

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 16-0875.01 Jennifer Berman x3286

HOUSE BILL 16-1149

HOUSE SPONSORSHIP

Melton,

SENATE SPONSORSHIP

Newell,

House Committees
Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT THE EXECUTIVE BOARD OF A**
102 **COMMON INTEREST COMMUNITY CREATED IN COLORADO**
103 **BEFORE JULY 1, 1992, COMPLY WITH THE BUDGET REPORTING**
104 **PROVISION OF THE "COLORADO COMMON INTEREST**
105 **OWNERSHIP ACT".**

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://www.leg.state.co.us/billsummaries>.)

Common interest communities created before the July 1, 1992, enactment of the "Colorado Common Interest Ownership Act" (Act) are

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
March 4, 2016

HOUSE
Amended 2nd Reading
February 29, 2016

exempt from many of the Act's provisions, including a provision requiring a common interest community's executive board to give notice to all unit owners of, and hold a meeting about, the executive board's adoption of a new proposed budget. Commencing July 1, 2018, the bill requires common interest communities that predate the Act to comply with the budget reporting provision.

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

2 **SECTION 1.** In Colorado Revised Statutes, 38-33.3-117, **amend**
3 (1.5) (h) as follows:

4 **38-33.3-117. Applicability to preexisting common interest**
5 **communities.** (1.5) Except as provided in section 38-33.3-119, the
6 following sections apply to all common interest communities created
7 within this state before July 1, 1992, with respect to events and
8 circumstances occurring on or after January 1, 2006:

9 (h) 38-33.3-303 (1) (b), (3) (b), and (4); ~~(b)~~;

10 **SECTION 2.** In Colorado Revised Statutes, 38-33.3-303, **amend**
11 (4) (a) as follows:

12 **38-33.3-303. Executive board members and officers - powers**
13 **and duties - reserve funds - reserve study - audit.** (4) (a) (I) Within
14 ninety days after adoption of ~~any~~ A proposed budget for the common
15 interest community, the executive board shall mail, by ~~ordinary~~ first-class
16 mail, or otherwise deliver, ~~INCLUDING POSTING THE PROPOSED BUDGET ON~~
17 ~~THE ASSOCIATION'S WEBSITE,~~ a summary of the budget to all the unit
18 owners and shall set a date for a meeting of the unit owners to consider
19 the budget. ~~Such~~ THE meeting shall MUST occur within a reasonable time
20 after mailing or other delivery of the summary, or as allowed for in the
21 bylaws. The executive board shall give notice to the unit owners of the
22 meeting as allowed for in the bylaws. Unless the declaration requires

1 otherwise, the budget proposed by the executive board does not require
2 approval from the unit owners and it will be deemed approved by the unit
3 owners in the absence of a veto at the noticed meeting by a majority of all
4 unit owners, or if permitted in the declaration, a majority of a class of unit
5 owners, or any larger percentage specified in the declaration, whether or
6 not a quorum is present. ~~In the event that~~ IF the proposed budget is
7 vetoed, the periodic budget last proposed by the executive board and not
8 vetoed by the unit owners must be continued until a subsequent budget
9 proposed by the executive board is not vetoed by the unit owners.

10 (II) THE BUDGET REPORTING REQUIREMENT SET FORTH IN
11 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a) DOES NOT APPLY TO A
12 VOLUNTARY ASSOCIATION FOR WHICH THERE IS NOT A COVENANT
13 IMPOSING MANDATORY ASSOCIATION DUES.

14 **SECTION 3. Act subject to petition - effective date -**
15 **applicability.** (1) This act takes effect July 1, 2018; except that, if a
16 referendum petition is filed pursuant to section 1 (3) of article V of the
17 state constitution against this act or an item, section, or part of this act
18 within the ninety-day period after final adjournment of the general
19 assembly, then the act, item, section, or part will not take effect unless
20 approved by the people at the general election to be held in November
21 2016 and, in such case, will take effect on July 1, 2018, or on the date of
22 the official declaration of the vote thereon by the governor, whichever is
23 later.

24 (2) This act applies to budgets adopted by a common interest
25 community's executive board on or after the applicable effective date of
26 this act.