



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 23-0478	Date:	February 21, 2023
Prime Sponsors:	Rep. Mabrey; Gonzales-Gutierrez Sen. Gonzales	Bill Status:	House Trans. & Local Govt.
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Bill Topic: JUST CAUSE REQUIREMENT EVICTION OF RESIDENTIAL TENANT

Summary of Fiscal Impact:	<input checked="" type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill prohibits landlords from evicting residential tenants unless they have just cause. The bill will increase state workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill creates the "Just Cause Eviction Policy," which applies to all residential premises in the state. Under current law, a tenancy may be terminated by written notice served within limited timeframes, depending on the length of the tenancy. This bill prohibits a landlord from evicting a tenant unless there is just cause. Just cause exists when a tenant:

- fails to pay rent after receiving a written notice of non-payment;
- commits a substantial violation, such as antisocial or criminal acts, endangering other tenants, or acts that are violent or a drug related felony, and so on;
- refuses to allow the landlord to enter the property after the landlord has provided written notice of intent to enter; or
- refuses to sign a new rental agreement.

The bill establishes the conditions for a no-fault eviction to include:

- demolition or conversion of the property to non-residential use;
- substantial repairs or renovations; or
- the landlord or a family member assumes occupancy of the property.

No-fault evictions must give the tenant 120 days to relocate. Landlords must provide relocation assistance in the form of two to three months' rent in the event of a no-fault eviction. Rental agreements may not include a waiver of any provision of the Just Cause Eviction Policy. Tenants may sue landlords who violate this new policy.

State Revenue

The bill may minimally increase state revenue from court filing fees if there is an increase in civil lawsuits against landlords who are not compliant with the provisions of the bill. Court filing fees are subject to TABOR.

State Expenditures

Courts may experience a small, absorbable increase in the number of civil suits as a result of the bill. Additionally, the Department of Law may process more consumer complaints as a result of the bill, which are assumed to be addressed within existing resources. This fiscal note assumes that most landlords will update their practices in order to avoid future litigation.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed, and applies to all eviction proceedings made on or after that date.

State and Local Government Contacts

Judicial

Law

Local Affairs

Regulatory Agencies