Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 24-0718.01 Christopher McMichael x4775

SENATE BILL 24-134

SENATE SPONSORSHIP

Smallwood,

HOUSE SPONSORSHIP

Willford,

Senate Committees Local Government & Housing **House Committees**

A BILL FOR AN ACT

101 CONCERNING THE OPERATION OF A HOME-BASED BUSINESS IN A

102 COMMON INTEREST COMMUNITY.

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 <u>http://leg.colorado.gov.</u>)

The bill prohibits a unit owners' association from prohibiting the operation of a home-based business in a common interest community. The operation of a home-based business must still comply with any applicable and reasonable unit owners' association rules or regulations related to architectural control, parking, landscaping, noise, nuisance, and other matters that may impact the operation of a specific home-based business. The operation of a home-based business must also comply with municipal and county noise and nuisance ordinances or resolutions.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 SECTION 1. In Colorado Revised Statutes, 38-33.3-106.5, add 3 (1)(1) as follows: 4 38-33.3-106.5. Prohibitions contrary to public policy -5 patriotic, political, or religious expression - public rights-of-way - fire 6 prevention - renewable energy generation devices - affordable 7 housing - drought prevention measures - child care - operation of 8 **businesses** - definitions. (1) Notwithstanding any provision in the 9 declaration, bylaws, or rules and regulations of the association to the 10 contrary, an association shall not prohibit any of the following: 11 (1) (I) THE OPERATION OF A HOME-BASED BUSINESS AT A UNIT BY 12 THE UNIT OWNER OR A RESIDENT OF THE UNIT WITH THE UNIT OWNER'S 13 PERMISSION. 14 (II) THE OPERATION OF A HOME-BASED BUSINESS IN A COMMON 15 INTEREST COMMUNITY MUST COMPLY WITH, AND AN ASSOCIATION MAY 16 ADOPT AND ENFORCE, ANY REASONABLE AND APPLICABLE RULES AND 17 REGULATIONS CONCERNING ARCHITECTURAL CONTROL, PARKING, 18 LANDSCAPING, NOISE, NUISANCE, OR OTHER MATTERS THAT MAY IMPACT 19 THE OPERATION OF A SPECIFIC HOME-BASED BUSINESS. 20 (III) THE OPERATION OF A HOME-BASED BUSINESS IN A COMMON 21 INTEREST COMMUNITY MUST COMPLY WITH ANY REASONABLE AND 22 APPLICABLE NOISE OR NUISANCE ORDINANCES OR RESOLUTIONS OF THE 23 MUNICIPALITY OR COUNTY WHERE THE COMMON INTEREST COMMUNITY IS 24 LOCATED. 25 (IV) AS USED IN THIS SUBSECTION (1)(1), UNLESS THE CONTEXT

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OTHERWISE REQUIRES, "HOME-BASED BUSINESS" MEANS A BUSINESS FOR
WHICH THE MAIN OFFICE IS LOCATED AT, OR THE BUSINESS OPERATIONS
PRIMARILY OCCUR AT, A UNIT.

4 SECTION 2. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the 5 6 ninety-day period after final adjournment of the general assembly; except 7 that, if a referendum petition is filed pursuant to section 1 (3) of article V 8 of the state constitution against this act or an item, section, or part of this 9 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 10 11 November 2024 and, in such case, will take effect on the date of the 12 official declaration of the vote thereon by the governor.