

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0212.01 Caroline Martin x5902

HOUSE BILL 26-1196

HOUSE SPONSORSHIP

English and Joseph,

SENATE SPONSORSHIP

(None),

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING TENANT DATA INFORMATION.**

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>.)

Section 2 of the bill provides that, prior to seeking to obtain information about a prospective tenant for a tenant screening, a landlord shall provide a written notice to the prospective tenant or post the notice in a conspicuous location. The notice must include the following:

- The information and data that the landlord will attempt to access to conduct the tenant screening; and
- The specific criteria that would result in the landlord's denial of the prospective tenant's application.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

Section 3 requires that, before entering into a lease agreement with a prospective tenant, a landlord that is responsible for 5 or more dwelling units or that receives certain financial assistance (covered landlord) shall offer to the prospective tenant the option for positive rent reporting to at least one consumer reporting agency. If a tenant declines a covered landlord's initial positive rent reporting offer and enters into a lease agreement with the covered landlord, the covered landlord shall offer to the tenant the option for positive rent reporting to at least one consumer reporting agency any time that the covered landlord and the tenant renew the lease agreement.

If a tenant accepts a covered landlord's offer of positive rent reporting, the covered landlord shall send the tenant's rental payment information, including the tenant's full name and date of rent payment, to at least one consumer reporting agency each time the tenant pays rent. A covered landlord shall not charge a tenant for positive rent reporting or pass on the cost of positive rent reporting to a tenant by raising rent prices. A tenant that has opted into positive rent reporting may opt out at any time by notifying the tenant's covered landlord.

Section 1 provides that the failure of a covered landlord to comply with new positive rent reporting requirements is an unfair and deceptive trade practice.

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

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-105, **add**
3 (1)(qqqq) as follows:

4 **6-1-105. Unfair or deceptive trade practices - definitions.**

5 (1) A person engages in a deceptive trade practice when, in the
6 course of the person's business, vocation, or occupation, the person:

7 (qqqq) VIOLATES SECTION 38-12-1601.

8 **SECTION 2.** In Colorado Revised Statutes, 38-12-904, **add** (1.7)
9 as follows:

10 **38-12-904. Consideration of rental applications - limitations**
11 **- portable tenant screening report - notice to prospective tenants -**
12 **denial notice.**

13 (1.7) PRIOR TO SEEKING TO OBTAIN ANY INFORMATION ABOUT A

1 PROSPECTIVE TENANT FOR A TENANT SCREENING, A LANDLORD SHALL
2 PROVIDE A WRITTEN NOTICE TO THE PROSPECTIVE TENANT OR POST THE
3 NOTICE IN A CONSPICUOUS LOCATION. THE NOTICE MUST INCLUDE THE
4 FOLLOWING:

5 (a) THE INFORMATION AND DATA THAT THE LANDLORD WILL
6 ATTEMPT TO ACCESS TO CONDUCT THE TENANT SCREENING; AND

7 (b) THE SPECIFIC CRITERIA THAT WOULD RESULT IN THE
8 LANDLORD'S DENIAL OF THE PROSPECTIVE TENANT'S APPLICATION.

9 **SECTION 3.** In Colorado Revised Statutes, **add** part 16 to article
10 12 of title 38 as follows:

11 **PART 16**

12 **RENT REPORTING REQUIRED BY COVERED LANDLORDS**

13 **38-12-1601. Positive rent reporting required by covered**
14 **landlords - definitions.**

15 (1) AS USED IN THIS SECTION:

16 (a) "CONSUMER REPORTING AGENCY" HAS THE MEANING SET
17 FORTH IN SECTION 5-18-103 (4).

18 (b) "COVERED LANDLORD" MEANS A PERSON WHO IS AN OWNER,
19 MANAGER, LESSOR, SUBLESSOR, SUCCESSOR IN INTEREST, OR AGENT OF
20 THE OWNER OF A DWELLING UNIT AND WHO:

21 (I) IS RESPONSIBLE FOR FIVE OR MORE DWELLING UNITS IN THE
22 PERSON'S CAPACITY AS A LANDLORD; OR

23 (II) RECEIVES STATE-ADMINISTERED HOUSING SUBSIDIES, MONEY
24 FROM THE DIVISION OF HOUSING WITHIN THE COLORADO DEPARTMENT OF
25 LOCAL AFFAIRS, MONEY FROM THE COLORADO HOUSING AND FINANCE
26 AUTHORITY, OR OTHER FINANCIAL ASSISTANCE FROM THE STATE IN THE
27 PERSON'S CAPACITY AS A LANDLORD.

1 (c) "DWELLING UNIT" HAS THE MEANING SET FORTH IN SECTION
2 38-12-502 (3).

3 (2) BEFORE ENTERING INTO A LEASE AGREEMENT WITH A
4 PROSPECTIVE TENANT, A COVERED LANDLORD SHALL OFFER TO THE
5 PROSPECTIVE TENANT THE OPTION FOR POSITIVE RENT REPORTING TO AT
6 LEAST ONE CONSUMER REPORTING AGENCY.

7 (3) IF A PROSPECTIVE TENANT DECLINES A COVERED LANDLORD'S
8 INITIAL POSITIVE RENT REPORTING OFFER PURSUANT TO SUBSECTION (2) OF
9 THIS SECTION AND ENTERS INTO A LEASE AGREEMENT WITH THE COVERED
10 LANDLORD, THE COVERED LANDLORD SHALL OFFER TO THE TENANT THE
11 OPTION FOR POSITIVE RENT REPORTING TO AT LEAST ONE CONSUMER
12 REPORTING AGENCY ANY TIME THAT THE COVERED LANDLORD AND THE
13 TENANT RENEW THE LEASE AGREEMENT.

14 (4) IF A TENANT ACCEPTS A COVERED LANDLORD'S OFFER OF
15 POSITIVE RENT REPORTING PURSUANT TO SUBSECTION (2) OR (3) OF THIS
16 SECTION, THE COVERED LANDLORD SHALL SEND THE TENANT'S POSITIVE
17 RENTAL PAYMENT INFORMATION, INCLUDING THE TENANT'S FULL NAME
18 AND DATE OF RENT PAYMENT, TO AT LEAST ONE CONSUMER REPORTING
19 AGENCY EACH TIME THE TENANT PAYS RENT.

20 (5) A COVERED LANDLORD SHALL NOT:

21 (a) CHARGE A TENANT FOR POSITIVE RENT REPORTING REQUIRED
22 BY THIS SECTION; OR

23 (b) PASS ON THE COST OF POSITIVE RENT REPORTING TO A TENANT
24 BY RAISING RENT PRICES.

25 (6) A TENANT THAT HAS OPTED INTO POSITIVE RENT REPORTING
26 PURSUANT TO SUBSECTION (2) OR (3) OF THIS SECTION MAY OPT OUT AT
27 ANY TIME BY NOTIFYING THE TENANT'S COVERED LANDLORD. IF A TENANT

1 OPTS OUT OF POSITIVE RENT REPORTING, THE COVERED LANDLORD SHALL
2 NOT TRANSMIT THE TENANT'S RENTAL PAYMENT INFORMATION TO ANY
3 CONSUMER REPORTING AGENCY.

4 **SECTION 4. Safety clause.** The general assembly finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, or safety or for appropriations for
7 the support and maintenance of the departments of the state and state
8 institutions.