

House Transportation, Housing & Local Government

03/24/2026

SB26-054 Sec Deposits & Post-Closing Occupancy Agreements

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
JEANY RUSH For themselves	TO: HOUSE HEALTH AND HUMAN SERVICES RESEND 3-24-26 RE: SB26-054 SEC. DEPOSIT/POST CLOSING OCCUP. AGREEMENTS SPONSORS: CATLIN, SNYDER, RICKS, RICHARDSON, C. FROM: JEANY RUSH, COLORADO CONSTITUENT 2-12-26 VOTE: YES This bill does help to empower buyers and sellers to control any agreements they choose to prepare, and agree to regarding a post closing rental agreement. There is entirely too much negative legislation to empower tenants over landlords which will lower landlords, and those willing to engage in the rental markets. While I do believe we need to be sure neither landlords or tenants take advantage of he systems, the landlords have been unfairly targeted, and it will only hurt the state rental markets. This is a good step toward opening up this avenue of private agreements, which is where is needs to reside.
Kris Caldwell For themselves	I am in support of this bill. The way the current law is written, it's really designed for traditional landlord-tenant situations, not for buyers and sellers in a real estate transaction using a post-closing occupancy agreement. What's happening is we're forcing those situations into a structure that doesn't really fit. The buyer isn't trying to be a landlord, and the seller isn't really a tenant in the traditional sense—they're just trying to bridge a short period of time after closing.

	<p>Because of that, the security deposit cap can actually create risk. Buyers don't have enough protection in some cases, especially when they've just purchased the home and are allowing the seller to stay in it. On the other side, it can also make it harder to structure clean agreements that work for both parties.</p> <p>This ends up adding friction to transactions, and in some cases can even impact whether deals come together or not.</p> <p>So I think creating an exception here just makes sense. It aligns the rule with how these agreements are actually being used, and gives both sides the ability to structure something that's fair and practical.</p>
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