMUNITY LAW IN THE STATE;

16 (C) A REPRESENTATIVE OF AN ORGANIZATION THAT ADVOCATES
17 FOR HOA HOMEOWNERS IN THE STATE;

18 (D) A REPRESENTATIVE OF A DEVELOPER REGISTERED PURSUANT
19 TO SECTION 12-10-503 (1);

20 (E) A MEMBER OF THE HOUSE OF REPRESENTATIVES; AND

21 (F) A MEMBER OF THE SENATE.

22 (b) (I) MEMBERS OF THE HOA HOMEOWNERS' RIGHTS TASK FORCE
23 SHALL BE DESIGNATED OR APPOINTED TO THE TASK FORCE PURSUANT TO
24 SUBSECTION (3)(a) OF THIS SECTION ON OR BEFORE JULY 1, 2023.

25 (II) MEMBERS APPOINTED TO THE HOA HOMEOWNERS' RIGHTS
26 TASK FORCE PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION SERVE AT
27 THE PLEASURE OF THE APPOINTING AUTHORITIES. THE APPOINTING

1 AUTHORITIES MAY APPOINT A NEW MEMBER TO THE TASK FORCE TO
2 REPLACE A MEMBER WHO CAN NO LONGER SERVE ON THE TASK FORCE.

3 (III) (A) EXCEPT AS PROVIDED IN SUBSECTION (3)(b)(III)(B) OF
4 THIS SECTION, MEMBERS OF THE HOA HOMEOWNERS' RIGHTS TASK FORCE
5 SERVE WITHOUT COMPENSATION.

6 (B) LEGISLATIVE MEMBERS APPOINTED TO THE TASK FORCE
7 PURSUANT TO SUBSECTIONS (3)(a)(II)(E) AND (3)(a)(II)(F) OF THIS
8 SECTION ARE COMPENSATED PURSUANT TO SECTION 2-2-307.

9 (IV) THE HOA HOMEOWNERS' RIGHTS TASK FORCE SHALL MEET AS
10 EARLY AS PRACTICABLE AFTER ALL MEMBERS HAVE BEEN DESIGNATED OR
11 APPOINTED TO THE TASK FORCE PURSUANT TO SUBSECTION (3)(a) OF THIS
12 SECTION. THE DIRECTOR OR THE DIRECTOR'S DESIGNEE SERVING ON THE
13 TASK FORCE IS THE CHAIR OF THE TASK FORCE. THE CHAIR SHALL
14 CONVENE AS MANY MEETINGS OF THE TASK FORCE AS THE CHAIR DEEMS
15 NECESSARY.

16 (c) (I) THE HOA HOMEOWNERS' RIGHTS TASK FORCE SHALL
17 EXAMINE ISSUES CONFRONTING HOA HOMEOWNERS' RIGHTS, INCLUDING
18 THE FOLLOWING AUTHORITY AND PRACTICES OF ASSOCIATIONS:

19 (A) FINING AUTHORITY AND PRACTICES;

20 (B) FORECLOSURE PRACTICES; AND

21 (C) COMMUNICATIONS WITH HOA HOMEOWNERS REGARDING
22 ASSOCIATION PROCESSES AND HOA HOMEOWNERS' RIGHTS AND
23 RESPONSIBILITIES.

24 (II) AS PART OF THE HOA HOMEOWNERS' RIGHTS TASK FORCE'S
25 EXAMINATION, THE TASK FORCE SHALL REVIEW:

26 (A) THE "COLORADO COMMON INTEREST OWNERSHIP ACT",
27 ARTICLE 33.3 OF TITLE 38, AND ANY OTHER LAWS IN THE STATE

1 REGARDING COMMON INTEREST COMMUNITIES;

2 (B) OTHER STATES' LAW REGARDING COMMON INTEREST
3 COMMUNITIES; AND

4 (C) THE UNIFORM COMMON INTEREST OWNERSHIP ACT OF 2021, AS
5 PROMULGATED BY THE NATIONAL CONFERENCE OF COMMISSIONERS ON
6 UNIFORM STATE LAWS.

7 (d) (I) ON OR BEFORE SEPTEMBER 30, 2023, THE HOA
8 HOMEOWNERS' RIGHTS TASK FORCE SHALL PREPARE AN INTERIM REPORT
9 OF ITS INITIAL FINDINGS AND CONCLUSIONS REGARDING MATTERS THE
10 TASK FORCE EXAMINES PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION.
11 THE DIRECTOR SHALL PUBLISH THE INTERIM REPORT ON THE DIVISION'S
12 WEBSITE AND SUBMIT A COPY OF THE INTERIM REPORT TO THE
13 METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK FORCE.

14 (II) ON OR BEFORE DECEMBER 31, 2023, THE HOA HOMEOWNERS'
15 RIGHTS TASK FORCE SHALL PREPARE A FINAL REPORT OF ITS FINDINGS AND
16 CONCLUSIONS REGARDING MATTERS THE TASK FORCE EXAMINES
17 PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION. THE DIRECTOR SHALL
18 PUBLISH THE FINAL REPORT ON THE DIVISION'S WEBSITE AND SUBMIT
19 COPIES OF THE REPORT TO:

20 (A) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK
21 FORCE;

22 (B) THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING,
23 AND LOCAL GOVERNMENT COMMITTEE AND THE SENATE LOCAL
24 GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR
25 COMMITTEES; AND

26 (C) THE GOVERNOR.

27 (4) **Metropolitan district homeowners' rights task force.**

1 (a) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK FORCE
2 CONSISTS OF THE FOLLOWING:

3 (I) EX OFFICIO MEMBERS:

4 (A) THE DIRECTOR OR THE DIRECTOR'S DESIGNEE; AND

5 (B) A REPRESENTATIVE OF THE DEPARTMENT OF LAW CREATED IN
6 SECTION 24-1-113 (1), APPOINTED BY THE ATTORNEY GENERAL; AND

7 (II) MEMBERS JOINTLY APPOINTED BY THE CHAIRS OF THE HOUSE
8 OF REPRESENTATIVES TRANSPORTATION, HOUSING, AND LOCAL
9 GOVERNMENT COMMITTEE AND THE SENATE LOCAL GOVERNMENT AND
10 HOUSING COMMITTEE:

11 (A) TWO HOMEOWNERS, EACH RESIDING WITHIN A METROPOLITAN
12 DISTRICT IN THE STATE AND AT LEAST ONE OF WHOM RESIDES IN A
13 METROPOLITAN DISTRICT LOCATED IN A DISPROPORTIONATELY IMPACTED
14 COMMUNITY;

15 (B) AN ATTORNEY WHO SPECIALIZES IN SPECIAL DISTRICT LAW IN
16 THE STATE;

17 (C) AN ELECTED CITY COUNCIL MEMBER, AS RECOMMENDED BY A
18 STATEWIDE ORGANIZATION THAT REPRESENTS MUNICIPALITIES;

19 (D) AN ELECTED COUNTY COMMISSIONER, AS RECOMMENDED BY
20 A STATEWIDE ORGANIZATION THAT REPRESENTS COUNTIES;

21 (E) A REPRESENTATIVE OF A DEVELOPER REGISTERED PURSUANT
22 TO SECTION 12-10-503 (1) WITH ONE OR MORE SUBDIVISIONS LOCATED IN
23 A METROPOLITAN DISTRICT;

24 (F) A MEMBER OF THE HOUSE OF REPRESENTATIVES; AND

25 (G) A MEMBER OF THE SENATE.

26 (b) (I) MEMBERS OF THE METROPOLITAN DISTRICT HOMEOWNERS'
27 RIGHTS TASK FORCE SHALL BE DESIGNATED OR APPOINTED TO THE TASK

1 FORCE PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION ON OR BEFORE
2 DECEMBER 1, 2023.

3 (II) MEMBERS APPOINTED TO THE METROPOLITAN DISTRICT
4 HOMEOWNERS' RIGHTS TASK FORCE PURSUANT TO SUBSECTION (4)(a) OF
5 THIS SECTION SERVE AT THE PLEASURE OF THE APPOINTING AUTHORITIES.
6 THE APPOINTING AUTHORITIES MAY APPOINT A NEW MEMBER TO THE TASK
7 FORCE TO REPLACE A MEMBER WHO CAN NO LONGER SERVE ON THE TASK
8 FORCE.

9 (III) (A) EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(III)(B) OF
10 THIS SECTION, MEMBERS OF THE METROPOLITAN DISTRICT HOMEOWNERS'
11 RIGHTS TASK FORCE SERVE WITHOUT COMPENSATION.

12 (B) LEGISLATIVE MEMBERS APPOINTED TO THE TASK FORCE
13 PURSUANT TO SUBSECTIONS (4)(a)(II)(F) AND (4)(a)(II)(G) OF THIS
14 SECTION ARE COMPENSATED PURSUANT TO SECTION 2-2-307.

15 (IV) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK
16 FORCE SHALL MEET AS EARLY AS PRACTICABLE AFTER ALL MEMBERS HAVE
17 BEEN DESIGNATED OR APPOINTED TO THE TASK FORCE PURSUANT TO
18 SUBSECTION (4)(a) OF THIS SECTION. THE DIRECTOR OR THE DIRECTOR'S
19 DESIGNEE SERVING ON THE TASK FORCE IS THE CHAIR OF THE TASK FORCE.
20 THE CHAIR SHALL CONVENE AS MANY MEETINGS OF THE TASK FORCE AS
21 THE CHAIR DEEMS NECESSARY.

22 (c) (I) THE METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS TASK
23 FORCE SHALL EXAMINE ISSUES CONFRONTING METROPOLITAN DISTRICT
24 HOMEOWNERS' RIGHTS, INCLUDING THE FOLLOWING AUTHORITY AND
25 PRACTICES OF METROPOLITAN DISTRICT BOARDS:

26 (A) TAX LEVYING AUTHORITY AND PRACTICES;

27 (B) FORECLOSURE PRACTICES; AND

1 (C) COMMUNICATIONS WITH HOMEOWNERS REGARDING
2 METROPOLITAN DISTRICT PROCESSES AND HOMEOWNERS' RIGHTS AND
3 RESPONSIBILITIES.

4 (II) AS PART OF THE METROPOLITAN DISTRICT HOMEOWNERS'
5 RIGHTS TASK FORCE'S EXAMINATION, THE TASK FORCE SHALL REVIEW THE
6 INTERIM AND FINAL REPORTS OF THE HOA HOMEOWNERS' RIGHTS TASK
7 FORCE TO DETERMINE WHETHER THE FINDINGS AND CONCLUSIONS SET
8 FORTH IN THOSE REPORTS APPLY TO, AND PROVIDE GUIDANCE FOR, THE
9 TASK FORCE'S OWN FINDINGS AND CONCLUSIONS REGARDING ISSUES
10 CONFRONTING METROPOLITAN DISTRICT HOMEOWNERS' RIGHTS.

11 (d) ON OR BEFORE MARCH 1, 2024, THE METROPOLITAN DISTRICT
12 HOMEOWNERS' RIGHTS TASK FORCE SHALL PREPARE A REPORT OF ITS
13 FINDINGS AND CONCLUSIONS REGARDING MATTERS THE TASK FORCE
14 EXAMINES PURSUANT TO SUBSECTION (4)(c) OF THIS SECTION. THE
15 DIRECTOR SHALL PUBLISH THE REPORT ON THE DIVISION'S WEBSITE AND
16 SUBMIT COPIES OF THE REPORT TO:

17 (I) THE HOUSE OF REPRESENTATIVES TRANSPORTATION, HOUSING,
18 AND LOCAL GOVERNMENT COMMITTEE AND THE SENATE LOCAL
19 GOVERNMENT AND HOUSING COMMITTEE, OR THEIR SUCCESSOR
20 COMMITTEES; AND

21 (II) THE GOVERNOR.

22 (5) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.

23 **SECTION 2. 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.