

OTTEN JOHNSON ALERT

Colorado's 2020 Legislative Session: Bills We're Tracking

February 2020 • Allison Altaras

Colorado's 2020 Legislative Session is off to a busy start. There are a number of bills that have been introduced^[1] and are making their way through the legislative process that may be of interest to property and business owners in Colorado. This Alert includes a brief summary of each bill that Otten Johnson is tracking, along with a link to the text of the bill and a note about its status.^[2]

• SB20-147 – CONCERNING MODIFICATIONS TO THE MUNICIPAL ANNEXATION ACT OF 1965 TO ADDRESS THE IMPACTS OF MUNICIPAL DEVELOPMENT ON COUNTIES [INTRODUCED]. This bill proposes a number of changes to the Municipal Annexation Act of 1965, including (1) requiring onethird of property proposed to be annexed to be contiguous to the annexing municipality; (2) modifications to land uses that affect contiguity; (3) requiring preparation of a comprehensive annexation plan by municipalities; (4) enlarging the time before the hearing on the annexation petition is to be held and procedural requirements related to noticing the hearing; (5) requiring intergovernmental agreements concerning county-owned right-of-way and infrastructure; (6) specifying additional information to be shown on the annexation map and described in the annexation impact report; (7) requiring an annexation to be subject to intergovernmental agreements between the annexing municipality and the county; (8) permitting a county to direct disconnection of land owned by the county from within an incorporated municipality; and (9) prohibiting land from being disconnected from a statutory city or town unless the land is to be annexed into another city or town or upon agreement by the county's board of county commissioners. **STATUS: Introduced on January 27, 2020; postponed indefinitely by the Senate Committee on Local Government.**

- HB20-1133 CONCERNING LAND USE ENTITLEMENTS AFFECTING REAL PROPERTY THAT HAS BEEN DISCONNECTED FROM A MUNICIPALITY [REENGROSSED]. This bill would, among other things, (1) prohibit a landowner from petitioning for disconnection of property from a municipality until any vested property rights established pursuant to Title 24, Article 68 of the Colorado Revised Statutes affecting the land have expired or been terminated; (2) require disconnected property to become subject to the county's zoning resolution and map within ninety days following disconnection; (3) permit a county to refuse to issue building or occupancy permits within such ninety-day period; (4) invalidate any provision of a county's zoning resolution, map, or plan automatically applying a uniform zoning classification to all land that may be disconnected in the future; and (5) require disconnected land to be zoned by the county prior to subdivision approval. STATUS: Introduced on January 16, 2020; passed by the House Committee on Transportation & Local Government; introduced in the Senate on February 13, 2020; assigned to Senate Committee on Local Government.
- SB20-138 CONCERNING INCREASED CONSUMER PROTECTION FOR HOMEOWNERS SEEKING RELIEF FOR CONSTRUCTION DEFECTS
 [INTRODUCED]. This bill would increase the statute of limitations for construction defect lawsuits from six to ten years, allow for tolling of the limitation period on any statutory or equitable basis, and require tolling of the limitation period until a claimant discovers the cause of a construction defect, in addition to a physical manifestation of a defect. STATUS: Introduced on January 27, 2020; passed by the Senate Committee on Judiciary with no amendments.
- HB20-1095 CONCERNING THE AUTHORITY OF A LOCAL GOVERNMENT'S MASTER PLAN TO INCLUDE POLICIES TO IMPLEMENT STATE WATER PLAN GOALS AS A CONDITION OF DEVELOPMENT APPROVALS [REENGROSSED]. This bill would require local government master plans that include a water supply element to incorporate water conservation policies and goals specified in the State Water Plan, and would permit local governments to condition development approvals on satisfaction of such conservation policies and goals. STATUS: Introduced on January 13, 2020; passed by the House Committee on Rural Affairs & Agriculture; introduced in the Senate on February 13, 2020; assigned to the Senate

Committee on Agriculture & Natural Resources.

- SB20-109 PROPOSING TO CLASSIFY SHORT-TERM RENTALS AS COMMERCIAL PROPERTY FOR PURPOSES OF PROPERTY TAXATION [INTRODUCED]. This bill would classify a short-term rental unit (with "short-term" defined as less than thirty consecutive days) as non-residential property for purposes of property taxation. STATUS: Introduced on January 15, 2020; postponed indefinitely by the Senate Committee on Finance.
- HB20-1093 CONCERNING COUNTY AUTHORITY TO LICENSE AND REGULATE SHORT-TERM LODGING RENTALS [REENGROSSED]. This bill would grant the board of county commissioners the authority to regulate and license any business located in the county, including short-term lodging rentals and related advertising. STATUS: Introduced on January 13, 2020; passed House Committee on Transportation & Local Government; introduced in the Senate on February 13, 2020; assigned to the Senate Committee on Local Government.
- SB20-093 CONCERNING PROTECTIONS RELATED TO MANDATORY AGREEMENT PROVISIONS, AND, IN CONNECTION THEREWITH, ENACTING THE "CONSUMER AND EMPLOYEE DISPUTE RESOLUTION FAIRNESS ACT" [ENGROSSED]. This bill would enact the "Consumer and Employee Dispute Resolution Fairness Act," which, among other things, would clarify information relevant to evaluating an arbitrator's evident partiality, require early disclosure of such information, and prescribe a timeframe within which a challenge to an arbitrator based on evident partiality can be brought. It would also impose specific public disclosure requirements and ethical responsibilities on arbitration service providers. The bill also specifies how attorney fees and costs are to be awarded if a court vacates an award due to an arbitrator's evident partiality. In addition, the bill would prohibit certain provisions in agreements between employers and employees, including requiring arbitration outside of Colorado, waiver of certain damages, and allowing the employer to unilaterally select one or more arbitrators.

Notably, the bill was revised to include a legislative declaration that it is not intended to approve, disapprove, modify, or overrule Vallagio at Inverness Residential Condo. Ass'n v. Metro Homes, Inc., 2017 CO 69, 395 P.3d 788 (Colo. 2017) (upholding provisions of a community declaration that required all construction defect claims to be resolved through binding arbitration and prohibiting amendment of the declaration's provisions governing such claims without the declarant's written consent as consistent with the Colorado Common

Interest Ownership Act and the Colorado Consumer Protection Act). **STATUS: Introduced on January 13, 2020; passed house Judiciary Committee.**

- SB20-126 CONCERNING THE OPERATION OF A LICENSED FAMILY CHILD CARE HOME IN A COMMON INTEREST COMMUNITY [REENGROSSED]. This bill would permit a homeowner in a community organized under the Colorado Common Interest Ownership Act to operate a family child care home and require reasonable accommodations for such home; provided however, the statute would not supersede the association's architectural, parking, landscaping, noise, and other controls. STATUS: Introduced on January 27, 2020; passed Senate Committee on Local Government; introduced in the House on February 25, 2020; assigned to the House Committee on Public Health Care & Human Services.
- HB20-1074 CONCERNING THE AUTHORIZATION FOR SPECIAL DISTRICTS TO PROVIDE FOR THE COLLECTION AND TRANSPORTATION OF SOLID WASTE [REENGROSSED]. This bill would permit a sanitation district, a water and sanitation district, or a metropolitan district organized under the Special District Act to provide for the collection and transportation of solid waste, regardless of the population of the district or the county in which the district is located. STATUS: Introduced on January 8, 2020; passed House Committee on Rural Affairs & Agriculture; introduced in Senate on February 10, 2020; assigned to Senate Committee on Local Government.
- HB20-1201 PROPOSING TO PROVIDE HOME OWNERS IN A MOBILE HOME PARK THE OPPORTUNITY TO PURCHASE THE PARK UNDER CERTAIN CIRCUMSTANCES [INTRODUCED]. This bill would require mobile home park owners to give advanced notification to residents, the Division of Housing of the Department of Local Affairs, and the municipality or county in which the park is situated of the park owner's intent to sell or change the land use of the park property. The bill would also grant residents a ninety-day window to submit an offer to purchase the park and impose certain compliance requirements on the park owner/seller in connection with that process. STATUS: Introduced on January 30, 2020; passed House Committee on Transportation & Local Government.
- SB20-078 CONCERNING THE ABILITY OF A PERSON TO BRING A PET DOG ONTO THE PREMISES OF A RESTAURANT [REENGROSSED]. This bill would authorize a retail food establishment to allow a person to bring a pet dog into an outdoor dining area if, among other things, (1) the establishment elects to

allow dogs; (2) dogs are kept on leashes or in carriers; (3) dogs enter and exit through a separate entrance without passing through the establishment; (4) the person does not allow dogs on furniture; and (5) the outdoor dining area is not used for food preparation; provided, however, that business owners and/or a local government may prohibit the presence of pet dogs in outdoor dining areas. **STATUS: Introduced on January 13, 2020; passed Senate Committee on Business, Labor & Technology; introduced in House on February 14, 2020; assigned to House Committee on Business Affairs & Labor.**

• HB20-1013 – CONCERNING THE SPECIFICATION OF PROCEDURES FOR THE RATIFICATION OF DEFECTIVE CORPORATE ACTIONS

[REENGROSSED]. This bill would provide a statutory process for validation or ratification of corporate actions that may not have been properly authorized or issuance of shares that may not have been properly issued. The bill would also provide for prompt judicial review of the ratification process when a person claims to be substantially and adversely affected by the ratification. **STATUS:** Introduced on January 8, 2020; passed House Committee on Business Affairs & Labor; introduced in Senate on February 13, 2020; assigned to Senate Committee on Business, Labor & Technology.

We look forward to providing an update on these and other bills at the conclusion of the 2020 legislative session.

[1] This list was last updated on February 26, 2020.

[2] For reference, the term "Introduced" means the bill has been introduced in either the Colorado House of Representatives or Colorado Senate. "Engrossed" means the bill as passed on second reading in the house of introduction and includes any amendments adopted by that house on second reading. "Reengrossed" means the bill as passed on third reading in the house of introduction. It includes all amendments adopted by that house. The reengrossed bill is the version sent to the second house for introduction and consideration by a committee of reference.

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