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

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 23-0699.02 Ed DeCecco x4216

**HOUSE BILL 23-1287** 

## HOUSE SPONSORSHIP

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### A BILL FOR AN ACT

101 CONCERNING A COUNTY'S REGULATORY AUTHORITY RELATED TO
102 SHORT-TERM RENTALS OF LODGING UNITS.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

A board of county commissioners is currently authorized to license and regulate an owner or owner's agent of a lodging unit that is rented or advertised for short-term stays, and "owner's agent" expressly excludes an internet hospitality service.

The bill modifies this regulatory authority by clarifying that it applies to lodging units that are available for short-term rentals, which are

HOUSE rd Reading Unamended April 15, 2023

HOUSE Amended 2nd Reading April 14, 2023 rentals for less than 30 days, and by excluding a hotel unit from the scope of the authority.

The bill also changes "internet hospitality service" to "vacation rental service" (service), defines the term, and provides separate authority for a board of county commissioners to regulate a service. This authority, however, is limited to requiring:

- An owner or owner's agent to include a rental license or permit number, if applicable, in any listing for a lodging unit on the service's website or other digital platform; and
- The service to remove a listing from the service's website or other digital platform, if properly notified by a county that the owner of the listed lodging unit has had a local short-term rental license or permit suspended or revoked or has been issued a notice of violation or similar legal process for not possessing a valid local short-term rental license or permit or that the county has a prohibition on short-term rentals that applies to the lodging unit. The service has 7 days from receiving the county notification to remove the listing.

To facilitate a service's ability to comply with a county ordinance, a county, upon request of the owner of a hotel unit or a vacation rental service on which the hotel unit is listed, is required to provide written verification that the hotel unit is exempt from the ordinance because it is not a lodging unit.

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

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2 SECTION 1. In Colorado Revised Statutes, 30-15-401, amend
3 (1)(a)(1) and add (1)(a)(11) (1)(a)(11) (1)(a)(11) and (1)(a 5) as follows:

3 (1)(s)(I); and **add** (1)(s)(III), (1)(s)(IV), (1)(s)(V), and (1)(s.5) as follows:

5 those powers granted by sections 30-11-101 and 30-11-107 and by parts

**30-15-401.** General regulations - definitions. (1) In addition to

6 1, 2, and 3 of this article 15, the board of county commissioners may

7 adopt ordinances for control or licensing of those matters of purely local

8 concern that are described in the following enumerated powers:

(s) (I) To license and regulate an owner or owner's agent who rents or advertises the owner's lodging unit for a short-term stay RENTAL, and to fix the fees, terms, and manner for issuing and revoking licenses

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issued therefor. As used in this subsection (1)(s)(I), "owner's agent" does not include an internet hospitality service A VACATION RENTAL SERVICE, EXCEPT AS SET FORTH IN SUBSECTION (1)(s)(IV) OF THIS SECTION.

(III) TO REGULATE A VACATION RENTAL SERVICE; EXCEPT THAT

- (III) TO REGULATE A VACATION RENTAL SERVICE; EXCEPT THAT THIS AUTHORITY IS LIMITED TO:
- (A) REQUIRING A VACATION RENTAL SERVICE THAT DISPLAYS A SHORT-TERM RENTAL LISTING FOR A LODGING UNIT LOCATED IN THE COUNTY TO REQUIRE THE LODGING UNIT OWNER OR OWNER'S AGENT TO INCLUDE A LOCAL SHORT-TERM RENTAL LICENSE OR PERMIT NUMBER, IF APPLICABLE, IN ANY LISTING FOR THE SHORT-TERM RENTAL ON THE VACATION RENTAL SERVICE'S WEBSITE OR OTHER DIGITAL PLATFORM; AND
  - (B) REQUIRING A VACATION RENTAL SERVICE TO REMOVE A LISTING FOR A SHORT-TERM RENTAL FROM THE VACATION RENTAL SERVICE'S WEBSITE OR OTHER DIGITAL PLATFORM AFTER NOTIFICATION BY THE COUNTY THAT THE OWNER OF THE LISTED LODGING UNIT HAS HAD THE OWNER'S LOCAL SHORT-TERM RENTAL LICENSE OR PERMIT SUSPENDED OR REVOKED OR HAS BEEN ISSUED A NOTICE OF VIOLATION OR SIMILAR LEGAL PROCESS FOR NOT POSSESSING A VALID LOCAL SHORT-TERM RENTAL LICENSE OR PERMIT OR THAT THE COUNTY HAS A PROHIBITION ON SHORT-TERM RENTALS THAT APPLIES TO THE LODGING UNIT. THE NOTIFICATION MUST IDENTIFY THE LISTING'S UNIFORM RESOURCE LOCATOR (URL) OR OTHER SPECIFIED DIGITAL LOCATION TO BE REMOVED AND STATE THE REASON FOR THE REMOVAL. THE VACATION RENTAL SERVICE SHALL REMOVE THE LISTING FROM THE WEBSITE OR OTHER DIGITAL PLATFORM WITHIN SEVEN DAYS OF RECEIVING THE NOTIFICATION FROM THE COUNTY.
    - (IV) IF A VACATION RENTAL SERVICE PROVIDES ADDITIONAL

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1	SERVICES FOR THE OWNER THAT ARE RELATED TO THE OWNER'S LODGING
2	UNIT BUT UNRELATED TO PROVIDING A MEANS OF OFFERING THE LODGING
3	UNIT FOR SHORT-TERM RENTALS THROUGH THE PERSON'S WEBSITE OR
4	OTHER DIGITAL PLATFORM, THEN THE BOARD OF COUNTY COMMISSIONERS
5	MAY LICENSE OR REGULATE THE VACATION RENTAL SERVICE AS AN
6	OWNER'S AGENT UNDER SUBSECTION $(1)(s)(I)$ of this section with
7	RESPECT TO THOSE ADDITIONAL SERVICES.
8	(V) TO FACILITATE A VACATION RENTAL SERVICE'S ABILITY TO
9	COMPLY WITH AN ORDINANCE ADOPTED BY A COUNTY UNDER THE
10	AUTHORITY CONFERRED BY SUBSECTION (1)(s)(III) OF THIS SECTION, A
11	COUNTY, UPON REQUEST OF THE OWNER OF A HOTEL UNIT THAT IS
12	LOCATED IN A BUILDING WITH ONE OR MORE LODGING UNITS OR A
13	VACATION RENTAL SERVICE ON WHICH A HOTEL UNIT THAT IS LOCATED IN
14	A BUILDING WITH ONE OR MORE LODGING UNITS IS LISTED, SHALL PROVIDE
15	WRITTEN VERIFICATION THAT THE HOTEL UNIT IS EXEMPT FROM THE
16	ORDINANCE BECAUSE IT IS NOT A LODGING UNIT. MULTIPLE HOTEL UNITS
17	MAY BE INCLUDED IN ONE REQUEST. THE WRITTEN VERIFICATION
18	PROVIDED MAY INCLUDE AN EXEMPTION NUMBER OR OTHER TYPE OF
19	IDENTIFIER FOR THE HOTEL UNIT AND A SINGLE EXEMPTION NUMBER OR
20	OTHER TYPE OF IDENTIFIER MAY BE USED FOR MULTIPLE HOTEL UNITS.
21	(s.5) As used in subsection (1)(s) of this section, unless the
22	CONTEXT OTHERWISE REQUIRES:
23	(I) "HOTEL UNIT" MEANS A PORTION OF A STRUCTURE THAT IS:
24	(A) USED BY A BUSINESS ESTABLISHMENT TO PROVIDE
25	COMMERCIAL LODGING TO THE GENERAL PUBLIC FOR PREDOMINANTLY
26	OVERNIGHT OR WEEKLY STAYS;
27	(B) CLASSIFIED AS A HOTEL OR MOTEL FOR PURPOSES OF PROPERTY

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1	TAXATION;
2	(C) Not a unit, as defined in section 38-33.3-103 (30), in a
3	CONDOMINIUM; AND
4	(D) ZONED OR OTHERWISE PERMITTED BY THE LOCAL
5	JURISDICTION FOR THE USE SPECIFIED IN SUBSECTION $(1)(s.5)(I)(A)$ of this
6	SECTION.
7	(II) "LODGING UNIT" MEANS ANY PROPERTY OR PORTION OF A
8	PROPERTY THAT IS AVAILABLE FOR LODGING; EXCEPT THAT THE TERM
9	EXCLUDES A HOTEL UNIT.
10	(III) "SHORT-TERM RENTAL" MEANS THE RENTAL OF A LODGING
11	UNIT FOR LESS THAN THIRTY DAYS.
12	(IV) "VACATION RENTAL SERVICE" MEANS A PERSON THAT
13	OPERATES A WEBSITE OR ANY OTHER DIGITAL PLATFORM THAT PROVIDES
14	A MEANS THROUGH WHICH AN OWNER OR OWNER'S AGENT MAY OFFER A
15	LODGING UNIT, OR PORTION THEREOF, FOR SHORT-TERM RENTALS, AND
16	FROM WHICH THE PERSON FINANCIALLY BENEFITS.
17	SECTION 2. Act subject to petition - effective date. This act
18	takes effect at 12:01 a.m. on the day following the expiration of the
19	ninety-day period after final adjournment of the general assembly; except
20	that, if a referendum petition is filed pursuant to section 1 (3) of article V
21	of the state constitution against this act or an item, section, or part of this
22	act within such period, then the act, item, section, or part will not take
23	effect unless approved by the people at the general election to be held in
24	November 2024 and, in such case, will take effect on the date of the
25	official declaration of the vote thereon by the governor.

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