



Legislative Council Staff
Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Table with 2 columns: Field (Drafting Number, Prime Sponsors, Date, Bill Status, Fiscal Analyst) and Value (LLS 24-0087, Rep. Mabrey; Duran, Sen. Gonzales; Hinrichsen, May 14, 2024, Signed into Law, Clayton Mayfield | 303-866-5851, clayton.mayfield@coleg.gov)

Bill Topic: CAUSE REQUIRED FOR EVICTION OF RESIDENTIAL TENANT

Table with 2 columns: Category (Summary of Fiscal Impact) and Options (State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity)

The bill prohibits landlords from evicting tenants without cause. The bill minimally increases state workload and revenue on an ongoing basis starting in FY 2024-25.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The final fiscal note reflects the enacted bill.

Summary of Legislation

The bill establishes a "For Cause" eviction policy in state law that prohibits landlords from evicting tenants from residential properties without cause, subject to certain conditions and requirements specified in the bill. The bill outlines various reasons that a tenant may be evicted for cause, including among other things:

- unlawful occupancy of a property;
• non-payment of rent;
• inhabiting a property beyond the term of a lease;
• substantial, material or repeat violations of the terms of a lease; and
• the sale or transfer of a property under certain conditions.

The bill also allows a landlord to initiate a no-fault eviction in the following situations:

- demolition or conversion of the property;
• substantial repairs or renovations;
• occupancy of the property by a landlord or certain family members of a landlord;
• withdrawal of a property from the rental market for the purpose of selling the property;
• tenant refusal to sign a new lease with reasonable terms; and
• history of nonpayment of rent.

Landlords initiating a no-fault eviction must provide timely notice to tenants. Landlords cannot increase a tenant's rent in retaliation or discrimination in order to circumvent the requirements of this new "For Cause" eviction policy. Rental agreements are prohibited from including any provisions that waives the requirements of the bill. Tenants may sue landlords for violations. A landlord's failure to comply is an affirmative defense for the tenant.

Finally, the bill also adds conforming language to statutes regarding unlawful entry to a property and notice to quit for tenants for landlords and tenants that comply with the above provisions.

State Revenue

The bill may have offsetting impacts on filing fee revenue to the trial courts in the Judicial Department. If there is a reduction in eviction cases filed by landlords, filing fee revenue will decrease. To the extent that there is an increase in civil cases filed by tenants against landlords who violate the provisions of the bill, Judicial Department revenue from filing fees will increase. Revenue from filing fees is subject to TABOR. Overall, it is assumed that any change in revenue will be minimal.

State Expenditures

Similar to the revenue impact above, the bill may have offsetting impacts to workload in the trial courts in the Judicial Department. By limiting the circumstances in which a landlord may initiate an eviction proceeding, the bill potentially decreases these types of filings. Conversely, civil filings may increase from tenants bringing actions against landlords who violate the provisions of the bill. This fiscal note assumes most landlords will comply with the provisions of the bill, and that any net change in workload will be minimal.

Additionally, the Department of Law (DOL) may receive more consumer complaints. Any additional consumer complaints will be addressed within existing resources and no change in appropriations is required.

Effective Date

The bill was signed into law by the Governor and took effect on April 19, 2024.

State and Local Government Contacts

Judicial

Law

Local Affairs

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).