First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REREVISED

This Version Includes All Amendments Adopted in the Second House HOUSE BILL 23-1254

LLS NO. 23-0848.02 Christopher McMichael x4775

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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 SENATE 3rd Reading Unamended May 4, 2023

SENATE 2nd Reading Unamended May 3, 2023

> Reading Unamended April 24, 2023

3rd

Amended 2nd Reading April 21, 2023

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

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
3	finds and declares that:
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;

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.

(2) Therefore, the general assembly declares that it is in the best
interest of Colorado residents to protect the health and safety of residents
by ensuring that their homes are returned to a healthy, habitable, and safe
condition after incurring damage due to an environmental public health
event.

SECTION 2. In Colorado Revised Statutes, 38-12-502, add (4.5)
and (10) as follows:

38-12-502. Definitions. As used in this part 5 and part 8 of this
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.

(10) "VULNERABLE POPULATION" MEANS CHILDREN, INDIVIDUALS
WITH ASTHMA, INDIVIDUALS WITH DISABILITIES, INDIVIDUALS WHO ARE
PREGNANT, OR ANY OTHER GROUP OF INDIVIDUALS THAT HAS HEALTH

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	obligations. (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

27 (2.5) A landlord who THAT receives from a tenant written or

electronic notice of a condition described by subsection (2)(a) of this
 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

HABITABILITY ISSUE REGARDING A RESIDENTIAL PREMISES THAT HAS BEEN
DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT SHALL
COMPLY WITH THE STANDARDS DESCRIBED IN SECTION 38-12-505
(1)(b)(XIII) WITHIN A REASONABLE AMOUNT OF TIME GIVEN THE
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

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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 add (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; or
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

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 (2)(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 1 order for injunctive relief if:

2 The proceeding for injunctive relief does not concern a (\mathbf{B}) 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 THE LANDLORD HAS NOT BEEN ABLE TO REMEDIATE THE (a) 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 THE TENANT HAS GIVEN THE LANDLORD WRITTEN OR (a) 27 ELECTRONIC NOTICE THAT THE RESIDENTIAL PREMISES IS NOT SAFE FOR

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HABITABILITY DUE TO DAMAGE FROM AN ENVIRONMENTAL PUBLIC HEALTH
 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

(d) THE TENANT PROVIDES THE LANDLORD WITH EVIDENCE FROM
 A LICENSED MEDICAL DOCTOR THAT THE TENANT'S CONDITION IS SUCH
 THAT TO CONTINUE LIVING IN A RESIDENTIAL PREMISES THAT HAS BEEN
 DAMAGED DUE TO AN ENVIRONMENTAL PUBLIC HEALTH EVENT WOULD BE
 DETRIMENTAL TO THE TENANT'S HEALTH, SAFETY, OR QUALITY OF LIFE.
 SECTION 7. In Colorado Revised Statutes, 38-12-509, amend

17 (1); and **add** (1.5) as follows:

38-12-509. Prohibition on retaliation. (1) (a) A landlord shall
not retaliate against a tenant by increasing rent or decreasing services or
by bringing or threatening to bring an action for possession ENGAGING IN
ANY OF THE ACTIVITIES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION
in response to the tenant:

(a) (I) Having made a good faith complaint to the landlord or to
a governmental agency alleging a condition described by section
38-12-505 (1) or any condition that materially interferes with the life,
health, or safety of the tenant; or

27 (b) (II) Organizing or becoming a member of a tenants'

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.