First Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 19-0423.01 Bob Lackner x4350

SENATE BILL 19-225

SENATE SPONSORSHIP

Gonzales and Rodriguez, Foote, Moreno

HOUSE SPONSORSHIP

Lontine and Gonzales-Gutierrez, Duran, Galindo, Jackson, Singer, Sirota

Senate Committees State, Veterans, & Military Affairs **House Committees**

A BILL FOR AN ACT

101 CONCERNING THE ABILITY OF LOCAL GOVERNMENTS TO STABILIZE
102 RENTS ON PRIVATE RESIDENTIAL PROPERTY.

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 repeals existing statutory language prohibiting counties or municipalities (local governments) from enacting any ordinance or resolution that would control rent on either private residential property or a private residential housing unit (collectively, private residential property). The bill authorizes local governments to enact and enforce any ordinance, resolution, agreement, deed restriction, or other measure that

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, repeal and reenact,
3	with amendments, 38-12-301 as follows:
4	38-12-301. Authority of local governments to stabilize rent on
5	private residential real property - legislative declaration. (1) THE
6	GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
7	$(a)\ In 1981, the general assembly enacted legislation that$
8	PROHIBITED COUNTIES AND MUNICIPALITIES, REFERRED TO IN THIS PART 3
9	AS "LOCAL GOVERNMENTS", FROM ENACTING ANY RESOLUTION OR
10	ORDINANCE THAT WOULD CONTROL RENT ON PRIVATE RESIDENTIAL REAL
11	PROPERTY OR PRIVATE RESIDENTIAL HOUSING UNITS.
12	(b) Since 2000, the state's need for affordable housing in
13	ALL GEOGRAPHIC REGIONS HAS GROWN EXPONENTIALLY. AMONG OTHER
14	EFFECTS, THE IMMENSE DEMAND FOR AFFORDABLE HOUSING REPRESENTS
15	A SIGNIFICANT IMPEDIMENT TO ECONOMIC GROWTH AND OPPORTUNITIES
16	FOR RESIDENTS WITHIN THE STATE AS THE MAJORITY OF RENTERS IN
17	COLORADO ARE RENT-BURDENED AND, ACCORDINGLY, ARE CHALLENGED
18	IN THEIR ABILITY TO AFFORD THEIR RENT.
19	(c) THE DEMAND FOR AFFORDABLE HOUSING LIMITS THE ABILITY
20	OF THE STATE TO PROVIDE A HIGH-QUALITY LIFE FOR ALL ITS RESIDENTS
21	AND TO DEVELOP, ATTRACT, AND MAINTAIN A HIGH-QUALITY WORKFORCE.
22	(d) IN ADOPTING ITS MASTER PLANS, MUNICIPALITIES ARE
23	SPECIFICALLY DIRECTED BY SECTION 31-23-207 TO ACCOMPLISH "A
24	COORDINATED, ADJUSTED, AND HARMONIOUS DEVELOPMENT OF THE
25	MUNICIPALITY AND ITS ENVIRONS WHICH WILL, IN ACCORDANCE WITH

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1	PRESENT AND FUTURE NEEDS, BEST PROMOTE HEALTH, SAFETY, ORDER
2	CONVENIENCE, PROSPERITY, AND GENERAL WELFARE
3	INCLUDINGAFFORDABLE HOUSING".
4	(e) WHILE RENTAL HOUSING AFFORDABILITY IS AN ISSUE ACROSS
5	THE STATE, THE DYNAMICS FACING COLORADO COMMUNITIES DIFFER.
6	WHILE THE RENT INCREASES IN THE DENVER METROPOLITAN AREA ARE
7	WELL-DOCUMENTED, SUBURBAN CITIES ALSO STRUGGLE TO PROVIDE
8	HOUSING FOR RENTERS MOVING INTO THESE AREAS. FORT COLLINS AND
9	CITIES WITH LARGE NUMBERS OF UNIVERSITY STUDENTS HAVE STUDENT
10	POPULATIONS CONTENDING WITH RISING HOUSING COSTS. SKI
11	COMMUNITIES FACE HOUSING SHORTAGES FOR SEASONAL WORKERS, AND
12	SMALLER CITIES SUCH AS DURANGO ARE ALSO CONFRONTING
13	UNAFFORDABLE RENTAL HOUSING IN THEIR COMMUNITIES.
14	(f) THE INABILITY OF LOCAL GOVERNMENTS TO REGULATE
15	SKYROCKETING RENTS HAS LED TO RENTERS BEING DISPLACED FROM
16	DENVER AND OTHER LARGER COMMUNITIES INTO SMALLER SURROUNDING
17	COMMUNITIES WHOSE EXISTING HOUSING STOCK IS ILL-EQUIPPED TO MEET
18	INCREASED DEMAND. AS A RESULT, COUNTLESS COLORADO RENTERS ARE
19	UNABLE TO WORK IN CLOSE PROXIMITY TO THEIR PLACE OF EMPLOYMENT
20	WITH FAR-REACHING IMPACTS ON THE STATE.
21	(2) <u>Although Senate Bill 19-225, enacted in 2019, does not</u>
22	CREATE, AND IS NOT INTENDED BY THE GENERAL ASSEMBLY TO CREATE.
23	A STATEWIDE RENT CONTROL POLICY, BY GIVING LOCAL GOVERNMENTS
24	THE AUTHORITY TO ADOPT THE TYPES OF HOUSING PROGRAMS
25	AUTHORIZED BY SENATE BILL 19-225, THE GENERAL ASSEMBLY INTENDS
26	TO GIVE LOCAL GOVERNMENTS AN ADDITIONAL AND MEANINGFUL

RESOURCE TO EXPAND THE SUPPLY OF AFFORDABLE HOUSING IN THEIR

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2	RESIDENTS TO LIVE IN THE COMMUNITIES IN WHICH THEY WORK, THEREBY
3	PREVENTING THE DISPLACEMENT OF THESE RESIDENTS FROM THEIR
4	COMMUNITIES.
5	(3) A LOCAL GOVERNMENT MAY ENACT AND ENFORCE ANY
6	ORDINANCE, RESOLUTION, AGREEMENT, DEED RESTRICTION, OR OTHER
7	MEASURE THAT WOULD STABILIZE RENT ON EITHER PRIVATE RESIDENTIAL
8	PROPERTY OR A PRIVATE RESIDENTIAL HOUSING UNIT.
9	SECTION 2. In Colorado Revised Statutes, amend 38-12-302 as
10	follows:
11	38-12-302. Definitions. As used in this part 3, unless the context
12	otherwise requires:
13	(1) "LOCAL GOVERNMENT" MEANS A COUNTY, HOME RULE
14	COUNTY, OR A MUNICIPALITY.
15	(1) (2) "Municipality" means a city or town and, in addition,
16	means a city or town incorporated prior to July 3, 1877, whether or not
17	reorganized, and any city, town, or city and county which has chosen to
18	adopt a home rule charter pursuant to the provisions of article XX of the
19	state constitution.
20	SECTION 3. Act subject to petition - effective date. This act
21	takes effect September 1, 2019; except that, if a referendum petition is
22	filed pursuant to section 1 (3) of article V of the state constitution against
23	this act or an item, section, or part of this act within the ninety-day period
24	after final adjournment of the general assembly, then the act, item,
25	section, or part will not take effect unless approved by the people at the

COMMUNITIES AND TO ENABLE LOW-INCOME AND WORKING-CLASS

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- general election to be held in November 2020 and, in such case, will take
- 2 effect on the date of the official declaration of the vote thereon by the

3 governor.

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