First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 23-0898.01 Jery Payne x2157

SENATE BILL 23-206

SENATE SPONSORSHIP

Winter F.,

HOUSE SPONSORSHIP

Michaelson Jenet and Sirota,

Senate Committees
Local Government & Housing

101

102

House Committees

A BILL FOR AN ACT

CONCERNING INFORMATION ABOUT RADON IN RESIDENTIAL REAL PROPERTY TRANSACTIONS.

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 the seller of residential real estate and a landlord of residential real estate to provide to prospective buyers and tenants in writing:

- A warning statement about the dangers of radon and the need for testing;
- Any knowledge the seller or landlord has of the residential

real property's radon concentrations and history, including tests performed, reports written, and mitigation conducted; and

• A copy of the most recent brochure published by the department of public health and environment that provides advice about radon in real estate transactions.

If a seller fails to provide the written disclosures, the buyer has a claim for relief against the seller for damages to the buyer resulting from the failure plus court costs. If a landlord fails to provide the written disclosures or fails to mitigate an elevated radon level, the tenant may void the lease without penalty.

A real estate broker must take reasonable steps to ensure the real estate broker's clients comply with the bill.

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

SECTION 1. Legislative declaration. (1) The general assembly

finds and declares that:

(a) Radon is an odorless, colorless, tasteless, and radioactive gas

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- (a) Radon is an odoriess, coloriess, tasteless, and radioactive gas that occurs naturally in soil and groundwater, enters buildings through openings in foundations, and, unless vented to the atmosphere, accumulates in buildings;
- (b) Radon is recognized by the United States surgeon general and the World Health Organization as a carcinogenic toxin;
- (c) Radon is the leading cause of lung cancer in nonsmokers and the second leading cause of all lung cancer in the United States;
- (d) Prolonged exposure to radon threatens the health of Colorado residents and families and is associated with increases in the risk of lung cancer;
- (e) Radon exposure is responsible for the deaths of approximately five hundred Coloradans each year and for twenty-one thousand lung cancer deaths nationwide;
 - (f) Elevated radon levels have been detected in every Colorado

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1	county;
2	(g) A home in Colorado may have elevated levels of radon even
3	if other homes in that neighborhood do not;
4	(h) Radon levels may change over time, and the United States
5	environmental protection agency recommends that homes should be
6	tested every two years;
7	(i) Nearly half of all homes tested in Colorado return results at or
8	above the United States environmental protection agency's recommended
9	action level of four picocuries per liter (pCi/L);
10	(j) Clear disclosure through stand-alone radon notifications during
11	real estate transactions has been shown to greatly increase voluntary
12	testing and improve public health outcomes;
13	(k) Testing for radon is simple and inexpensive, and identified
14	radon problems can be readily mitigated;
15	(1) Colorado recently began licensing and regulating radon
16	measurement and radon mitigation professionals to help ensure the public
17	has reliable access to qualified providers offering high-quality testing and
18	mitigation services that help improve public health; and
19	(m) Financial assistance for radon testing and mitigation services
20	is available to help address health disparities and access for low-income
21	individuals and families in disproportionately impacted communities
22	through the Colorado department of public health and environment's
23	radon mitigation assistance program for low-income individuals.
24	(2) The general assembly further declares that there is a need to
25	protect human health, prevent exposure to elevated concentrations of
26	radon, and avoid higher rates of mortality from lung cancer by requiring
27	disclosures to increase awareness in residential real estate transactions

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1	about the presence of and risks from radon exposure.
2	SECTION 2. In Colorado Revised Statutes, add 38-35.7-111 as
3	follows:
4	38-35.7-111. Disclosure - elevated radon - <u>rules -</u> definition.
5	(1) A BUYER OF RESIDENTIAL REAL PROPERTY HAS THE RIGHT TO BE
6	INFORMED OF WHETHER THE PROPERTY HAS BEEN TESTED FOR ELEVATED
7	LEVELS OF RADON.
8	(2) (a) EACH CONTRACT OF SALE FOR RESIDENTIAL REAL PROPERTY
9	MUST CONTAIN THE FOLLOWING DISCLOSURE IN BOLD-FACED TYPE THAT
10	IS CLEARLY LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED
11	AS FOLLOWS:
12	THE COLORADO DEPARTMENT OF PUBLIC
13	HEALTH AND ENVIRONMENT STRONGLY RECOMMENDS
14	THAT ALL HOME BUYERS HAVE AN INDOOR RADON TEST
15	PERFORMED BEFORE PURCHASING RESIDENTIAL REAL
16	PROPERTY AND RECOMMENDS HAVING THE RADON
17	LEVELS MITIGATED IF ELEVATED RADON
18	CONCENTRATIONS ARE FOUND. ELEVATED RADON
19	CONCENTRATIONS CAN BE REDUCED BY A RADON
20	MITIGATION PROFESSIONAL.
21	RESIDENTIAL REAL PROPERTY MAY PRESENT
22	EXPOSURE TO DANGEROUS LEVELS OF INDOOR RADON
23	GAS THAT MAY PLACE THE OCCUPANTS AT RISK OF
24	DEVELOPING RADON-INDUCED LUNG CANCER. RADON, A
25	CLASS A HUMAN CARCINOGEN, IS THE LEADING CAUSE OF
26	LUNG CANCER IN NONSMOKERS AND THE SECOND
27	LEADING CAUSE OF LUNG CANCER OVERALL. THE SELLER

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1	OF RESIDENTIAL REAL PROPERTY IS REQUIRED TO
2	PROVIDE THE BUYER WITH ANY KNOWN INFORMATION ON
3	RADON TEST RESULTS OF THE RESIDENTIAL REAL
4	PROPERTY.
5	(b) Each contract of sale for residential real property or
6	SELLER'S PROPERTY DISCLOSURE FOR RESIDENTIAL REAL PROPERTY MUST
7	CONTAIN THE FOLLOWING DISCLOSURES:
8	$\underline{\mathrm{(I)}}$ Any knowledge the seller has of the residential real
9	PROPERTY'S RADON CONCENTRATIONS, INCLUDING THE FOLLOWING
10	INFORMATION:
11	(A) WHETHER A RADON TEST OR TESTS HAVE BEEN CONDUCTED ON
12	THE RESIDENTIAL REAL PROPERTY;
13	(B) THE MOST RECENT RECORDS AND REPORTS PERTAINING TO
14	RADON CONCENTRATIONS WITHIN THE RESIDENTIAL REAL PROPERTY;
15	(C) A DESCRIPTION OF ANY RADON CONCENTRATIONS DETECTED
16	OR MITIGATION OR REMEDIATION PERFORMED; AND
17	(D) Information regarding $\underline{\text{whether}}$ a radon mitigation
18	SYSTEM HAS BEEN INSTALLED IN THE RESIDENTIAL REAL PROPERTY; AND
19	(II) AN ELECTRONIC OR PAPER COPY OF THE MOST RECENT
20	BROCHURE PUBLISHED BY THE DEPARTMENT OF PUBLIC HEALTH AND
21	ENVIRONMENT IN ACCORDANCE WITH SECTION 25-11-114 (2)(a) THAT
22	PROVIDES ADVICE ABOUT RADON IN REAL ESTATE TRANSACTIONS.
23	(c) The real estate commission shall promulgate rules
24	REQUIRING:
25	(I) EACH CONTRACT THAT IS FOR THE PURCHASE AND SALE OF
26	RESIDENTIAL REAL PROPERTY AND THAT IS SUBJECT TO THE REAL ESTATE
2.7	COMMISSION'S HIRISDICTION TO INCLUDE THE STATEMENT DESCRIBED IN

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1	SUBSECTION (2)(a) OF THIS SECTION IN BOLD-FACED TYPE THAT IS
2	CLEARLY LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS DESCRIBED IN
3	SUBSECTION (2)(a) OF THIS SECTION; AND
4	(II) EACH CONTRACT FOR SALE OR SELLER'S PROPERTY DISCLOSURE
5	FOR RESIDENTIAL REAL PROPERTY TO INCLUDE THE DISCLOSURES
6	DESCRIBED IN SUBSECTION (2)(b) OF THIS SECTION, INCLUDING RULES
7	THAT SPECIFY THE FORMAT AND MANNER FOR DELIVERY OF THE
8	BROCHURE.
9	(3) As used in this <u>section:</u>
10	(a) "REAL ESTATE COMMISSION" MEANS THE REAL ESTATE
11	COMMISSION CREATED IN SECTION 12-10-206.
12	(b) "RESIDENTIAL REAL PROPERTY" INCLUDES:
13	(I) A SINGLE-FAMILY HOME, MANUFACTURED HOME, MOBILE
14	HOME, CONDOMINIUM, APARTMENT, TOWNHOME, OR DUPLEX; OR
15	$(\underline{\mathrm{II}})$ A home sold by the owner, a financial institution, or
16	THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
17	DEVELOPMENT.
18	SECTION 3. In Colorado Revised Statutes, add 38-12-803 as
19	follows:
20	38-12-803. Disclosure - elevated radon - definition. (1) A
21	TENANT THAT RENTS RESIDENTIAL REAL PROPERTY HAS THE RIGHT TO BE
22	INFORMED OF WHETHER THE PROPERTY HAS BEEN TESTED FOR ELEVATED
23	LEVELS OF RADON.
24	(2) (a) Before signing a lease agreement for residential
25	REAL PROPERTY, THE LANDLORD SHALL DISCLOSE AND PROVIDE IN
26	WRITING TO THE TENANT THE FOLLOWING INFORMATION IN A DOCUMENT
27	THAT THE TENANT SIGNS TO ACKNOWLEDGE RECEIPT OF THE DISCLOSURE:

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1	(1) A WARNING STATEMENT IN BOLD-FACED TYPE THAT IS CLEARLY
2	LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED AS FOLLOWS:
3	THE COLORADO DEPARTMENT OF PUBLIC
4	HEALTH AND ENVIRONMENT STRONGLY RECOMMENDS
5	THAT ALL TENANTS HAVE AN INDOOR RADON TEST
6	PERFORMED BEFORE LEASING RESIDENTIAL REAL
7	PROPERTY AND RECOMMENDS HAVING THE RADON
8	LEVELS MITIGATED IF ELEVATED RADON
9	CONCENTRATIONS ARE FOUND. ELEVATED RADON
10	CONCENTRATIONS CAN BE REDUCED BY A RADON
11	MITIGATION PROFESSIONAL.
12	RESIDENTIAL REAL PROPERTY MAY PRESENT
13	EXPOSURE TO DANGEROUS LEVELS OF INDOOR RADON
14	GAS THAT MAY PLACE THE OCCUPANTS AT RISK OF
15	DEVELOPING RADON-INDUCED LUNG CANCER. RADON, A
16	CLASS A HUMAN CARCINOGEN, IS THE LEADING CAUSE OF
17	LUNG CANCER IN NONSMOKERS AND THE SECOND
18	LEADING CAUSE OF LUNG CANCER OVERALL. A
19	LANDLORD IS REQUIRED TO PROVIDE THE TENANT WITH
20	ANY KNOWN INFORMATION ON RADON TEST RESULTS OF
21	THE RESIDENTIAL REAL PROPERTY.
22	(II) ANY KNOWLEDGE THE LANDLORD HAS OF THE RESIDENTIAL
23	REAL PROPERTY'S RADON CONCENTRATIONS, INCLUDING THE FOLLOWING
24	INFORMATION:
25	(A) WHETHER A RADON TEST OR TESTS HAVE BEEN CONDUCTED ON
26	THE RESIDENTIAL REAL PROPERTY;
27	(R) THE MOST CURRENT RECORDS AND REPORTS REPTAINING TO

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1	RADON CONCENTRATIONS WITHIN THE RESIDENTIAL REAL PROPERTY;
2	(C) A DESCRIPTION OF ANY RADON CONCENTRATIONS DETECTED
3	OR MITIGATION OR REMEDIATION PERFORMED; AND
4	(D) Information regarding any radon mitigation system,
5	INCLUDING A SYSTEM DESCRIPTION AND DOCUMENTATION, IF A RADON
6	MITIGATION SYSTEM HAS BEEN INSTALLED IN THE RESIDENTIAL REAL
7	PROPERTY; AND
8	(III) A COPY OF THE MOST RECENT BROCHURE PUBLISHED BY THE
9	DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT IN ACCORDANCE
10	WITH SECTION 25-11-114 (2)(a) THAT PROVIDES ADVICE ABOUT RADON IN
11	REAL ESTATE TRANSACTIONS.
12	(b) The tenant shall acknowledge receipt of the
13	INFORMATION DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION BY
14	SIGNING THE DISCLOSURE.
15	(3) (a) Subject to subsection (3)(b) of this section, a tenant
16	MAY VOID A LEASE AGREEMENT AND VACATE THE PREMISES $\underline{\underline{ ext{IN}}}$
17	ACCORDANCE WITH SECTION 38-12-507 IF THE LANDLORD FAILS TO:
18	$(I)\ Provide \ the \ written \ disclosures \ described \ in \ subsection$
19	(2) OF THIS SECTION; OR
20	(II) MAKE A REASONABLE EFFORT TO MITIGATE RADON WITHIN
21	ONE HUNDRED EIGHTY DAYS AFTER BEING NOTIFIED THAT A RADON
22	MEASUREMENT PROFESSIONAL HAS DETERMINED THE AIR CONCENTRATION
23	OF RADON IS FOUR PICOCURIES PER LITER OR MORE.
24	(b) On or after January 1, 2026, this subsection (3) does
25	NOT APPLY TO A LEASE AGREEMENT THAT IS ONE YEAR OR LESS IN
26	<u>DURATION.</u>
27	(4) AS USED IN THIS SECTION, "RESIDENTIAL REAL PROPERTY"

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1	INCLUDES:
2	(a) A SINGLE-FAMILY HOME, MANUFACTURED HOME, MOBILE
3	HOME, CONDOMINIUM, APARTMENT, TOWNHOME, OR DUPLEX; OR
4	(b) A HOME SOLD BY THE OWNER, A FINANCIAL INSTITUTION, OR
5	THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
6	DEVELOPMENT.
7	SECTION 4. In Colorado Revised Statutes, 38-12-503, amend
8	(2) introductory portion; and add (2.4) as follows:
9	38-12-503. Warranty of habitability. (2) Except as described
10	in subsection (2.2) OR (2.4) of this section, a landlord breaches the
11	warranty of habitability set forth in subsection (1) of this section if:
12	(2.4) A LANDLORD BREACHES THE WARRANTY OF HABITABILITY IF
13	THE LANDLORD FAILS TO COMPLY WITH SECTION 38-12-803.
14	SECTION 5. In Colorado Revised Statutes, add 12-10-220.5 as
15	<u>follows:</u>
16	12-10-220.5. Radon disclosure - rules. The commission shall
17	PROMULGATE RULES TO IMPLEMENT SECTION 38-35.7-111 (2)(c)(II).
18	SECTION 6. In Colorado Revised Statutes, 12-165-107, amend
19	(1)(a) as follows:
20	12-165-107. Exemptions. (1) This article 165 does not apply to:
21	(a) (I) An individual performing radon measurement or radon
22	mitigation on a single-family residence that the individual owns and
23	occupies; OR
24	(II) An individual performing radon measurement on a
25	LEASED DWELLING UNIT THAT THE INDIVIDUAL LEASES OR OCCUPIES;
26	SECTION 7. Act subject to petition - effective date -
27	applicability. (1) This act takes effect at 12:01 a.m. on the day following

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the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to contracts and lease agreements entered into on or after the applicable effective date of this act.

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