First Regular Session Seventy-fifth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 25-0555.01 Pierce Lively x2059

SENATE BILL 25-020

SENATE SPONSORSHIP

Weissman and Gonzales J.,

HOUSE SPONSORSHIP

Lindsay and Mabrey,

Senate Committees

House Committees

Judiciary Appropriations

A BILL FOR AN ACT

101 CONCERNING THE ENFORCEMENT OF EXISTING LANDLORD-TENANT 102 LAW.

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.)

Section 1 of the bill clarifies that the attorney general has the power to initiate and bring civil and criminal actions to enforce certain state landlord-tenant laws. **Section 2** makes corresponding conforming amendments to the attorney general's statutory powers and duties.

Sections 3 and 4 grant counties, cities and counties, and municipalities the power to initiate and bring civil and criminal actions

to enforce certain state landlord-tenant laws.

Section 5 establishes a receivership mechanism that is available as a remedy for violations of applicable laws and regulations by the owner of multifamily residential property. The attorney general's office, a county, a city and county, and a municipality may all apply to a district court for the appointment of a receiver to operate a residential property. The bill establishes the process for a district court appointing a receiver, including requiring a hearing and an order of appointment that specifies the duties of a receiver, and the criteria for qualifying as a receiver. No sooner than 180 days after the district court appoints a receiver, the owner of the relevant property, attorney general, county, city and county, or municipality may submit an application to the district court seeking the termination of the receivership. As with the appointing of a receiver, the bill establishes the process by which a district court may terminate a receivership.

1 Be it enacted by the General Assembly of the State of Colorado: 2 SECTION 1. In Colorado Revised Statutes, 13-40-110.5, add (6) 3 as follows: 4 13-40-110.5. Automatic suppression of court records -5 **definition.** (6) IN ADDITION TO THE PERSONS DESCRIBED IN SUBSECTIONS 6 (1) AND (5) OF THIS SECTION, A COURT SHALL ALLOW A PERSON TO ACCESS 7 A SUPPRESSED COURT RECORD IF THE PERSON AFFIRMS TO THE COURT, IN 8 WRITING OR ELECTRONICALLY, THAT THE PERSON IS ACCESSING THE 9 SUPPRESSED COURT RECORD ON BEHALF OF THE ATTORNEY GENERAL FOR 10 THE PURPOSE OF INVESTIGATING ANY VIOLATION OF STATE LAW THAT THE 11 ATTORNEY GENERAL IS AUTHORIZED TO ENFORCE PURSUANT TO SECTION 12 24-31-101 (1)(i). 13 SECTION 2. In Colorado Revised Statutes, 24-31-101, amend 14 (1)(i)(XXII); and **add** (1)(i)(XXIV), (1)(i)(XXV), (1)(i)(XXVI), and (5)15 as follows: 16 24-31-101. Powers and duties of attorney general. (1) The 17 attorney general:

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1	(i) May independently initiate and bring civil and criminal actions
2	to enforce state laws, including actions brought pursuant to:
3	(XXII) Part 14 of article 12 of title 38; and
4	(XXIV) BEGINNING JANUARY 1, 2026, PART 4 OF ARTICLE 12 OF
5	TITLE 38;
6	(XXV) BEGINNING JANUARY 1, 2026, PART 8 OF ARTICLE 12 OF
7	TITLE 38; AND
8	(XXVI) BEGINNING JANUARY 1, 2026, PART $10\mathrm{of}$ ARTICLE $12\mathrm{of}$
9	TITLE 38.
10	(5) The attorney general shall conduct enforcement
11	ACTIONS AUTHORIZED BY SENATE BILL 25-020, IF ANY, WITHIN EXISTING
12	APPROPRIATIONS.
13	SECTION 3. In Colorado Revised Statutes, 24-31-115, amend
14	(4)(a) introductory portion, (5)(a), (6)(b), (8)(a) introductory portion,
15	(8)(a)(III), (8)(b), and (9) as follows:
16	24-31-115. Housing unit - powers of attorney general or
17	district attorney - subpoenas - document production - remedies -
18	injunctive relief - penalties. (4) Powers. (a) When the attorney general
19	has reasonable cause to believe that any person, whether in this state or
20	elsewhere, has engaged in or is engaging in a violation of any of the
21	provisions listed in section 24-31-101, (1)(i)(IX) to (1)(i)(XIV), the
22	attorney general may:
23	(5) Subpoenas - production of documents. (a) When the
24	attorney general has reasonable cause to believe that a person, whether in
25	this state or elsewhere, has engaged in or is engaging in a violation of any
26	of the provisions listed in section 24-31-101, $\frac{(1)(i)(IX)}{(1)(i)(XIV)}$, the
2.7	attorney general, in addition to any other powers conferred upon the

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attorney general by this article 31, may issue subpoenas to require the attendance of witnesses or the production of documents, administer oaths, conduct hearings in aid of any investigation or inquiry, and prescribe such forms and promulgate such rules as may be necessary to administer the provisions of this article 31.

- (6) **Inadmissible testimony.** (b) Subject to subsection (8) of this section, the records of investigations or intelligence information of the attorney general obtained under this article 31 may constitute public records available for inspection by the public at the sole discretion of the attorney general. This subsection (6)(b) shall not be construed to prevent the attorney general from issuing public statements describing or warning of any course of conduct or any conspiracy that constitutes a violation of any of the provisions listed in section 24-31-101, (1)(i)(IX) to (1)(i)(XIV), whether on a local, statewide, regional, or nationwide basis.
- (a) Whenever the attorney general has cause to believe that a person has engaged in or is engaging in a violation of any of the provisions listed in section 24-31-101, (1)(i)(IX) to (1)(i)(XIV), the attorney general may apply for and obtain, in an action in the appropriate district court of this state, a temporary restraining order or injunction, or both, pursuant to the Colorado rules of civil procedure, prohibiting the person from continuing or engaging in such practices, or doing any act in furtherance of such practices. The court may make such orders or judgments as is necessary to:
- (III) Prevent any unjust enrichment by any person through the use or employment of any practice that is in violation of any of the provisions listed in section 24-31-101. (1)(i)(IX) to (1)(i)(XIV).

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(b) Where the attorney general has authority to institute a civil action or other proceeding pursuant to the provisions of this article, the attorney general may accept, in lieu thereof or as a part thereof, an assurance of discontinuance of any practice that constitutes a violation of any of the provisions that are listed in section 24-31-101. (1)(i)(IX) to (1)(i)(XIV). Any such assurance of discontinuance may include a stipulation for the voluntary payment by the alleged violator of the costs of investigation and the costs of any action or proceeding by the attorney general or a district attorney and any amount necessary to restore to any person any money or property that may have been acquired by the alleged violator by means of a violation of any of the provisions that are listed in section 24-31-101. $\frac{(1)(i)(IX)}{(1)(i)(XIV)}$. Any such assurance or discontinuance accepted by the attorney general and any such stipulation filed with the court as a part of any such action or proceeding is a matter of public record unless the attorney general determines, in the attorney general's sole discretion, that the assurance of discontinuance and any stipulation are confidential to the parties to the action or proceeding and to the court and its employees. Upon the filing of a civil action by the attorney general alleging that a confidential assurance of discontinuance or stipulation accepted pursuant to this subsection (8)(b) has been violated, the assurance of discontinuance or stipulation is deemed a public record and open to inspection by any person. Proof by a preponderance of the evidence of a violation of any such assurance or stipulation constitutes prima facie evidence of a deceptive trade practice for the purposes of any civil action or proceeding brought thereafter by the attorney general, whether a new action or a subsequent motion or petition in any pending action or proceeding.

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1	(9) Penalties. In order to enforce the provisions of this article 31,
2	in addition to any penalties stated in this article 31, the attorney general
3	may seek any of the penalties or other enforcement mechanisms specified
4	in the "Immigrant Tenant Protection Act", part 12 of article 12 of title 38;
5	the "Mobile Home Park Act", part 2 of article 12 of title 38; the "Mobile
6	Home Park Act Dispute Resolution and Enforcement Program", part 11
7	of article 12 of title 38; part 1 of article 12 of title 38; part 7 of article 12
8	of title 38; and section 38-12-904 (1)(b) ARTICLE 12 OF TITLE 38,
9	INCLUDING ANY PENALTIES AVAILABLE TO AGGRIEVED TENANTS OR OTHER
10	AGGRIEVED PERSONS UNDER THESE PROVISIONS, along with costs to
11	enforce these provisions.
12	SECTION 4. In Colorado Revised Statutes, 30-11-101, add
13	(1)(m) and (3) as follows:
14	30-11-101. Powers of counties. (1) Each organized county
15	within the state is a body corporate and politic and as such is empowered
16	for the following purposes:
17	(m) INDEPENDENTLY INITIATING AND BRINGING CIVILACTIONS
18	TO ENFORCE:
19	(I) Parts $1, 2, 5, 7, 9, 11, 12$, and 14 of article 12 of title 38 ;
20	AND
21	(II) Beginning January 1, 2026, parts 4, 8, and $10\mathrm{of}$ article
22	12 of title 38.
23	(3) (a) Notwithstanding any law to the contrary, a
24	CONTRACT BETWEEN A COUNTY AND A PRIVATE ATTORNEY WHO THE
25	COUNTY RETAINS IN RELATION TO A CIVIL ACTION DESCRIBED IN
26	SUBSECTION (1)(m) OF THIS SECTION SHALL SPECIFY AN HOURLY RATE,
27	NOT TO EXCEED FIVE HUNDRED DOLLARS PER HOUR, AT WHICH THE

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1	COUNTY COMPENSATES THE PRIVATE ATTORNEY.
2	(b) A COUNTY MAY USE AN AMOUNT EQUAL TO OR LESS THAN TEN
3	PERCENT OF ANY MONETARY AWARD RECEIVED AS A RESULT OF A CIVIL OR
4	CRIMINAL ACTION COMMENCED PURSUANT TO SUBSECTION (1)(m) OF THIS
5	SECTION TO COVER THE COSTS OF THAT CIVIL ACTION, INCLUDING
6	ATTORNEY FEES.
7	(c) IN COMMENCING A CIVIL ACTION PURSUANT TO SUBSECTION
8	(1)(m) OF THIS SECTION, A COUNTY MAY CONFER WITH ANY HOUSING
9	AUTHORITY CREATED PURSUANT TO TITLE 29 THAT SERVES THE COUNTY
10	IN WHOLE OR IN PART.
11	SECTION 5. In Colorado Revised Statutes, 31-15-401, add (1)(r)
12	and (2) as follows:
13	31-15-401. General police powers. (1) In relation to the general
14	police power, the governing bodies of municipalities have the following
15	powers:
16	$\underline{(r)}$ May independently initiate and bring civil $\underline{}$ actions
17	TO ENFORCE:
18	(I) Parts $1, 2, 5, 7, 9, 11, 12$, and 14 of article 12 of title 38 ;
19	AND
20	(II) Beginning January $1,2026$, parts $4,8$, and 10 of article
21	12 of title 38.
22	(2) (a) Notwithstanding any law to the contrary, a
23	CONTRACT BETWEEN A MUNICIPALITY AND A PRIVATE ATTORNEY WHO THE
24	COUNTY RETAINS IN RELATION TO A CIVIL ACTION DESCRIBED IN
25	SUBSECTION (1)(r) OF THIS SECTION SHALL SPECIFY AN HOURLY RATE, NOT
26	TO EXCEED FIVE HUNDRED DOLLARS PER HOUR, AT WHICH THE
27	MUNICIPALITY COMPENSATES THE PRIVATE ATTORNEY.

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1	(b) A MUNICIPALITY MAY USE AN AMOUNT EQUAL TO OR LESS
2	THAN TEN PERCENT OF ANY MONETARY AWARD RECEIVED AS A RESULT OF
3	A CIVIL ACTION COMMENCED PURSUANT TO SUBSECTION (1)(r) OF THIS
4	SECTION TO COVER THE COSTS OF THAT CIVIL ACTION, INCLUDING
5	ATTORNEY FEES.
6	(c) IN COMMENCING A CIVIL ACTION PURSUANT TO SUBSECTION
7	(1)(r) OF THIS SECTION, A MUNICIPALITY MAY CONFER WITH ANY HOUSING
8	AUTHORITY CREATED PURSUANT TO TITLE 29 THAT SERVES THE
9	MUNICIPALITY IN WHOLE OR IN PART.
10	SECTION <u>6.</u> In Colorado Revised Statutes, add 38-12-513 as
11	follows:
12	38-12-513. Receivership of residential housing. (1) THE
13	PURPOSE OF THIS SECTION IS TO ESTABLISH A RECEIVERSHIP MECHANISM
14	THAT WILL BE AVAILABLE AS A REMEDY FOR VIOLATIONS OF APPLICABLE
15	LAWS AND REGULATIONS BY THE <u>LANDLORD</u> OF MULTIFAMILY
16	RESIDENTIAL PROPERTY. THE DUTIES OF A RECEIVER ARE TO ACHIEVE THE
17	PURPOSES OF THIS PART 5 PURSUANT TO SECTION 38-12-501, TO ENSURE
18	THAT MULTIFAMILY RESIDENTIAL PROPERTY IS FIT FOR HUMAN
19	HABITATION AS REQUIRED BY SECTION 38-12-503 (1), AND TO ENSURE
20	THAT THE MULTIFAMILY RESIDENTIAL PROPERTY COMPLIES WITH ALL
21	COUNTY OR MUNICIPAL PUBLIC HEALTH CODES OR MUNICIPAL ORDINANCES
22	REGULATING PUBLIC HEALTH AND SAFETY THAT APPLY TO MULTIFAMILY
23	RESIDENTIAL PROPERTY.
24	(2) THE FOLLOWING PARTIES MAY APPLY TO THE DISTRICT COURT
25	FOR THE APPOINTMENT OF A RECEIVER TO OPERATE A MULTIFAMILY
26	RESIDENTIAL PROPERTY:
27	(a) THE ATTORNEY GENERAL, WHEN THE ATTORNEY GENERAL HAS

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1	REASONABLE CAUSE TO BELIEVE THAT ANY PERSON, WHETHER IN THIS
2	STATE OR ELSEWHERE, HAS ENGAGED IN OR IS ENGAGING IN A VIOLATION
3	OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 28-12-503 (5), IN
4	CONNECTION WITH THE MULTIFAMILY RESIDENTIAL PROPERTY; $\underline{\text{AND}}$
5	(b) A COUNTY, CITY AND COUNTY, OR MUNICIPALITY, WHEN
6	THE COUNTY, CITY AND COUNTY, OR MUNICIPALITY HAS REASONABLE
7	CAUSE TO BELIEVE THAT ANY PERSON, WHETHER IN THIS STATE OR
8	ELSEWHERE, HAS ENGAGED IN OR IS ENGAGING IN A PATTERN OR PRACTICE
9	OF VIOLATIONS OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION
10	38-12-503 (5), IN CONNECTION WITH THE MULTIFAMILY RESIDENTIAL
11	PROPERTY.
12	(3) (a) A PETITIONER SEEKING THE APPOINTMENT OF A RECEIVER
13	PURSUANT TO THIS SECTION MUST FILE AN APPLICATION WITH THE
14	DISTRICT COURT FOR THE COUNTY OR CITY AND COUNTY WHERE THE
15	MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED.
16	(b) (I) THE DISTRICT COURT SHALL NOT HOLD A HEARING
17	CONCERNING AN APPLICATION FOR THE APPOINTMENT OF A RECEIVER
18	PURSUANT TO THIS SECTION SOONER THAN THREE BUSINESS DAYS AFTER
19	THE FOLLOWING PARTIES HAVE BEEN SERVED WITH NOTICE THEREOF, AS
20	PROVIDED IN THE COLORADO RULES OF CIVIL PROCEDURE:
21	(A) The $\underline{\text{LANDLORD}}$ of the multifamily residential property;
22	(B) ANY LESSEE OR MORTGAGEE OF THE MULTIFAMILY
23	RESIDENTIAL PROPERTY, EXCEPT THAT THE FAILURE TO SERVE ANY SUCH
24	PARTY WHOSE NAME AND ADDRESS ARE NOT AVAILABLE TO THE
25	PETITIONER DOES NOT PRECLUDE THE COURT FROM HOLDING THE HEARING
26	OR INVALIDATING THE PROCEEDING SO LONG AS THE NOTICE IS POSTED AT
27	THE PROPERTY;

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1	(C) THE CITY <u>OR TOWN</u> IN WHICH THE MULTIFAMILY RESIDENTIAL
2	PROPERTY IS LOCATED;
3	(D) THE COUNTY OR CITY AND COUNTY IN WHICH THE
4	MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED;
5	(E) THE ATTORNEY GENERAL'S OFFICE; AND
6	(F) THE DEPARTMENT OF LOCAL AFFAIRS.
7	(II) In providing notice pursuant to subsection (3)(b)(I) of
8	THIS SECTION, A PARTY DOES NOT HAVE TO PROVIDE NOTICE TO ITSELF.
9	(III) A PETITIONER SEEKING THE APPOINTMENT OF A RECEIVER
10	PURSUANT TO THIS SECTION MUST CONSPICUOUSLY POST NOTICE OF THE
11	PETITION ON AND AROUND THE RELEVANT MULTIFAMILY RESIDENTIAL
12	PROPERTY. THIS NOTICE SHALL INCLUDE THE PHONE NUMBER AND EMAIL
13	ADDRESS OF THE PETITIONER. THE PETITIONER IS STRONGLY ENCOURAGED
14	TO POST THE NOTICE IN LANGUAGES OTHER THAN ENGLISH, IF THE
15	PETITIONER IS AWARE THAT THOSE LANGUAGES ARE SPOKEN BY THE
16	PROPERTY'S TENANTS.
17	(c) AN APPLICATION FOR APPOINTMENT OF A RECEIVER PURSUANT
18	to this subsection (3) has precedence and priority over any civil
19	OR CRIMINAL CASE PENDING IN THE DISTRICT COURT WHERE THE
20	APPLICATION IS FILED.
21	(4) (a) The district court's appointment of a receiver
22	PURSUANT TO THIS SECTION SHALL BE IN ACCORDANCE WITH AND
23	GOVERNED BY RULE 66 OF THE COLORADO RULES OF CIVIL PROCEDURE.
24	(b) To appoint a receiver pursuant to this section, the
25	DISTRICT COURT MUST FIND THAT:
26	(I) GROUNDS FOR THE APPOINTMENT OF A RECEIVER EXIST DUE TO
27	A FINDING BY THE DISTRICT COURT, BASED ON A PREPONDERANCE OF THE

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1	EVIDENCE, SUPPORTING THE RELEVANT CLAIMS IN AN APPLICATION
2	SUBMITTED BY A PARTY PURSUANT TO SUBSECTION (2) OF THIS SECTION;
3	AND
4	(II) PROPER NOTICE AS REQUIRED BY SUBSECTION (3) OF THIS
5	SECTION HAS BEEN SERVED.
6	(c) A RECEIVER APPOINTED BY THE DISTRICT COURT PURSUANT TO
7	THIS SECTION MUST BE A PERSON WITH KNOWLEDGE AND EXPERIENCE IN
8	THE OPERATION, MAINTENANCE, AND IMPROVEMENT OF RESIDENTIAL
9	HOUSING. THE RECEIVER MUST BE FINANCIALLY AND LEGALLY
10	INDEPENDENT OF THE MULTIFAMILY RESIDENTIAL PROPERTY'S OWNERSHIP
11	OR MANAGEMENT. THE DISTRICT COURT MAY ALSO REQUIRE THAT THE
12	RECEIVER POST A BOND WITH ADEQUATE SURETIES AS DETERMINED BY THE
13	COURT.
14	(d) IN APPOINTING A RECEIVER PURSUANT TO THIS SECTION, THE
15	DISTRICT COURT MUST HOLD A HEARING, AT WHICH TIME THE PARTIES MAY
16	APPEAR AND BE HEARD.
17	(e) Following the hearing described in subsection $(4)(d)$ of
18	THIS SECTION, IF THE COURT APPOINTS A RECEIVER, THE COURT MUST
19	ENTER AN ORDER OF APPOINTMENT THAT SPECIFIES THE DUTIES AND
20	RESPONSIBILITIES OF THE RECEIVER, WHICH MUST INCLUDE THAT THE
21	RECEIVER:
22	(I) WITHIN THIRTY DAYS OF BEING APPOINTED BY THE DISTRICT
23	COURT, SUBMIT A PLAN TO THE DISTRICT COURT FOR THE REMEDIATION OF
24	ANY VIOLATIONS OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION
25	28-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR
26	A MUNICIPAL ORDINANCE;
27	(II) TAKE THE ACTIONS NECESSARY TO ENSURE THAT THE

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1	MULTIFAMILY RESIDENTIAL PROPERTY IS NO LONGER IN VIOLATION OF THIS
2	PART 5, OTHER THAN A VIOLATION OF SECTION 28-12-503 (5), A COUNTY
3	OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;
4	(III) NO LATER THAN EVERY THIRTY DAYS AFTER BEING
5	APPOINTED BY THE DISTRICT COURT, SUBMIT AN ACCOUNTING AND STATUS
6	REPORT TO THE DISTRICT COURT, WHICH MUST INCLUDE ACTIONS THAT
7	HAVE BEEN COMPLETED AND ACTIONS THAT ARE STILL ONGOING TO
8	ACHIEVE COMPLIANCE WITH THIS PART 5, A COUNTY OR CITY AND COUNTY
9	PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE; AND
10	(IV) AT THE END OF THE RECEIVERSHIP, AS DESCRIBED IN
11	SUBSECTION (8) OF THIS SECTION, SUBMIT A FINAL ACCOUNTING AND
12	STATUS REPORT TO THE COURT, WHICH MUST INCLUDE ACTIONS THAT
13	HAVE BEEN COMPLETED AND ACTIONS THAT ARE STILL ONGOING TO
14	ACHIEVE COMPLIANCE WITH THIS PART 5, A COUNTY OR CITY AND COUNTY
15	PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE.
16	(5) (a) A RECEIVER APPOINTED BY THE DISTRICT COURT PURSUANT
17	TO THIS SECTION HAS THE POWER TO:
18	(I) REMEDIATE ANY VIOLATION BY THE MULTIFAMILY RESIDENTIAL
19	PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION
20	28-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR
21	A MUNICIPAL ORDINANCE;
22	(II) AS NECESSARY TO ACCOMPLISH THE REMEDIATION AND
23	COMPLIANCE DESCRIBED IN SUBSECTION $(5)(a)(I)$ OF THIS SECTION:
24	(A) ENTER INTO NEW CONTRACTS;
25	(B) BORROW MONEY;
26	(C) SECURE FUNDS BY GRANTING LIENS UPON THE MULTIFAMILY
2.7	RESIDENTIAL PROPERTY: AND

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1	(D) RECEIVE RENT FROM TENANTS OF THE MULTIFAMILY
2	RESIDENTIAL PROPERTY; AND
3	(III) EXERCISE ANY OTHER POWERS DEEMED NECESSARY BY THE
4	DISTRICT COURT AND NOT INCONSISTENT WITH RULE 66 OF THE COLORADO
5	RULES OF CIVIL PROCEDURE.
6	(b) THE RECEIVER'S FEES ESTABLISHED IN THE DISTRICT COURT'S
7	ORDER OF APPOINTMENT ENTERED PURSUANT TO SUBSECTION (4)(e) OF
8	THIS SECTION MAY ONLY BE COVERED BY MONEY THAT THE RECEIVER
9	RAISES PURSUANT TO SUBSECTION $(5)(a)(II)(C)$ of this section.
10	(c) IN EXERCISING ITS POWERS PURSUANT TO THIS SUBSECTION (5),
11	A RECEIVER IS NOT REQUIRED TO EMPLOY STANDARD PUBLIC BIDDING
12	PRACTICES AND MAY:
13	(I) CARRY OUT EXECUTORY CONTRACTS;
14	(II) ENTER INTO NEW CONTRACTS;
15	(III) BORROW MONEY;
16	(IV) MORTGAGE OR PLEDGE PROPERTY;
17	(V) SELL ASSETS AT PUBLIC OR PRIVATE SALE;
18	(VI) MAKE AND RECEIVE CONVEYANCES IN THE CORPORATE NAME;
19	(VII) LEASE REAL ESTATE;
20	(VIII) SETTLE OR COMPROMISE CLAIMS;
21	(IX) COMMENCE AND PROSECUTE ALL ACTIONS AND PROCEEDINGS
22	NECESSARY TO ENABLE LIQUIDATION; AND
23	(X) DISTRIBUTE ASSETS EITHER IN CASH OR IN KIND AMONG
24	MEMBERS ACCORDING TO THEIR RESPECTIVE RIGHTS AFTER PAYING OR
25	ADEQUATELY PROVIDING FOR THE PAYMENT OF LIABILITIES.
26	(6) The receiver shall perform duties, assume
27	RESPONSIBILITIES, AND PRESERVE THE MULTIFAMILY RESIDENTIAL

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1	PROPERTY IN ACCORDANCE WITH ESTABLISHED PRINCIPLES OF LAW FOR
2	RECEIVERS OF REAL PROPERTY. IN SO DOING, THE RECEIVER:
3	(a) SHALL PERFORM THEIR DUTIES IN A WAY THAT MINIMIZES, TO
4	THE GREATEST EXTENT POSSIBLE, FURTHER DISRUPTION OF THE
5	MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS;
6	(b) SHALL COMMUNICATE, AT LEAST ONCE A WEEK, IN A MANNER
7	REASONABLY CALCULATED TO BE RECEIVED BY THE MULTIFAMILY
8	RESIDENTIAL PROPERTY'S TENANTS, SUCH AS BY CONSPICUOUSLY POSTING
9	COMMUNICATIONS ON AND AROUND THE PROPERTY OR ON THE PROPERTY'S
10	ONLINE TENANT PORTAL, CONCERNING WHAT MEASURES THE RECEIVER IS
11	TAKING TO BRING THE PROPERTY INTO COMPLIANCE WITH A COUNTY OR
12	CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE
13	AND OTHERWISE BRINGING THE PROPERTY INTO COMPLIANCE WITH THIS
14	<u>PART 5;</u>
15	(c) Shall first apply rents received pursuant to
16	SUBSECTION (5)(a)(II)(D) OF THIS SECTION TOWARD THE PAYMENT OF ANY
17	UTILITIES OR SERVICES FOR THE MULTIFAMILY RESIDENTIAL PROPERTY;
18	(d) AFTER APPLYING RENTS RECEIVED PURSUANT TO SUBSECTION
19	(5)(a)(II)(D) OF THIS SECTION AS DESCRIBED IN SUBSECTION (6)(c) OF THIS
20	SECTION, SHALL APPLY RENTS RECEIVED PURSUANT TO SUBSECTION
21	(5)(a)(II)(D) OF THIS SECTION TOWARD THE COST OF REMEDIATING ANY
22	VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5,
23	OTHER THAN A VIOLATION OF SECTION 28-12-503 (5), A COUNTY OR CITY
24	AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE AND
25	OTHERWISE BRINGING THE PROPERTY INTO COMPLIANCE WITH THIS PART
26	<u>5;</u>
27	(e) SHALL NOT INITIATE A FORCIBLE ENTRY OR DETAINER ACTION

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1	OR PROCEEDING RELATED TO THE NONPAYMENT OF BEFORE THE
2	BEGINNING OF THE RECEIVERSHIP;
3	(f) May initiate a forcible entry or detainer action or
4	PROCEEDING RELATED TO THE NONPAYMENT OF RENT THAT OCCURS
5	DURING THE RECEIVERSHIP; AND
6	(g) SHALL NOT INCREASE RENTS, FEES, OR COSTS CHARGED TO THE
7	THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS BEYOND THE
8	LEVELS OF THE RENTS, FEES, AND COSTS CHARGED WHEN THE COURT
9	APPOINTED THE RECEIVER.
10	(7) NOTHING IN THIS SECTION PREVENTS THE COURT FROM
11	ALTERING OR AMENDING THE TERMS AND CONDITIONS OF THE
12	RECEIVERSHIP OR THE RECEIVER'S RESPONSIBILITIES AND DUTIES
13	FOLLOWING A HEARING, AT WHICH TIME THE PARTIES MAY APPEAR AND BE
14	HEARD, AND NOTHING IN THIS SECTION PROHIBITS THE PARTIES FROM
15	STIPULATING TO THE TERMS AND CONDITIONS OF THE RECEIVERSHIP AND
16	THE RESPONSIBILITIES AND DUTIES OF THE RECEIVER, INCLUDING THE
17	DURATION THEREOF, WHICH STIPULATION MUST BE SUBMITTED TO THE
18	COURT FOR APPROVAL.
19	(8) (a) No sooner than $\underline{\text{ninety}}$ days after the district court
20	HAS APPOINTED A RECEIVER FOR A MULTIFAMILY RESIDENTIAL PROPERTY,
21	ANY OF THE FOLLOWING MAY SUBMIT AN APPLICATION TO THE DISTRICT
22	COURT SEEKING THE TERMINATION OF THE RECEIVERSHIP:
23	(I) The $\underline{\text{LANDLORD}}$ of the multifamily residential property;
24	(II) ANY LESSEE OF THE ENTIRE MULTIFAMILY RESIDENTIAL
25	PROPERTY;
26	(III) THE ATTORNEY GENERAL'S OFFICE;
27	(IV) THE CITY OR TOWN IN WHICH THE MULTIFAMILY RESIDENTIAL

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1	PROPERTY IS LOCATED; AND
2	$\underline{(\mathrm{V})}$ The county or city and county in which the
3	MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED.
4	(b) A DISTRICT COURT MAY ONLY TERMINATE A RECEIVERSHIP IF
5	IT:
6	(I) RECEIVES AN APPLICATION TO TERMINATE THE RECEIVERSHIP
7	PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION;
8	(II) FINDS THAT TERMINATING A RECEIVERSHIP IS IN THE PUBLIC
9	INTEREST AND IN THE BEST INTEREST OF THE MULTIFAMILY RESIDENTIAL
10	PROPERTY'S TENANTS; AND
11	(III) FINDS THAT THE <u>LANDLORD</u> , <u>OPERATOR</u> , <u>OR MANAGER</u> OF THE
12	MULTIFAMILY RESIDENTIAL PROPERTY HAS:
13	(A) DEMONSTRATED THAT IT WILL CARRY OUT, IN THE TIME FRAME
14	MOST RECENTLY APPROVED BY THE COURT PURSUANT TO SUBSECTION (4)
15	OR (7) OF THIS SECTION, ANY REMAINING ACTIONS IDENTIFIED BY THE
16	RECEIVER AS NECESSARY TO ENSURE THAT THE MULTIFAMILY RESIDENTIAL
17	PROPERTY IS NO LONGER IN VIOLATION OF THIS PART 5, OTHER THAN A
18	<u>VIOLATION OF SECTION 28-12-503 (5)</u> , A COUNTY OR CITY AND COUNTY
19	PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;
20	(B) PAID OR DEPOSITED WITH THE DISTRICT COURT ANY MONEY
21	NECESSARY FOR THE RECEIVER TO COMPLETE THEIR DUTIES PURSUANT TO
22	THIS SECTION;
23	(C) AGREED TO ASSUME ALL LEGAL OBLIGATIONS, INCLUDING
24	<u>DEBT OR LIENS</u> , INCURRED BY THE RECEIVER IN CONNECTION WITH THE
25	RECEIVERSHIP OF THE MULTIFAMILY RESIDENTIAL PROPERTY;
26	(D) PAID ANY COSTS INCURRED BY THE RECEIVER IN
27	CONNECTION WITH THE RECEIVERSHIP OF THE MULTIFAMILY RESIDENTIAL

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PROPERTY; AND

2	(E) POSTED A BOND WITH THE DISTRICT COURT IN AN AMOUNT
3	DETERMINED BY THE DISTRICT COURT AND EQUAL TO NOT MORE THAN
4	FIFTY PERCENT OF THE FAIR MARKET VALUE OF THE MULTIFAMILY
5	RESIDENTIAL PROPERTY, WHICH BOND IS FORFEITED IN THE EVENT OF
6	FUTURE VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS
7	PART 5, OTHER THAN A VIOLATION OF SECTION 28-12-503 (5), A COUNTY
8	OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE
9	AND FAILURE TO BRING THE MULTIFAMILY RESIDENTIAL PROPERTY INTO
10	COMPLIANCE WITH THIS PART 5, COUNTY OR CITY AND COUNTY PUBLIC
11	HEALTH CODES, AND MUNICIPAL ORDINANCES, AND WHICH BOND IS
12	RELEASED WHEN THE ACTIONS, OBLIGATIONS, AND INDEBTEDNESS
13	IDENTIFIED IN THIS SUBSECTION $(8)(b)(III)$ ARE COMPLETED OR OTHERWISE
14	SATISFIED.

- (c) NOTWITHSTANDING SUBSECTION (8)(b) OF THIS SECTION, THE DISTRICT COURT MAY TERMINATE THE RECEIVERSHIP UPON A FINDING THAT THE RECEIVER HAS COMPLETED ITS WORK AND THAT ALL VIOLATIONS BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 28-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE HAVE BEEN REMEDIED AND THE MULTIFAMILY RESIDENTIAL PROPERTY HAS BEEN BROUGHT INTO COMPLIANCE WITH THIS PART 5, COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODES, AND MUNICIPAL ORDINANCES.
- (d) Upon a finding that the <u>Landlord</u> of the multifamily RESIDENTIAL PROPERTY HAS NOT COMPLIED WITH ANY OF THE CONDITIONS IDENTIFIED IN SUBSECTION (8)(b)(III) OF THIS SECTION, THE DISTRICT COURT MAY REAPPOINT THE RECEIVER.

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1	(e) AFTER TERMINATING THE RECEIVERSHIP PURSUANT TO THIS
2	SUBSECTION (8), THE DISTRICT COURT:
3	(I) MAY APPOINT THE RECEIVER, OR ANOTHER QUALIFIED ENTITY
4	THAT SATISFIES THE REQUIREMENTS OF A RECEIVER ESTABLISHED IN
5	SUBSECTION (4)(c) OF THIS SECTION, TO MONITOR THE <u>LANDLORD'S</u>
6	OPERATION AND MAINTENANCE OF THE MULTIFAMILY RESIDENTIAL
7	PROPERTY;
8	$(II) \ Shall order a final accounting and finally fix the fees$
9	AND EXPENSES OF THE RECEIVER FOLLOWING A HEARING, AT WHICH TIME
10	THE PARTIES MAY APPEAR AND BE <u>HEARD</u> ; AND
11	(III) SHALL REQUIRE THE RECEIVER TO COMMUNICATE IN A
12	MANNER REASONABLY CALCULATED TO BE AVAILABLE TO THE
13	MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS, SUCH AS BY
14	CONSPICUOUSLY POSTING COMMUNICATIONS ON AND AROUND THE
15	PROPERTY OR ON THE PROPERTY'S ONLINE TENANT PORTAL, THAT THE
16	RECEIVERSHIP HAS BEEN TERMINATED AND THE NAME, PHONE NUMBER,
17	AND EMAIL ADDRESS OF THE OWNER, MANAGER, OR OTHER ENTITY THAT
18	WILL ASSUME THE RESPONSIBILITY OF MAKING THE PROPERTY COMPLIANT
19	WITH THIS PART 5, A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE,
20	OR A MUNICIPAL ORDINANCE.
21	(9) Notwithstanding anything in this section to the
22	CONTRARY:
23	(a) Nothing in this section relieves the <u>landlord</u> of the
24	MULTIFAMILY RESIDENTIAL PROPERTY OF ANY CIVIL OR CRIMINAL
25	LIABILITY OR ANY DUTY IMPOSED BY REASON OF ACTS OR OMISSIONS OF
26	THE <u>LANDLORD</u> , NOR DOES THE DISTRICT COURT'S APPOINTMENT OF A
27	RECEIVER SUSPEND ANY OBLIGATION THE <u>LANDLORD</u> OF THE MULTIFAMILY

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1	RESIDENTIAL PROPERTY OR ANY OTHER PERSON MAY HAVE FOR PAYMENT
2	OF TAXES, ANY OPERATING OR MAINTENANCE EXPENSES, OR MORTGAGES
3	OR LIENS, OR FOR REPAIR OF THE MULTIFAMILY RESIDENTIAL PROPERTY;
4	(b) A RECEIVER APPOINTED BY A DISTRICT COURT PURSUANT TO
5	THIS SECTION IS LIABLE FOR INJURIES TO PERSONS AND PROPERTY TO THE
6	SAME EXTENT AS THE $\underline{LANDLORD}$ OF THE MULTIFAMILY RESIDENTIAL
7	PROPERTY WOULD HAVE BEEN LIABLE; EXCEPT THAT, SUCH LIABILITY IS
8	LIMITED TO THE ASSETS AND INCOME OF THE RECEIVERSHIP, INCLUDING
9	ANY PROCEEDS OF INSURANCE PURCHASED BY THE RECEIVER IN ITS
10	CAPACITY AS RECEIVER;
11	(c) A RECEIVER IS NOT PERSONALLY LIABLE FOR ACTIONS OR
12	INACTIONS WITHIN THE SCOPE OF THE RECEIVER'S CAPACITY AS RECEIVER;
13	(d) Only a suit approved by the district court that
14	APPOINTS THE RECEIVER MAY BE BROUGHT AGAINST THE RECEIVER;
15	(e) Nothing in this section limits the right of tenants to
16	SEEK A REMEDY FOR A VIOLATION OF THIS PART 5, OTHER THAN A
17	VIOLATION OF SECTION 28-12-503 (5), INCLUDING A BREACH OF THE
18	WARRANTY OF HABITABILITY, THAT OCCURRED BEFORE THE APPOINTMENT
19	OF A RECEIVER PURSUANT TO THIS SECTION;
20	(f) Nothing in this section limits the powers of any home
21	RULE MUNICIPALITY TO ENACT ORDINANCES OR OTHERWISE SAFEGUARD
22	THE HEALTH, SAFETY, AND WELFARE OF RESIDENTS OF MULTIFAMILY
23	RESIDENTIAL PROPERTIES; AND
24	(g) Nothing in this section limits the right of tenants to
25	RAISE ANY COUNTERCLAIMS OR DEFENSES IN ANY SUMMARY PROCESS OR
26	OTHER ACTION REGARDING POSSESSION BROUGHT BY A RECEIVER.
27	SECTION 7. Act subject to petition - effective date. This act

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takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the

official declaration of the vote thereon by the governor.

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