



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

**Drafting Number:**  
**Prime Sponsors:**

LLS 23-0658  
Rep. Parenti; Titone  
Sen. Cutter; Fields

**Date:** August 23, 2023  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Colin Gaiser | 303-866-2677  
colin.gaiser@coleg.gov

**Bill Topic:**

**HOA & METRO DIST HOMEOWNERS' RIGHTS TASK FORCES**

**Summary of Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill creates the HOA Homeowners' Rights Task Force and the Metropolitan District Homeowners' Rights Task Force in the Department of Regulatory Agencies. It increases state expenditures in FY 2023-24 only.

**Appropriation Summary:**

For FY 2023-24, the bill requires an appropriation of \$201,887 to multiple departments. The bill includes an appropriation of \$210,295 to multiple departments. See State Appropriations section for detail.

**Fiscal Note Status:**

The fiscal note reflects the enacted bill.

**Table 1**  
**State Fiscal Impacts Under HB 23-1105**

		Budget Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$201,887	-
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$30,283	-

## Summary of Legislation

The bill creates two task forces—the HOA Homeowners’ Rights Task Force (HOA task force) and the Metropolitan District Homeowners’ Rights Task Force (metro district task force)—in the Department of Regulatory Agencies (DORA). The task forces are comprised of state legislators, representatives of state agencies, local government and metropolitan district officials, and members of the public, including HOA homeowners, attorneys, and others with relevant experience. The Director of the Division of Real Estate in DORA or their designee will serve as chair of each committee, and will convene as many meetings as they deem necessary. Non-legislator task force members serve without compensation. HOAs and metropolitan districts must notify residents about the relevant task force in advance of its first meeting. The task forces repeal September 1, 2024.

**HOA task force.** The task force must be appointed by August 1, 2023, and is required to:

- study issues regarding HOA homeowners’ rights, including homeowners’ associations fining authority and practices, foreclosure practices, and communications with homeowners;
- review HOA homeowners’ complaints as reported to the HOA Information and Resource Center in the DORA;
- review the Colorado Common Interest Ownership Act, the Uniform Common Interest Ownership Act of 2021, any other laws in the state concerning common-interest communities; and
- prepare a final report to relevant legislative committees by April 15, 2024.

**Metro district task force.** The task force must be appointed by November 1, 2023, and is required to:

- study issues confronting metropolitan district homeowners' rights and consider the HOA task force's findings and conclusions as they relate to metropolitan district homeowners' rights; and
- prepare an interim report by March 1, 2024, and submit a final report regarding its findings and conclusions by June 15, 2024.

## State Expenditures

The bill increases state expenditures by \$201,887 in FY 2023-24, primarily in the DORA and minimally in the Legislative Department. It will also increase workload in participating state agencies. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 23-1105**

	<b>FY 2023-24</b>	<b>FY 2024-25</b>
<b>Department of Regulatory Agencies</b>		
Facilitator Contracts	\$200,000	-
<b>DORA Subtotal</b>	<b>\$200,000</b>	<b>-</b>
<b>Legislative Department</b>		
Legislator Per Diem and Travel Reimbursement	\$1,887	-
<b>Legislative Department Subtotal</b>	<b>\$1,887</b>	<b>-</b>
<b>Total</b>	<b>\$201,887</b>	<b>-</b>

**Department of Regulatory Agencies—task force administration.** The DORA requires \$200,000 to contract for two facilitation consultants to assist the DORA staff, with each consultant working 800 hours at a rate of \$125 per hour. The consultants will perform legal research and analysis on laws associated with HOAs and metro districts, compile data and information from taskforce meetings, and draft required reports and distribute them to the required decision-making bodies. In addition, the contractors will respond to policy inquiries, review governing and financial documents of HOAs and metro districts, and serve as liaisons to other stakeholders on policy issues.

DORA’s work participating on the task forces can be accomplished within existing appropriations.

**Legislative Department—legislator per diem and reimbursement.** Each task force will have two legislative committee members. This fiscal note assumes each task force will conduct multiple meetings. Based on the deadlines specified in the bill, it is assumed that three HOA task force meetings and one metro district task force meeting will take place during the 2023 legislative interim, and that legislators will receive per diem (\$99 plus \$1.89 for payroll tax and PERA contributions) and travel reimbursement (\$124) for these meetings. All other meetings are assumed to occur during the session, when legislators are assumed to already be receiving per diem and reimbursement. Non-legislative members serve without compensation. It is assumed that all in-person meetings will be held in the Denver Metro area.

**Other state agencies.** The Department of Local Affairs and the Department of Law will have an increase in workload for their staff to participate in the task forces. It is assumed this work can be accomplished within existing appropriations.

## Local Government

Local governments with representatives on the task forces will have additional workload to participate in these meetings.

## Effective Date

The bill was signed into law by the Governor and took effect on May 24, 2023.

## State Appropriations

For FY 2023-24, the bill requires the following General Fund appropriations:

- \$200,000 to the Department of Regulatory Agencies; and
- \$1,887 to the General Assembly in the Legislative Department.

However, the bill includes the following General Fund appropriations:

- \$208,408 to the Department of Regulatory Agencies, and 2.0 FTE; and
- \$1,887 to the General Assembly in the Legislative Department.

**State and Local Government Contacts**

Counties	County Clerks	District Attorneys
Local Affairs	Municipalities	OEDIT
Property Tax Division – Local Affairs	Special Districts	