

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0251.01 Christopher McMichael x4775

HOUSE BILL 26-1013

HOUSE SPONSORSHIP

Sirota and Mabrey, Ricks

SENATE SPONSORSHIP

Cutter and Weissman,

House Committees
Business Affairs & Labor

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE USE OF A RATIO UTILITY BILLING SYSTEM BY A**
102 **LANDLORD TO ALLOCATE UTILITY CHARGES TO TENANTS.**

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 <http://leg.colorado.gov>.)

The bill authorizes landlords to use a ratio utility billing system to allocate utility charges for a residential premises to individual tenants. The landlord may charge tenants a utility bill using a ratio utility billing system if the landlord meets certain requirements, such as:

- The aggregate amount billed to all tenants does not exceed the amount charged by the utility for service to the entire

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

- residential premises;
- The landlord does not apply a fee or other charge to the tenant in addition to the actual charges from the utility provider;
- The utility costs for common areas or shared facilities are excluded from the charges to the tenant; and
- The landlord clearly discloses the method of allocation for the dwelling unit in the tenant's rental agreement.

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

2 **SECTION 1.** In Colorado Revised Statutes, 6-1-737, **amend**
3 (4)(a); and **add** (4.5) as follows:

4 **6-1-737. Requirement to disclose certain pricing information**
5 **- landlords and tenants - remedies - rules - definitions.**

6 (4) A landlord or the landlord's agent shall not require a tenant to
7 pay a fee, charge, or amount:

8 (a) Related to the provision of utilities that is above the amount
9 charged by the utility provider for service to the tenant's dwelling unit,
10 except FOR FEES, CHARGES, OR AMOUNTS RELATED TO THE PROVISION OF
11 UTILITIES THAT ARE CHARGED TO A TENANT in accordance with:

12 (I) Section 38-12-801 (3)(a)(VI); OR

13 (II) SUBSECTION (4.5) OF THIS SECTION.

14 (4.5) THIS SECTION DOES NOT PROHIBIT A LANDLORD OR
15 LANDLORD'S AGENT FROM ALLOCATING UTILITY COSTS AMONG TENANTS
16 OF THE SAME RESIDENTIAL PREMISES USING A RATIO UTILITY BILLING
17 SYSTEM IF:

18 (a) THE AGGREGATE AMOUNT BILLED TO ALL TENANTS OF THE
19 RESIDENTIAL PREMISES DOES NOT EXCEED THE TOTAL AMOUNT CHARGED
20 BY THE UTILITY PROVIDER FOR SERVICE TO THE ENTIRE RESIDENTIAL
21 PREMISES;

1 (b) THE LANDLORD OR LANDLORD'S AGENT DOES NOT APPLY ANY
2 MARKUP, SURCHARGE, ADMINISTRATIVE FEE, OR OTHER AMOUNT IN
3 EXCESS OF THE ACTUAL CHARGES FROM THE UTILITY, EXCEPT AS
4 OTHERWISE PERMITTED BY LAW;

5 (c) THE UTILITY COSTS FOR COMMON AREAS OR SHARED FACILITIES
6 AT THE RESIDENTIAL PREMISES ARE EXCLUDED FROM ANY TENANT
7 ALLOCATION; AND

8 (d) THE LANDLORD CLEARLY AND CONSPICUOUSLY DISCLOSES THE
9 METHOD OF ALLOCATION FOR THE DWELLING UNIT IN A TENANT'S RENTAL
10 AGREEMENT OR AN ADDENDUM TO THE TENANT'S RENTAL AGREEMENT.

11 **SECTION 2. Safety clause.** The general assembly finds,
12 determines, and declares that this act is necessary for the immediate
13 preservation of the public peace, health, or safety or for appropriations for
14 the support and maintenance of the departments of the state and state
15 institutions.