

2009 LEGISLATION RELATED TO COLORADO OWNER ASSOCIATIONS

Updated June 1, 2009

Table of Contents

1.	AMENDMENTS TO CCIOA IN 2009	1
	A. HB 09-1359.....	1
	i. Status.....	1
	ii. Summary of the Bill.....	1
	a. New Required Policy on Reserve Studies/Reserve Funding	1
	b. Required Sharing of Information by Board Members	1
	c. Committee Chair Required to Meet Qualifications of Board Members	2
	B. SB 08-249	2
	i. Status.....	2
	ii. Summary of the Bill/Limitations on Certain Covenants Extended to Previously Exempt Communities.....	2
	iii. Application.....	2
	C. HB 09-1220.....	2
	i. Status.....	2
	ii. Summary of the Bill/Affordable Housing Allowed in Certain Ski Counties	2
	iii. Application.....	2
2.	OTHER NEW LAWS ADOPTED IN 2009.....	3
	A. HB 09-1091 – Carbon Monoxide Alarms Required After July 1, 2009.....	3
	i. Status.....	3
	ii. Summary of the Bill/Carbon Monoxide Alarms Required	3
	iii. Installation Locations.....	3
	iv. Application to Condominiums, Townhomes and Attached Homes Used for Rental Purposes.....	3
	v. Responsibility for Maintenance and Backup Power	4
	vi. Liability Limitations for Proper Installations	4

**2009 LEGISLATION RELATED TO COLORADO
OWNER ASSOCIATIONS**

1. AMENDMENTS TO CCIOA IN 2009.

A. HB 09-1359

- i. Status. This bill was approved by the Governor on May 15, 2009.
- ii. Summary of the Bill. The bill does three things:
 - a. New Required Policy on Reserve Studies/Reserve Funding. The bill adds a ninth policy to the list of policies associations are required to have. The bill does not require an association to have a reserve study, and the bill does not require reserve studies to be done on a periodic basis (i.e., once every 3 years).
 - (1) Required Components of New Policy on Reserves. The policy to be adopted must identify and disclose the following:
 - When the association plans to have a reserve study;
 - Whether the study is based on a physical analysis and a financial analysis;
 - Whether there is a funding plan; and
 - Any projected sources of funding.
 - (2) Dates by Which Associations Must Have the New Required Policy.
 - Post CCIOA CIC's. Post-CCIOA communities that are not exempt from CCIOA must adopt their policy by August 5, 2009.
 - Pre-CCIOA CIC's. Associations in pre-CCIOA communities must adopt their policy by July 1, 2010.
 - b. Required Sharing of Information by Board Members. The bill also requires board members to share information with each other. The information required to be shared is “related to the responsibilities and operation of the association obtained by any other member of the board.” This requirement becomes effective August 5, 2009.

- c. Committee Chair Required to Meet Qualifications of Board Members. The bill also requires committee chairs, appointed after August 15, 2009, to meet the same qualifications as are applicable to board members. Some associations have a requirement that board members be owners. Any requirement or qualification to be a board member will apply to committee chairs appointed after August 15, 2009.

B. SB 08-249

- i. Status. This bill was approved by the Governor on May 14, 2009.
- ii. Summary of the Bill/Limitations on Certain Covenants Extended to Previously Exempt Communities. The bill extends the limitations on enforcement of certain covenants [U.S. flags, service star/service flags, political signs, emergency vehicles and parking, cedar shake shingles not being required, energy generating and energy savings devices reasonably allowed and affordable housing allowed (in certain counties)] to:
 - 1. Post-CCIOA small and limited expense communities;
 - 2. Post-CCIOA small cooperatives;
 - 3. Pre-CCIOA small planned communities; and
 - 4. Pre-CCIOA small cooperatives.
- iii. Application. This bill became effective May 14, 2009.

C. HB 09-1220

- i. Status. This bill was approved by the Governor on April 22, 2009.
- ii. Summary of the Bill/Affordable Housing Allowed in Certain Ski Counties. This bill allows for “affordable housing” sales price restrictions and rental rate/restriction, despite restrictions in governing documents. This prohibition on restrictions of affordable housing only applies to counties with a population of less than 100,000 that have a ski area (ski lift) in the county.
- iii. Application. This bill became effective May 14, 2009.

2. OTHER NEW LAWS ADOPTED IN 2009

A. HB 09-1091 – Carbon Monoxide Alarms Required After July 1, 2009.

- i. Status. House Bill 2009-1091 became law on March 24, 2009.
- ii. Summary of the Bill/Carbon Monoxide Alarms Required.
 - a. On and after July 1, 2009, carbon monoxide alarms are required in:
 - Homes for sale;
 - Homes for rent; and
 - Certain remodels of single-family and multi-family residences.
 - Multi-family residences include condominiums and townhomes or other attached homes.

iii. Installation Locations.

Carbon monoxide alarms must be installed within fifteen feet of the entrance to each room legally used for sleeping purposes or in a location specified by any applicable building code.

iv. Application to Condominiums, Townhomes and Attached Homes Used for Rental Purposes.

Generally, condominiums, townhomes and attached homes used for rental purposes are subject to the same carbon monoxide alarm installation requirements as other homes, including installation requirements upon changes in rental occupants and remodels (as defined above) after July 1, 2009.

There is, however, an exception regarding installation location of the carbon monoxide alarms in any multi-family residence used for rental purposes. In such cases, as long as there is a centralized alarm system or other mechanism for a responsible person to hear the alarm at all times, in a multi-family residence used for rental purposes, such multi-family residence may have an operational carbon monoxide alarm installed within twenty-five feet of the fuel-fired heater or appliance, fireplace or garage in a location specified by the applicable building code.

- v. Responsibility for Maintenance and Backup Power.
 - a. This new law requires that alarms have back-up power.
 - b. Owners of rental property must replace any alarm that is stolen, removed, or found not operational after the previous occupancy and ensure that batteries necessary to make the alarm operational are provided to the tenant at the time the tenant takes residence.
 - c. Owners of rental property must also replace any alarm if notified by the tenant that the alarm was stolen, removed, found missing or found not operational, and fix any deficiency of which the owner receives notice.
 - d. Except as provided above, owners of single-family dwellings or units in multi-family dwellings used for rental purposes are not responsible for the maintenance, repair or replacement of an alarm or the care and replacement of batteries for such alarm.
 - e. The tenant of any rental property is required to keep, test and maintain all alarms in good repair and notify the owner, in writing, if the alarm needs to be replaced or if there is any deficiency in the alarm that the tenant cannot correct.

vi. Liability Limitations for Proper Installations.

If a carbon monoxide alarm is installed according to the manufacturer's instructions and the new law, then the owner of the home, their agents, persons in possession and the installer are immune from liability for damages resulting from operation, maintenance or effectiveness of the alarm.