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Colorado's 2021 Legislative Session: Bills We're Tracking

April 2021 • [Alexandra Haggarty](#)

Colorado's legislative session is just over halfway through and is scheduled to adjourn in mid-June. Several bills that have been introduced [1] and are making their way through the legislative process 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]. Please also see Otten Johnson's March 2021 Alert for coverage of [HB21-1117](#).

- HB 21-1027 – CONCERNING THE AUTHORIZATION FOR CERTAIN ALCOHOL LICENSE HOLDERS TO OFFER ALCOHOL BEVERAGES FOR CONSUMPTION OFF THE LICENSED PREMISES **[INTRODUCED]**. Under C.R.S. § 44-3-911, the authorization of certain license holders to offer takeout and delivery of alcohol beverages is set to repeal on July 1, 2021. This bill would remove the repeal, allowing the authorization to continue indefinitely. STATUS: Introduced on February 16, 2021; passed House Business Affairs and Labor Committee on March 3, 2021; passed House Finance Committee on March 17, 2021; passed House Appropriations Committee on April 23, 2021.
- HB 21-1044 – CONCERNING ALLOWING A MANUFACTURER OF VINOUS LIQUORS TO MAINTAIN LICENSED PREMISES CONSISTING OF MULTIPLE NONCONTIGUOUS LOCATIONS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION **[REENGROSSED]**. This bill would allow a winery that holds a manufacturer's or limited winery license to maintain licensed

premises comprising up to 2 noncontiguous locations within a 10-mile radius. It would also permit the state licensing authority to establish a one-time application fee and annual renewal fee of up to \$500 per location. STATUS: Introduced on February 16, 2021; passed House Business Affairs & Labor Committee on March 3, 2021; passed House Finance Committee on March 17, 2021; passed House Appropriations Committee on March 26, 2021; passed Senate Finance Committee on April 14, 2021; passed Senate Appropriations Committee on April 23, 2021.

- SB 21-082 – CONCERNING AUTHORIZATION FOR CERTAIN ALCOHOL BEVERAGE LICENSE HOLDERS TO HOLD FESTIVALS FOR ALCOHOL BEVERAGE RETAIL ACTIVITY, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION [REENGROSSED]. This bill would expand the range of businesses that may be permitted to hold up to 9 wine festivals of up to 72 hours each in a period of 12 months. Such businesses include retail gaming tavern licensees, arts licensees, and spirits manufacturers operating a sales room. STATUS: Introduced on February 16, 2021; passed Senate Business, Labor and Technology Committee on March 1, 2021; passed Senate Finance Committee on March 8, 2021; passed Senate Appropriations Committee on April 1, 2021; passed House Business Affairs and Labor Committee on April 8, 2021; referred to Committee on Appropriations.
- SB 21-173 – CONCERNING RIGHTS RELATED TO RESIDENTIAL RENTAL AGREEMENTS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION [REENGROSSED]. This bill would generally expand tenant protections and rights in residential rental agreements. Of note, it would (1) ban liquidated damage clauses that assign a cost to a party from a rental violation or eviction action; (2) prohibit rental agreements that contain one-way fee-shifting clauses for attorney fees and court costs; (3) prohibit a landlord for charging a late fee unless payment is at least 7 days late; (4) prohibit a landlord from terminating a tenancy for failure to pay a late fee; and (5) require a landlord to provide notice of a late fee in the lease and before enforcement. Additionally, it would require landlords to pay a penalty to an affected tenant for each violation and allow the tenant to seek equitable relief and damages. STATUS: Introduced on March 5, 2021; passed Senate State, Veterans, and Military Affairs Committee on March 16, 2021; passed Senate Appropriations Committee on April 1, 2021; assigned to House Business Affairs and Labor Committee on April 19, 2021.
- HB 21-1121 – CONCERNING PROTECTIONS FOR RESIDENTIAL TENANTS RELATED TO ACTIONS BY LANDLORDS [REENGROSSED]. This bill would (1) extend the period before which a court can direct the county sheriff to assist the landowner in removing the tenant from 48 hours to 10 days after judgment; (2) prohibit residential landlords from increasing rent more than one time in a 12-month period of tenancy; and (3) require landlords to give 60 days' notice before

increasing rent in any tenancy without a written agreement. STATUS: Introduced on February 16, 2021; passed House Business Affairs and Labor Committee on March 3, 2021.

- HB 21-1229 – CONCERNING INCREASED PROTECTIONS FOR UNIT OWNERS IN THE GOVERNANCE OF UNIT OWNERS’ ASSOCIATIONS UNDER THE “COLORADO COMMON INTEREST OWNERSHIP ACT” [INTRODUCED]. This bill would increase requirements for disclosure and transparency in the operations of associations governed by CCIOA. These requirements include (1) posting items like contact information, governing documents, and fees on the association website; (2) allowing owners to place items on a meeting agenda by petition; (3) prohibiting any action to be taken at an open meeting by written or secret ballot unless at least 20% of the owners in attendance request; and (4) penalizing the association for withholding requested records. It also implements requirements for conducting reserve studies, filling executive board vacancies, employing a competitive bid process for certain contracts, turning over control to owners, scheduling maintenance, and providing documents for buyers. STATUS: Introduced on March 18, 2021; assigned to House Business Affairs and Labor Committee.
- HB 21-1233 – CONCERNING MODIFICATIONS TO THE REQUIREMENTS FOR CLAIMING AN INCOME TAX CREDIT FOR THE DONATION OF A PERPETUAL CONSERVATION EASEMENT [INTRODUCED] This bill would, among other things, (1) authorize the division of conservation to be a holder of a conservation easement; (2) eliminate a requirement that deductions for federal income tax purposes for the donation of a conservation easement be added back for purposes of calculating Colorado taxable income; (3) amend the definition of “taxpayer” to include certain non-profit and governmental entities, including certain entities with authority to conduct water activities; (4) eliminate the need for the department of revenue to adjust the amounts of tax credits, but permit the Department of Revenue to promulgate rules to verify the ownership and amount of the tax credits; (5) increase the amount of the tax credit per transaction by adjusting the formula to calculate the tax credit; (6) modify the allocation of a tax credit among owners, partners, members, or shareholders of certain entities as related to refunds of the tax credit in surplus years; and (7) revise the number of tax credits that can be claimed per year and the manner in which they may be claimed.
- HB 21-1241 – CONCERNING MODIFICATIONS TO THE EMPLOYEE OWNERSHIP LOAN PROGRAM [REENGROSSED]. This bill would modify some of the requirements for an existing loan program that helps businesses transition ownership to employees. Specifically, it would repeal requirements related to the size of the loans and how they must be held, and it would extend the repeal date of the program from July 1, 2022 to July 1, 2025. STATUS: Introduced on March

24, 2021; passed House unamended on April 19, 2021; assigned to Senate Business, Labor, and Technology Committee on April 22, 2021.

- HB21-1224 – CONCERNING MODIFICATIONS TO THE PROVISIONS GOVERNING FORECLOSURE SALES OF REAL PROPERTY [REENGROSSED]. Among other things, this bill would require that any overbid in a foreclosure, after paying all junior lienors, is paid to the person liable under the mortgage loan or deed of trust, and not to the owner of the property. STATUS: Introduced on March 18, 2021; passed House Business Affairs and Labor Committee on April 1, 2021.
- SB 21-031 – CONCERNING LIMITS ON GOVERNMENTAL ACTIONS RELATED TO LAWFUL PROTESTS [INTRODUCED]. This bill would prohibit any government agency or person acting on behalf of one from dispersing a protest or deeming it unlawful unless those participating are acting together to pose an imminent threat of using force or violence to cause personal injury or significant property damage. STATUS: Introduced on February 16, 2021; assigned to Senate Judiciary Committee.
- SB 21-116 – CONCERNING THE PROHIBITION OF AMERICAN INDIAN MASCOTS IN COLORADO [REENGROSSED]. This bill would prohibit the use of American Indian mascots by public schools and impose a monthly fine on those in violation. It includes exemptions for certain situations where there is tribal approval of use. STATUS: Introduced on February 23, 2021; passed Senate Education Committee on April 1, 2021.
- HB 21-1048 – CONCERNING A REQUIREMENT THAT RETAIL ESTABLISHMENTS ACCEPT UNITED STATES CURRENCY FOR PURCHASES [REENGROSSED]. This bill would require retail establishments to accept cash if they (a) have an individual accepting payment in person, and (b) are processing a transaction in which a security deposit is not placed on a credit card. STATUS: Awaiting signature by the Governor.
- HB 21-1061 – CONCERNING THE DEFINITION OF RESIDENTIAL LAND FOR THE PURPOSE OF PROPERTY TAX CLASSIFICATION [REENGROSSED]. This bill would modify the definition of the term “residential land” for property tax classification. Land without a residential improvement would be considered “residential land” if it (a) is contiguous with a parcel of land under identical ownership, and (b) has a related improvement essential to the use of the adjacent residential improvement. It would also remove from the definition of “residential land” parcels of land in a residential subdivision, the exclusive use of which land is established by the ownership of the residential improvements. STATUS: Awaiting signature by the Governor.

- HB 21-1019 – CONCERNING MODIFICATIONS TO THE REGULATIONS OF FACTORY-BUILT STRUCTURES [REENGROSSED]. This bill would make many modifications and clarifications to the regulations of factory-built structures, manufactured housing, and installers and sellers of manufactured housing. Most modifications and clarifications are minor and concern issues such as registration, disclosure, installation insignia, inspection, and costs that the installer may be required to pay for incomplete installation. The bill also clarifies that a local government’s authority extends only to work completed onsite, and that a local government may only enact installation rules related to geographic and climatic conditions, including the requirement for onsite mitigation addressing such concerns. STATUS: Awaiting signature by the Governor.

Additionally, the following bills have recently passed and been signed by the Governor.

1. HB21-1025 – CONCERNING A CLARIFICATION UNDER THE COLORADO OPEN MEETINGS LAW OF THE REQUIREMENTS GOVERNING COMMUNICATION BY ELECTRONIC MAIL THAT DOES NOT RELATE TO THE SUBSTANCE OF PUBLIC BUSINESS [SIGNED]. Signed on April 7, 2021, this act clarifies that e-mail communications between elected officials that does not relate to the merits or substance of pending legislation or other public business is not a meeting for open meetings law purposes.
2. HB21-1083 – CONCERNING THE MODIFICATION ON APPEAL OF PROPERTY VALUATION SET BY THE COUNTY BOARD OF EQUALIZATION [SIGNED]. Signed on April 7, 2021, this act removes a restriction against the board of equalization increasing a property valuation on appeal.

We look forward to providing an update on these and other bills at the conclusion of the 2021 legislative session.

[1] This list was last updated on April 26, 2021.

[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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