

# HB 25-1249: Tenant Security Deposit Protections

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## The Problem

Many tenants in Colorado face unfair treatment when trying to recover their security deposits. Landlords may deduct for damages that were present before move-in, withhold deposits without explanation, or charge for normal wear and tear—leaving renters with little recourse. Current laws lack clarity, documentation requirements, and meaningful protections, which allows bad actors to exploit renters, particularly those with limited resources or knowledge of their rights.

## What HB25-1249 Does

HB25-1249 strengthens existing tenant protections in Colorado's security deposit law by clarifying what landlords can and cannot deduct and by increasing transparency and accountability. With amendment L.002, the bill:

- Expands the definition of “normal wear and tear”, protecting tenants from being charged for everyday use, uncleanliness, or deterioration that is not the tenant's fault.
- Prohibits landlords from charging tenants for pre existing damage or defects.
- Requires landlords to provide relevant documentation, such as photos, receipts, and inspection reports, when deducting from a deposit.
- Gives tenants the right to request a walk-through inspection before or shortly after move-out, and prohibits landlords from charging for anything not documented during that inspection.
- Defines “bad faith” withholding of deposits and creates a presumption of bad faith when a landlord withholds 125% or more of the actual damages incurred.
- Limits deductions for carpet and paint to cases of substantial, irreparable damage, and only if the carpet was replaced within the last five years.
- Clarifies how and when deposits must be returned, including rules for holding or reissuing returned checks.