

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

**REREVISED**

*This Version Includes All Amendments  
Adopted in the Second House*

LLS NO. 26-0553.01 Richard Sweetman x4333

**SENATE BILL 26-054**

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**SENATE SPONSORSHIP**

**Catlin and Snyder, Kipp**

**HOUSE SPONSORSHIP**

**Ricks and Richardson, Joseph**

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**Senate Committees**

Local Government & Housing

**House Committees**

Transportation, Housing & Local Government

HOUSE  
3rd Reading Unamended  
April 2, 2026

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**A BILL FOR AN ACT**

101      **CONCERNING AN EXCEPTION TO THE STATUTORY LIMIT ON THE**  
102                    **AMOUNT THAT A LANDLORD MAY REQUIRE A TENANT TO**  
103                    **PROVIDE AS A SECURITY DEPOSIT IN CASES WHERE THE**  
104                    **LANDLORD AND TENANT HAVE EXECUTED A POST-CLOSING**  
105                    **OCCUPANCY AGREEMENT.**

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HOUSE  
2nd Reading Unamended  
March 31, 2026

**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>.)*

SENATE  
3rd Reading Unamended  
February 19, 2026

Current law prohibits a landlord from requiring a tenant to submit a security deposit in an amount that exceeds 2 monthly rent payments.

SENATE  
Amended 2nd Reading  
February 18, 2026

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.*

The bill creates an exception to this prohibition for cases in which a buyer and a seller of residential real property have executed a post-closing occupancy agreement in connection with the sale. The exception takes effect November 1, 2026.

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

2           **SECTION 1.** In Colorado Revised Statutes, **amend** 38-12-102.5  
3 as follows:

4           **38-12-102.5. Security deposits - maximum amount - exception**  
5 **for post-closing occupancy agreements - rules.**

6           (1) ~~On and after August 7, 2023~~ EXCEPT AS DESCRIBED IN  
7 SUBSECTION (2) OF THIS SECTION, a landlord shall not require a tenant to  
8 submit a security deposit in an amount that exceeds the amount of two  
9 monthly rent payments under the rental agreement.

10           (2) ON AND AFTER JANUARY 1, 2027, SUBSECTION (1) OF THIS  
11 SECTION DOES NOT APPLY IF THE LANDLORD AND TENANT HAVE EXECUTED  
12 A POST-CLOSING OCCUPANCY AGREEMENT PURSUANT TO A PURCHASE  
13 CONTRACT WHEREBY THE LANDLORD PURCHASED THE RESIDENCE FROM  
14 THE TENANT.

15           **SECTION 2. Act subject to petition - effective date.** This act  
16 takes effect at 12:01 a.m. on the day following the expiration of the  
17 ninety-day period after final adjournment of the general assembly (August  
18 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a  
19 referendum petition is filed pursuant to section 1 (3) of article V of the  
20 state constitution against this act or an item, section, or part of this act  
21 within such period, then the act, item, section, or part will not take effect  
22 unless approved by the people at the general election to be held in

- 1 November 2026 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.