

CHAPTER 438

GOVERNMENT - LOCAL

HOUSE BILL 23-1253

BY REPRESENTATIVE(S) Sharbini and Lindsay, Amabile, Bird, Boesenecker, Brown, deGruy Kennedy, English, Froelich, Garcia, Gonzales-Gutierrez, Herod, Jodeh, Joseph, Kipp, Lieder, Mabrey, Michaelson Jenet, Ortiz, Parenti, Ricks, Sirota, Snyder, Story, Titone, Valdez, Velasco, Vigil, Weissman, Willford, Woodrow, Hamrick, McCluskie;
also SENATOR(S) Hinrichsen, Cutter, Gonzales, Jaquez Lewis, Marchman, Moreno, Priola, Sullivan, Winter F.

AN ACT

CONCERNING A TASK FORCE TO STUDY CORPORATE OWNERSHIP OF HOUSING IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **add** 24-32-733 as follows:

24-32-733. Task force on corporate housing ownership - creation - membership - issues of study - additional duties - report - compensation - staff support - definitions - repeal. (1) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "CORPORATION" HAS THE MEANING SET FORTH IN SECTION 7-90-102 (10).

(b) "TASK FORCE" MEANS THE TASK FORCE ON CORPORATE HOUSING OWNERSHIP CREATED IN SUBSECTION (2)(a) OF THIS SECTION.

(2) **Creation - membership.** (a) THE TASK FORCE ON CORPORATE HOUSING OWNERSHIP IS CREATED IN THE STATE DEMOGRAPHY OFFICE IN THE DEPARTMENT OF LOCAL AFFAIRS. THE TASK FORCE CONSISTS OF THE FOLLOWING MEMBERS, APPOINTED AS FOLLOWS:

(I) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL APPOINT:

(A) ONE MEMBER OF THE HOUSE OF REPRESENTATIVES;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(B) ONE MEMBER WHO HAS SIGNIFICANT PROFESSIONAL EXPERIENCE WITH LABOR AND WORKFORCE ISSUES;

(C) ONE MEMBER WHO REPRESENTS A STATEWIDE TRADE ASSOCIATION OF BANKS AND OTHER LENDERS; AND

(D) ONE MEMBER WHO HAS SIGNIFICANT PROFESSIONAL EXPERIENCE AS A COUNTY CLERK AND RECORDER;

(II) THE PRESIDENT OF THE SENATE SHALL APPOINT:

(A) ONE MEMBER OF THE SENATE;

(B) ONE MEMBER WHO HAS SIGNIFICANT PROFESSIONAL EXPERIENCE AS A MORTGAGE BROKER;

(C) ONE MEMBER WHO HAS SIGNIFICANT PROFESSIONAL EXPERIENCE ADVOCATING FOR HOUSING RIGHTS; AND

(D) ONE MEMBER WHO HAS SIGNIFICANT PROFESSIONAL EXPERIENCE AS A COUNTY ASSESSOR;

(III) THE MINORITY LEADER OF THE SENATE SHALL APPOINT TWO MEMBERS, ONE OF WHOM REPRESENTS A STATEWIDE TRADE ASSOCIATION OF BANKS OR OTHER LENDERS AND ONE OF WHOM REPRESENTS A STATEWIDE REAL ESTATE ASSOCIATION; AND

(IV) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS SHALL APPOINT ONE MEMBER WHO REPRESENTS THE DEPARTMENT.

(b) THE APPOINTING AUTHORITIES SHALL MAKE EACH OF THE INITIAL APPOINTMENTS DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION NO LATER THAN THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION.

(c) ANY VACANCY THAT OCCURS AMONG THE APPOINTED MEMBERS OF THE TASK FORCE SHALL BE FILLED BY THE APPROPRIATE APPOINTING AUTHORITY AS SOON AS PRACTICABLE IN ACCORDANCE WITH SUBSECTION (2)(a) OF THIS SECTION.

(d) IN MAKING APPOINTMENTS TO THE TASK FORCE, THE APPOINTING AUTHORITIES SHALL ENSURE THAT THE MEMBERSHIP OF THE TASK FORCE:

(I) REFLECTS THE ETHNIC, CULTURAL, AND GENDER DIVERSITY OF THE STATE;

(II) INCLUDES REPRESENTATION FROM DIFFERENT GEOGRAPHIC REGIONS OF THE STATE, INCLUDING URBAN, RURAL, AND RESORT COMMUNITIES; AND

(III) TO THE EXTENT PRACTICABLE, INCLUDES PERSONS WITH DISABILITIES.

(e) NOT LATER THAN SIXTY DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE SPEAKER OF THE HOUSE OF REPRESENTATIVES SHALL DESIGNATE A MEMBER OF THE TASK FORCE TO SERVE AS THE CHAIR OF THE TASK FORCE.

(3) Issues for study. (a) THE TASK FORCE SHALL:

(I) EXAMINE HOUSING OWNERSHIP BY CORPORATE ENTITIES AND RESIDENTIAL REAL ESTATE TRANSACTIONS BY CORPORATE ENTITIES IN COLORADO SINCE JANUARY 1, 2008, INCLUDING PURCHASES RESULTING FROM FORECLOSURES;

(II) DETERMINE A METHODOLOGY BY WHICH TO EXAMINE THE IMPACTS OF CORPORATE ACQUISITION AND OWNERSHIP OF RESIDENTIAL PROPERTY, WITH A FOCUS ON SINGLE-FAMILY HOMES, CONDOMINIUMS, AND TOWNHOMES;

(III) GATHER AND ANALYZE DATA, REPORTS, AND PUBLIC RECORDS RELATED TO CORPORATE OWNERSHIP OF HOUSING;

(IV) MAKE LEGISLATIVE RECOMMENDATIONS, PURSUANT TO SUBSECTION (4)(d) OF THIS SECTION, TO MITIGATE ANY NEGATIVE IMPACTS RELATED TO CORPORATE OWNERSHIP OF HOUSING THAT ARE IDENTIFIED BY THE TASK FORCE; AND

(V) REPORT, PURSUANT TO SUBSECTION (4)(d) OF THIS SECTION, TO THE SPECIFIED LEGISLATIVE COMMITTEES CERTAIN INFORMATION CONCERNING THE IMPACTS OF CORPORATE OWNERSHIP OF HOUSING.

(b) IN EXAMINING THE IMPACTS OF CORPORATE OWNERSHIP OF HOUSING UNITS, THE TASK FORCE MAY CONSIDER THE EXTENT TO WHICH CORPORATE OWNERSHIP OF HOUSING UNITS CORRELATES WITH:

(I) INCREASED VACANCY RATES;

(II) DECREASED HOUSING AVAILABILITY;

(III) DECREASED HOME-BUYING OPPORTUNITIES FOR FIRST-TIME HOME BUYERS;

(IV) INCREASED DISPLACEMENT;

(V) INCREASED RESIDENTIAL PROPERTY PRICES;

(VI) INCREASED NONRESIDENT OWNERSHIP;

(VII) INCREASED RATES OF FORECLOSURES; AND

(VIII) ANY OTHER FACTORS DEEMED APPROPRIATE BY THE TASK FORCE.

(c) THE TASK FORCE MUST IDENTIFY, TO THE EXTENT PRACTICABLE, TRENDS IN CORPORATE HOMEOWNERSHIP IN RELATION TO:

(I) HOUSING TYPE;

(II) GEOGRAPHY BASED ON ZIP CODES;

(III) PROPERTY VALUES;

(IV) NEIGHBORHOOD CHARACTERISTICS; AND

(V) ANY OTHER FACTORS DEEMED APPROPRIATE BY THE TASK FORCE.

(d) THE TASK FORCE MAY IDENTIFY AND REPORT ON, TO THE EXTENT PRACTICABLE, ANY CORPORATE ENTITIES THAT PURCHASE OR OWN A DISPROPORTIONATE OR OUTSIZED MARKET SHARE OF HOUSING UNITS IN THE STATE.

(4) **Additional duties of the task force.** THE TASK FORCE SHALL:

(a) MEET ON OR BEFORE DECEMBER 1, 2023, AT A TIME AND PLACE TO BE DETERMINED BY THE CHAIR OF THE TASK FORCE;

(b) MEET AT LEAST ONCE EVERY FOUR MONTHS THEREAFTER OR MORE OFTEN AS DIRECTED BY THE CHAIR OF THE TASK FORCE;

(c) COMMUNICATE WITH AND OBTAIN INPUT FROM GROUPS THROUGHOUT THE STATE AFFECTED BY THE ISSUES IDENTIFIED IN SUBSECTION (3) OF THIS SECTION; AND

(d) SUBMIT A REPORT TO THE TRANSPORTATION, HOUSING, AND LOCAL GOVERNMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE LOCAL GOVERNMENT AND HOUSING COMMITTEE OF THE SENATE, OR TO ANY SUCCESSOR COMMITTEES, ON OR BEFORE OCTOBER 1, 2025, THAT, AT A MINIMUM, INCLUDES:

(I) THE INFORMATION DESCRIBED IN SUBSECTION (3) OF THIS SECTION; AND

(II) SUCH OTHER RELEVANT FINDINGS AS THE TASK FORCE ELECTS TO REPORT.

(5) **Compensation.** NONLEGISLATIVE MEMBERS OF THE TASK FORCE SERVE WITHOUT COMPENSATION. LEGISLATIVE MEMBERS ARE COMPENSATED IN ACCORDANCE WITH SECTION 2-2-326.

(6) **Staff support.** THE EXECUTIVE DIRECTOR OF THE DEPARTMENT MAY SUPPLY STAFF ASSISTANCE TO THE TASK FORCE AS THE EXECUTIVE DIRECTOR DEEMS APPROPRIATE, SUBJECT TO AVAILABLE APPROPRIATIONS. THE TASK FORCE MAY ALSO ACCEPT DONATIONS OF IN-KIND SERVICES FOR STAFF SUPPORT FROM THE PRIVATE SECTOR.

(7) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2027.

SECTION 2. Appropriation. (1) For the 2023-24 state fiscal year, \$122,549 is appropriated to the department of local affairs for use by the state demography office. This appropriation is from the general fund and is based on the assumption that the office will require an additional 0.4 FTE. The office may use this appropriation for program costs.

(2) Any money appropriated in subsection (1) of this section not expended prior to July 1, 2024, is further appropriated to the department for the 2024-25 fiscal year for the same purpose.

(3) For the 2023-24 state fiscal year, \$1,416 is appropriated to the legislative department for use by the general assembly. This appropriation is from the general fund. The general assembly may use this appropriation to implement this act. Any

money appropriated in this subsection (3) not expended prior to July 1, 2024, is further appropriated for the 2024-25 fiscal year for the same purpose.

SECTION 3. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; 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 such period, 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 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 7, 2023