Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction SENATE BILL 24-213

LLS NO. 24-1169.01 Megan McCall x4215

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A BILL FOR AN ACT

101	CONCERNING AN EXEMPTION FROM COUNTY SHORT-TERM RENTAL
102	REGULATION FOR CERTAIN STRUCTURES LOCATED IN AN
103	UNINCORPORATED AREA OF A COUNTY THAT ARE USED FOR
104	RECREATIONAL PURPOSES AND DO NOT RECEIVE PUBLIC
105	SERVICES.

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>)

Under current law, a board of county commissioners is authorized to license an owner or owner's agent who rents or advertises the owner's



SENATE Amended 2nd Reading April 30, 2024 lodging unit for a short-term stay and to fix the fees, terms, and manner for issuing and revoking such licenses. The bill creates an exception to this authority for the owner or owner's agent of, and with respect to, any structure located in an unincorporated area of a county that does not receive water, heat, or sanitary sewer services from a public entity and is used for recreational purposes.

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

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SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

4 (a) Across the state, there are certain structures located in 5 unincorporated areas of Colorado counties that do not rely on public 6 services such as water, heat, or sanitary sewer and that are intended to be 7 used for temporary or short-duration outdoor recreational purposes, 8 including hunting cabins, huts, yurts, ski cabins, emergency shelters, or 9 other similar structures. The use of these recreational structures is often for brief periods of days or weeks, and most have never been used as 10 11 permanent housing. These recreational structures benefit users by offering 12 a diversity of outdoor experiences, and Colorado has a rich history of the 13 use of these types of recreational structures for outdoor recreation.

14 (b) These recreational structures are often found in remote 15 locations across the state, including mountain regions, plains, and other 16 remote locations, and generally do not rely on public services. Given the 17 often remote locations of the structures, the structures are usually outside 18 of the service areas of counties and special districts such that public 19 services are unavailable. Further, emergency services are often also 20 unavailable.

(c) The regulation of these unique recreational structures by
 counties is inconsistent across the state. This inconsistent regulation leads

1 to uncertainty and confusion about the use, management, standards, 2 upkeep, and other issues relating to the occupancy and management of 3 these recreational structures. While these structures are already exempt 4 from Colorado's statutory warranty of habitability set forth in section 5 38-12-511(1)(g), Colorado Revised Statutes, regulation of their use and 6 management has become inconsistent and problematic, with a patchwork 7 approach differing county by county. Some counties have perceived that 8 a subset of remote recreational structures described in subsections (1)(a) 9 and (1)(b) of this section are short-term rentals. In some cases, such 10 regulation has unintentionally altered or limited the historical recreational 11 use. For example, to accommodate temporary use as a recreational 12 shelter, certain counties require these remote recreational structures to 13 first qualify as a primary residence. This outcome is an unintended 14 consequence of the patchwork approach to regulation.

(d) For the foregoing reasons, the regulation of these recreational
structures is a matter of statewide concern, and such recreational
structures were not intended to be regulated as short-term rentals as
envisioned by the General Assembly in its adoption of section
30-15-401(1)(s), Colorado Revised Statutes, which authorizes the board
of county commissioners to adopt ordinances for the control or licensing
of short-term rentals.

SECTION 2. In Colorado Revised Statutes, 30-15-401, add
(1)(s)(VI) as follows:

30-15-401. General regulations - definitions. (1) In addition to
those powers granted by sections 30-11-101 and 30-11-107 and by parts
1, 2, and 3 of this article 15, the board of county commissioners may
adopt ordinances for control or licensing of those matters of purely local

1 concern that are described in the following enumerated powers:

2 (s) (VI) THIS SUBSECTION (1)(s) SHALL NOT BE USED TO PROHIBIT 3 OR EFFECTIVELY PROHIBIT THE SHORT-TERM RENTAL OF A STRUCTURE 4 LOCATED ON A PARCEL IN AN UNINCORPORATED AREA OF A COUNTY THAT 5 DOES NOT RECEIVE WATER, HEAT, ELECTRICITY, AND SANITARY SEWER 6 SERVICES FROM A PUBLIC ENTITY SO LONG AS THE STRUCTURE IS USED 7 PRIMARILY FOR RECREATIONAL PURPOSES, SUCH AS A HUNTING CABIN, 8 YURT, HUT, SKI CABIN, EMERGENCY SHELTER, OR OTHER SIMILAR 9 <u>RECREATIONAL STRUCTURE.</u> NOTHING IN THIS SUBSECTION (1)(s)(VI) 10 PROHIBITS A COUNTY FROM IMPOSING OR ENFORCING REASONABLE 11 REGULATIONS ON SUCH STRUCTURE TO THE EXTENT NECESSARY TO 12 PROTECT PUBLIC HEALTH, SAFETY, AND WELFARE, IF THE REGULATIONS 13 ARE REASONABLY COMPATIBLE WITH THE RECREATIONAL USE OF THE 14 STRUCTURE. 15 SECTION 3. Safety clause. The general assembly finds, 16 determines, and declares that this act is necessary for the immediate

18 the support and maintenance of the departments of the state and state 19 institutions.

preservation of the public peace, health, or safety or for appropriations for

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