

SENATE COMMITTEE OF REFERENCE REPORT

	May 1, 2025
Chair of Committee	Date

Committee on Business, Labor, & Technology.

After consideration on the merits, the Committee recommends the following:

HB25-1249 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

- 1 Amend reengrossed bill, page 4, line 11, strike "and (11)" and substitute
- 2 "(11), and (12)".

- 3 Page 10, line 3, after "TENANCY." insert "NOTHING IN THIS SUBSECTION
- 4 (11)(a) PRECLUDES A LANDLORD FROM HAVING ACTUAL CAUSE TO RETAIN
- 5 ANY AMOUNT OF A SECURITY DEPOSIT TO PAY FOR THE REPLACEMENT OF
- 6 CARPET IN A PORTION OR PORTIONS OF THE DWELLING UNIT IF THERE IS
- 7 SUBSTANTIAL AND IRREPARABLE DAMAGE TO A PORTION OR PORTIONS OF
- 8 THE CARPET THAT EXCEEDS NORMAL WEAR AND TEAR AND DID NOT
- 9 PREEXIST THE TENANCY."

- 10 Page 10, line 7, after the first "THE" insert "PAINT OF THE".

- 11 Page 10, strike lines 9 through 15 and substitute "TENANCY. NOTHING IN
- 12 THIS SUBSECTION (11)(b) PRECLUDES A LANDLORD FROM HAVING ACTUAL
- 13 CAUSE TO RETAIN ANY AMOUNT OF A SECURITY DEPOSIT TO PAY FOR THE
- 14 REPLACEMENT OF PAINT IN A PORTION OR PORTIONS OF THE DWELLING
- 15 UNIT IF THERE IS SUBSTANTIAL DAMAGE TO A PORTION OR PORTIONS OF
- 16 THE PAINT ON THE INTERIOR WALLS OR CEILING THAT EXCEEDS NORMAL
- 17 WEAR AND TEAR AND DID NOT PREEXIST THE TENANCY."

- 18 Reletter succeeding paragraph accordingly.

- 19 Page 10, after line 19 insert:

- 20 "(12) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
- 21 CONTRARY, SUBSECTIONS (1.5) AND (11) OF THIS SECTION DO NOT APPLY
- 22 TO A RENTAL AGREEMENT CONCERNING THE OCCUPANCY OF A MOBILE

1 HOME, AS DEFINED IN SECTION 38-12-201.5 (5), IN A MOBILE HOME PARK,
2 AS DEFINED IN SECTION 38-12-201.5 (6).".

3 Page 10, strike lines 20 through 27.

4 Strike page 11 and substitute:

5 "SECTION 3. In Colorado Revised Statutes, 38-12-103, **amend**
6 **as amended by House Bill 25-1168** (1) as follows:

7 **38-12-103. Return of security deposit.** (1) (a) A landlord shall,
8 within ~~one month~~ THIRTY DAYS after the termination of a lease or
9 surrender ~~and acceptance of the~~ OF A premises, whichever occurs last,
10 return to the tenant the full security deposit deposited with the landlord
11 by the tenant, unless the lease agreement specifies a longer period of time,
12 but not to exceed sixty days. A landlord shall not retain the security
13 deposit to cover normal wear and tear OR FOR ANY DAMAGE OR DEFECTIVE
14 CONDITION THAT PREEXISTED THE TENANCY. If a tenant terminates the
15 lease pursuant to section 38-12-402 (2)(a) and provides the
16 documentation required pursuant to section 38-12-402 (2)(a.5), the tenant
17 is not liable for damage to the dwelling unit caused by the responsible
18 party or during the course of an incident of unlawful sexual behavior,
19 stalking, domestic violence, or domestic abuse, and any amount of money
20 that the landlord retains from the security deposit must comply with
21 section 38-12-402 (2)(b). In the event that actual cause exists for retaining
22 any portion of the security deposit, the landlord shall provide the tenant
23 with a written statement listing the exact reasons for the retention of any
24 portion of the security deposit. When the LANDLORD DELIVERS THE
25 statement ~~is delivered, it must be accompanied by payment of~~ THE
26 LANDLORD SHALL ALSO DELIVER the difference between any sum
27 deposited and the amount retained, ALONG WITH ANY RELEVANT
28 DOCUMENTATION REQUIRED BY SUBSECTION (8) OF THIS SECTION. A
29 landlord is deemed to have complied with this ~~section~~ REQUIREMENT by
30 ~~mailing~~ SENDING the statement, ~~and~~ any REQUIRED payment, AND ANY
31 required DOCUMENTATION to the last-known address of the tenant OR TO
32 ANY EMAIL ADDRESS FOR THE TENANT THAT THE LANDLORD HAS ACTUAL
33 NOTICE OF BY SENDING ANY REQUIRED PAYMENT TO THE TENANT IN
34 ACCORDANCE WITH SUBSECTION (10) OF THIS SECTION.

35 (b) ~~This section does not preclude a landlord from retaining~~
36 EXCEPT AS PROVIDED IN SUBSECTION (3.5)(a)(IV) OF THIS SECTION, A
37 LANDLORD HAS ACTUAL CAUSE TO RETAIN REASONABLE AMOUNTS FROM
38 the security deposit ONLY for:

- 39 (I) Nonpayment of rent; ~~abandonment of the premises, or~~
40 (II) Nonpayment of utility charges; ~~repair work, or cleaning~~

1 ~~contracted for by the tenant.~~
2 (III) NONPAYMENT OF OTHER LAWFUL CHARGES LISTED IN THE
3 LEASE; OR
4 (IV) NECESSARY REPAIR WORK FOR DAMAGE OR DEFECTIVE
5 CONDITIONS THAT EXCEED NORMAL WEAR AND TEAR AND DID NOT
6 PREEXIST THE TENANCY.
7 **SECTION 4. Act subject to petition - effective date -**
8 **applicability.** (1) Except as otherwise provided in this section, this act
9 takes effect January 1, 2026.
10 (2) Section 38-12-103 (1), Colorado Revised Statutes, as amended
11 in section 2 of this act, takes effect only if House Bill 25-1168 does not
12 become law.
13 (3) Section 3 of this act takes effect only if House Bill 25-1168
14 becomes law, in which case section 3 of this act takes effect on the
15 applicable effective date of this act.
16 (4) If a referendum petition is filed pursuant to section 1 (3) of
17 article V of the state constitution against this act or an item, section, or
18 part of this act within the ninety-day period after final adjournment of the
19 general assembly, then the act, item, section, or part will not take effect
20 unless approved by the people at the general election to be held in
21 November 2026 and, in such case, will take effect on the date of the
22 official declaration of the vote thereon by the governor.
23 (5) This act applies to conduct occurring on or after the applicable
24 effective date of this act."

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