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Legislative Round-Up: Bills That Passed Colorado's 2020 Legislative Session

August 2020 • [Allison Altaras](#)

Colorado's 2020 legislative session wrapped up on June 15, 2020. The session was unusual in that it was suspended from March 14, 2020, through May 26, 2020, due to COVID-19. The legality of the suspension was [litigated in the Colorado Supreme Court](#) and [ultimately upheld](#). Despite the suspension, a number of bills impacting business regulation, local governments, housing, water resources, and other real estate matters passed and were signed into law by Governor Polis. This alert provides summaries of bills that may be of interest to business and property owners in the state.

Business

[HB 20-1013](#)

Concerning the specification of procedures for the ratification of defective corporate actions.

This bill creates statutory processes for ratifying or validating corporate actions that may not have been properly authorized and for issuing shares that may not have been properly issued. It also provides for prompt judicial review and validation of the ratification process when a person claims to be substantially and adversely affected by the ratification.

[SB 20-213](#)

Concerning takeout and delivery sales of alcoholic beverages.

This bill authorizes takeout and delivery sales of alcoholic beverages by most bars and bar restaurants, as well as manufacturers or wholesalers that operate sales rooms, to consumers at least twenty-one years of age. Authorized entities can sell alcoholic beverages by the drink or by multiple drinks. All alcoholic beverages, regardless of their volumes, must be sold in sealed containers complying with state licensing authority rules. This law also requires permits for and places volume limitations on alcoholic beverage takeout and delivery sales; it also prohibits authorized entities from deriving more than fifty percent of their gross annual revenues for total sales of food and alcoholic beverages from the sale of takeout alcoholic beverages. Permit requirements, volume limitations, and revenue restrictions will not apply during times in which the governor has declared an emergency.

[SB 20-078](#)

Concerning the ability of a person to bring a pet dog onto the premises of a restaurant.

This bill authorizes a restaurant to allow a person to bring a pet dog into an outdoor dining area if (i) there is a separate entrance and exit for the pet dog to access the outdoor dining area that prevents it from passing through the restaurant; (ii) the outdoor dining area is not used for food or drink preparation; and (iii) the restaurant complies with control measures approved by public health agencies. The person bringing the pet dog to the outdoor dining area is responsible for its behavior; he or she must prevent it from getting onto furniture and must maintain control of it through leashing or confining it to a pet carrier. City, county, or city and county governing bodies may prohibit pet dog presence in outdoor dining areas within their jurisdiction; individual restaurants can also prohibit pet dogs from entering outdoor dining areas. This bill does not restrict service animal presence in outdoor dining areas.

[SB 20-126](#)

Concerning the operation of a licensed family child care home in a common interest community.

This bill allows home owners in a community governed by the Colorado Common Ownership Interest Act to operate a licensed family child care home, as defined under state law notwithstanding any contrary provisions within the community's governing documents. Community regulations, including those governing landscaping, noise, parking, and architectural control, will continue to apply to the community; however, this bill requires the community to make reasonable accommodations for any requirements pertaining to fences under the state's family child care home licensing laws. Community associations may require the family child care home owner or operator to carry liability insurance covering operation of the family child care home. This law is not applicable to communities that qualify as housing for older people under federal law.

Local Government

[HB 20-1133](#)

Concerning land use entitlements affecting real property that has been disconnected from a municipality.

This law will, among other things, (i) prohibit a landowner from petitioning for the disconnection of property from a municipality until all vested property rights affecting the property, as established under Title 24, Article 68 of the Colorado Revised Statutes have expired or been terminated; (ii) subject a property disconnected from a municipality to the county's zoning resolution and map and other land development regulations within ninety days after disconnection; (iii) permit the county to refuse issuance of building or occupancy permits for the disconnected land within this ninety-day period; (iv) invalidate any provision of the county's zoning resolution, map, or plan that automatically applies a uniform zoning classification to all land that may be disconnected in the future; and (v) require the disconnected land be zoned by the county prior to subdivision approval.

[HB 29-1074](#)

Concerning the authorization for special districts to provide for the collection and transportation of solid waste.

This bill allows the board of a sanitation district, water and sanitation district, or metropolitan district to provide solid waste collection and transportation, including residential waste, regardless of the district's or county's population size. District boards are also authorized to impose fees and charges for this service, and may require district residents to use or pay user charges for residential waste services. Solid waste collection and transportation services may be provided directly by the district or by a third party service provider selected by the district through a bidding process. Districts must obtain consent from the municipality, city and county, or county prior to offering solid waste services.

[HB 20-1093](#)

Concerning county authority to license and regulate short-term rentals.

This law provides a board of county commissioners authority to (i) adopt ordinances to license and regulate short-term rental owners or owners' agents who advertise or rent the owner's lodging unit as a short-term rental; and (ii) set the fees, terms, and manner for short-term license issuance and revocation. An "owner's agent" does not include an internet hospitality service.

Housing

[HB 20-1155](#)

Concerning new home builders' requirement to offer options for accommodating higher efficiency devices.

This bill requires that homebuilders offer new home buyers the following options in a home's electrical or plumbing system: (i) a solar panel system or solar thermal system; (ii) the prewiring or preplumbing for these systems; and (iii) a chase or conduit to wire

or plumb the home for these systems in the future. It also requires homebuilders offer new home buyers options for electric heating, as well as at least one of the following: (a) an electric vehicle charging system; (b) wiring upgrades to accommodate future installation of an electric vehicle charging system; or (c) a 208- to 240-volt alternating current plug-in located in a place accessible to a parking area.

[HB 20-1201](#)

Concerning mobile home park home owners' opportunity to purchase the park under certain circumstances.

This bill gives home owners in a mobile home park the opportunity to buy the park if the park owner plans to sell the park or change use of the park's land. A park owner's notice of a pending mobile home park sale or land use change must be delivered to all home owners within the mobile home park, the municipality or county in which the park is situated, the Division of Housing in the Department of Local Affairs, and all associations representing mobile home park residents, including any home owners' associations or residents' associations. This notice is not required when the proposed sale is to a member of the park owner's family or another person or entity closely affiliated with the landlord. Upon receiving this notice, mobile home owners have a 90-day window to negotiate an agreement to purchase the park and to obtain a binding financing commitment.

Water

[HB 20-1095](#)

Concerning the authority of local government master plans to include water conservation policies.

This bill requires a local government master plan containing a water supply element to also include water conservation polices, which will be determined by the local government. These policies can include goals specified in the [Colorado Water Plan](#); policies can also condition development approvals for subdivisions, planned unit developments, special use permits, and zoning changes on the implementation of water conservation goals and other Colorado Water Plan goals. Additionally, the Department of Local Affairs is authorized to hire a full-time employee to provide educational resources and assistance to local governments that include water conservation policies in their master plans.

[SB 20-155](#)

Concerning keeping the presumption of noninjury for a well on divided land.

This bill maintains the rebuttable presumption that domestic use of a well exempt from the state engineer's administration will not cause material injury to others' vested water rights or to any other existing wells in the event the land on which the well is located is later divided into multiple parcels, provided that well use meets certain requirements.

[SB 20-048](#)

Concerning a study to consider the strengthening of the prohibition on speculative appropriations of water.

Current law prohibits speculative water appropriation. Speculation may be evidenced where an applicant does not have (i) a legally vested interest or a reasonable expectation of procuring a legally vested interest in the lands or facilities to be served by the appropriation, unless the appropriator is a governmental agency or an agent for those proposed to benefit from the appropriation; or (ii) a specific plan and intent to divert, store, or otherwise capture, possess, and control a specific quantity of water for specific beneficial uses. This bill requires the executive director of the Department of Natural Resources to convene a work group to explore methods for strengthening current anti-speculation law. This group will report any recommended changes to the Water Resources Review Committee in August 2021.

Miscellaneous

[HB 20-1026](#)

Concerning the creation of a twenty-third judicial district.

This bill removes Douglas, Elbert, and Lincoln counties from the eighteenth judicial district and creates a new twenty-third judicial district comprised of these counties; this leaves Arapahoe County as the sole county comprising the eighteenth judicial district. The twenty-third judicial district was created in response to the exceptional population growth and size of the eighteenth judicial district. This bill specifies that the November 2024 election of district attorneys for the eighteenth and twenty third judicial districts will be decided by the electors of those districts. Additionally, district court judges up for retention in the eighteenth judicial district in the November 2024 election may stand for retention election from the electors of the eighteenth judicial district. District court judges serving in the current eighteenth judicial district who are not up for a retention election in November 2024 can continue to serve in the judicial district where they reside for the remainder of their terms.

[HB 20-1318](#)

Concerning the electronic recording of plats of land.

This bill allows the county clerk and recorders to receive and preserve original plats for recording in an electronic format. It also provides standards for proper submission of plats, in both electronic and original formats, to the county clerk and recorder.

[SB 20-047](#)

Concerning an exemption from the definition of a “real estate appraisal” for analyses prepared by financial institution agents.

This bill updates the list of professionals whose analyses are exempt from the definition of a “real estate appraisal” by adding federal institution and their affiliates’ agents to this list; consequently, analyses by officers, directors, regularly salaried employees, and agents of financial institutions and their affiliates prepared for internal use only are exempt from the definition of a “real estate appraisal.”

Molly Clarke, a third year law student at DU's Sturm College of Law and law clerk with Otten Johnson, contributed to this alert.

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