

CHAPTER 104

PROPERTY

HOUSE BILL 16-1149

BY REPRESENTATIVE(S) Melton, Fields, Lebsack, Rosenthal, Ryden, Williams, Hullinghorst;
also SENATOR(S) Newell, Carroll, Crowder, Heath, Kefalas, Kerr, Merrifield, Todd.

AN ACT

**CONCERNING A REQUIREMENT THAT THE EXECUTIVE BOARD OF A COMMON INTEREST COMMUNITY
CREATED IN COLORADO BEFORE JULY 1, 1992, COMPLY WITH THE BUDGET REPORTING
PROVISION OF THE "COLORADO COMMON INTEREST OWNERSHIP ACT".**

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

SECTION 1. In Colorado Revised Statutes, 38-33.3-117, **add** (1.8) as follows:

38-33.3-117. Applicability to preexisting common interest communities.

(1.8) EXCEPT AS PROVIDED IN SECTION 38-33.3-119, SECTION 38-33.3-303 (4) (a) (I) APPLIES TO ALL COMMON INTEREST COMMUNITIES CREATED WITHIN THIS STATE BEFORE JULY 1, 1992, WITH RESPECT TO EVENTS AND CIRCUMSTANCES OCCURRING ON OR AFTER JULY 1, 2017.

SECTION 2. In Colorado Revised Statutes, 38-33.3-116, **amend** (1) and (3) as follows:

38-33.3-116. Exception for new small cooperatives and small and limited expense planned communities. (1) If a cooperative created in this state on or after July 1, 1992, but prior to July 1, 1998, contains only units restricted to nonresidential use or contains no more than ten units and is not subject to any development rights, it is subject only to sections 38-33.3-105 to 38-33.3-107, unless the declaration provides that this entire article is applicable. If a planned community created in this state on or after July 1, 1992, but prior to July 1, 1998, contains no more than ten units and is not subject to any development rights or if a planned community provides, in its declaration, that the annual average common expense liability of each unit restricted to residential purposes, exclusive of optional user fees and any insurance premiums paid by the association, may not exceed ~~three~~ FOUR hundred dollars, AS ADJUSTED PURSUANT TO SUBSECTION (3) OF THIS SECTION,

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

it is subject only to sections 38-33.3-105 to 38-33.3-107, unless the declaration provides that this entire article is applicable.

(3) The ~~four-hundred-dollar~~ DOLLAR limitation set forth in ~~subsection~~ SUBSECTIONS (1) AND (2) of this section shall be increased annually on July 1, 1999, and on July 1 of each succeeding year in accordance with any increase in the United States department of labor bureau of labor statistics final consumer price index for the Denver-Boulder consolidated metropolitan statistical area for the preceding calendar year. The limitation shall not be increased if the final consumer price index for the preceding calendar year did not increase and shall not be decreased if the final consumer price index for the preceding calendar year decreased.

SECTION 3. In Colorado Revised Statutes, 38-33.3-303, **amend** (4) (a) as follows:

38-33.3-303. Executive board members and officers - powers and duties - reserve funds - reserve study - audit. (4) (a) (I) Within ninety days after adoption of ~~any~~ A proposed budget for the common interest community, the executive board shall mail, by ~~ordinary~~ first-class mail, or otherwise deliver, ~~INCLUDING POSTING THE PROPOSED BUDGET ON THE ASSOCIATION'S WEBSITE,~~ a summary of the budget to all the unit owners and shall set a date for a meeting of the unit owners to consider the budget. ~~Such~~ THE meeting shall MUST occur within a reasonable time after mailing or other delivery of the summary, or as allowed for in the bylaws. The executive board shall give notice to the unit owners of the meeting as allowed for in the bylaws.

(II) Unless the declaration requires otherwise, the budget proposed by the executive board does not require approval from the unit owners and it will be deemed approved by the unit owners in the absence of a veto at the noticed meeting by a majority of all unit owners, or if permitted in the declaration, a majority of a class of unit owners, or any larger percentage specified in the declaration, whether or not a quorum is present. ~~In the event that~~ If the proposed budget is vetoed, the periodic budget last proposed by the executive board and not vetoed by the unit owners must be continued until a subsequent budget proposed by the executive board is not vetoed by the unit owners.

SECTION 4. Act subject to petition - effective date - applicability. (1) This act takes effect July 1, 2018; 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 the ninety-day period after final adjournment of the general assembly, 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 2016 and, in such case, will take effect on July 1, 2018, or on the date of the official declaration of the vote thereon by the governor, whichever is later.

(2) This act applies to budgets adopted by a common interest community's executive board on or after the applicable effective date of this act.

Approved: April 15, 2016