

Spencer Fane®

2025-2026 Colorado Landlord-Tenant Updates

In 2025, the Colorado General Assembly enacted significant changes to residential landlord-tenant law. These new measures enhance tenant protections and impose additional duties and prohibitions on landlords. The following provides an overview of the additional legislation now enacted or scheduled to take effect; <u>Victoria Venzor</u> and Robin Nolan recently authored a blog on HB-1090, so it is not discussed here.

HB-1108: Prohibitions in Rental Agreements Due to Death (Effective September 1, 2025)

HB-1108 provides that a rental agreement terminated early due to a tenant's death makes liquidated damages; acceleration of rent, payment, or refund of concessions or move-in discounts; and payment of other fees or damages void and unenforceable.

The bill also provides that a landlord may take possession without filing an eviction proceeding if the deceased tenant's personal representative notifies the landlord of surrender of the premises within 30 days after the tenant's death, rent remains unpaid, or substantially all tenant's property has been removed.

Lastly, a landlord may retain the security deposit to cover costs of repair if the death of the tenant damaged the property.

HB-1168: Housing Protections for Victim-Survivors (Effective August 6, 2025)

This bill provides additional protections for tenants who are victim-survivors of unlawful sexual behavior in the event of a failure to timely pay rent. A victim-survivor does not commit unlawful detainer if (1) unlawful sexual behavior contributed to or resulted in unlawful detention and (2) the unlawful sexual behavior was

documented by one of: a police report; a valid civil, criminal, or emergency protection order or restraining order, a self-attestation affidavit, or a letter signed by a qualified third-party.

New victim-survivor protections include a requirement to offer a tenant repayment plan for late rent, a prohibition on charging any fees, interests, or penalties for failing to comply with the repayment plan, and a prohibition of charging or deducting amounts from the security deposit incurred because of unlawful sexual behavior. In the event the aggressor and the victim-survivor share a lease, only the aggressor may be evicted for a substantial violation of the lease.

HB 1236: Residential Tenant Screening (Effective January 1, 2026)

HB 1236 provides that any prospective tenant seeking to rent with the assistance of a housing subsidy is not required to include a credit history report in a portable tenant screening report, defined in part as a "consumer report prepared at the request of a prospective tenant that includes information provided by a consumer reporting agency."

HB 1236 also repealed C.R.S. §38-12-904(1.5)(b)(II) and no longer allows a landlord to require a tenant to make a screening report available to the landlord through a consumer reporting agency or third-party website.

HB 1240: Protections for Tenants Who Use Housing Subsidies (Effective May 29, 2025)

For all tenants using housing subsidies, HB-1240 provides the following:

- Requires a landlord initiating eviction proceedings for nonpayment of rent to comply with notice requirements set forth in 15 U.S.C. Section 9058(c), which requires a landlord to give at least 30 days for the tenant to vacate.
- Provides that a landlord shall reimburse any difference in rent between the
 reduced fair rental value and any greater amount of rent paid to the landlord
 during the time a breach of the warranty of habitability existed, regardless of
 whether part or all of the rent was paid by the tenant or by a housing subsidy, if a
 tenant proves violation of the warranty of habitability as an affirmative defense

by a preponderance of the evidence.

- Provides that now states unfair housing practices include the landlord failing to
 (1) make reasonable efforts to timely respond to requests for information and
 documentation necessary for a rental assistance application process, or (2)
 cooperate with a tenant who is applying for rental assistance in good faith.
- Provides that a court shall award at least \$5,000 in damages if a plaintiff prevails in an action for a housing discrimination violation for an individual's use of a housing subsidy.
- Lastly, provides that the commission may order a respondent found to have engaged in an unfair housing practice to pay a civil penalty up to \$10,000 for the first offense, no more than \$25,000 for another offense within five years of the date of the filing of the charge, and no more than \$50,000 for two or more offenses within seven years of the filing of the charge.

HB 1249: Tenant Security Deposit Protections (Effective January 1, 2026)

HB 1249 provides for a return of the security deposit within thirty days and prohibits landlords from retaining the deposit to cover costs for any damage or defective condition that preexisted the tenancy. Landlord may retain a reasonable amount of the security deposit to cover the nonpayment of rent, utility charges, other lawful charges listed in the lease, and any necessary repair work from normal wear and tear that did not preexist the lease. Landlord will be liable for damages for wrongful retention of the security deposit.

SB 020: Tenant and Landlord Law Enforcement

This bill gives the Colorado attorney general the power to civilly and criminally prosecute landlords for violations to, and gives Colorado municipalities and counties the power to, enforce Title 38 of the Colorado Revised Statutes.

The bill also establishes a receivership mechanism available as a remedy for violations of applicable laws and regulations by a landlord of a multifamily residential property. The Colorado Attorney General or a county, city and county, or municipality, if the Colorado Attorney General, county, city and county, or municipality has reasonable cause to believe the landlord has engaged in a pattern of neglect in connection with the multifamily residential property, and the received

must communicate at least once a week with tenants, apply rents to utilities and property improvements.

Collectively, these legislative developments substantially effect the landscape of Colorado landlord-tenant law. It is essential for all real estate professionals to review these changes carefully to ensure compliance and to understand their rights and obligations under the evolving legal framework.

This blog post was drafted by <u>Andrew Hua</u>, an attorney in the Spencer Fane Denver office. For more information, visit <u>www.spencerfane.com</u>.

Click <u>here</u> to subscribe to Spencer Fane communications to ensure you receive timely updates like this directly in your inbox.