

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

ENGROSSED

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

LLS NO. 24-0718.01 Christopher McMichael x4775

SENATE BILL 24-134

SENATE SPONSORSHIP

Smallwood and Exum,

HOUSE SPONSORSHIP

Willford,

Senate Committees
Local Government & Housing

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE OPERATION OF A HOME-BASED BUSINESS IN A**
102 **COMMON INTEREST COMMUNITY.**

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>.)

The bill prohibits a unit owners' association from prohibiting the operation of a home-based business in a common interest community. The operation of a home-based business must still comply with any applicable and reasonable unit owners' association rules or regulations related to architectural control, parking, landscaping, noise, nuisance, and other matters that may impact the operation of a specific home-based

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.

SENATE
Amended 2nd Reading
March 1, 2024

business. The operation of a home-based business must also comply with municipal and county noise and nuisance ordinances or resolutions.

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

2 **SECTION 1.** In Colorado Revised Statutes, 38-33.3-106.5, **add**
3 (1)(1) as follows:

4 **38-33.3-106.5. Prohibitions contrary to public policy -**
5 **patriotic, political, or religious expression - public rights-of-way - fire**
6 **prevention - renewable energy generation devices - affordable**
7 **housing - drought prevention measures - child care - operation of**
8 **businesses - definitions.** (1) Notwithstanding any provision in the
9 declaration, bylaws, or rules and regulations of the association to the
10 contrary, an association shall not prohibit any of the following:

11 (I) THE OPERATION OF A HOME-BASED BUSINESS AT A UNIT BY
12 THE UNIT OWNER OR A RESIDENT OF THE UNIT WITH THE UNIT OWNER'S
13 PERMISSION.

14 (II) THE OPERATION OF A HOME-BASED BUSINESS IN A COMMON
15 INTEREST COMMUNITY MUST COMPLY WITH, AND AN ASSOCIATION MAY
16 ADOPT AND ENFORCE, ANY REASONABLE AND APPLICABLE RULES AND
17 REGULATIONS GOVERNING ARCHITECTURAL CONTROL, PARKING,
18 LANDSCAPING, NOISE, NUISANCE, OR OTHER MATTERS CONCERNING THE
19 OPERATION OF A HOME-BASED BUSINESS.

20 (III) THE OPERATION OF A HOME-BASED BUSINESS IN A COMMON
21 INTEREST COMMUNITY MUST COMPLY WITH ANY REASONABLE AND
22 APPLICABLE NOISE OR NUISANCE ORDINANCES OR RESOLUTIONS OF THE
23 MUNICIPALITY OR COUNTY WHERE THE COMMON INTEREST COMMUNITY IS
24 LOCATED.

25 (IV) AS USED IN THIS SUBSECTION (1)(1), UNLESS THE CONTEXT

1 OTHERWISE REQUIRES, "HOME-BASED BUSINESS" MEANS A BUSINESS FOR
2 WHICH THE MAIN OFFICE IS LOCATED AT, OR THE BUSINESS OPERATIONS
3 PRIMARILY OCCUR AT, A UNIT.

4 **SECTION 2. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly; except
7 that, if a referendum petition is filed pursuant to section 1 (3) of article V
8 of the state constitution against this act or an item, section, or part of this
9 act within such period, then the act, item, section, or part will not take
10 effect unless approved by the people at the general election to be held in
11 November 2024 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.