



*Colorado Legislative Council Staff Fiscal Note*  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 12-0369  
**Prime Sponsor(s):** Sen. Aguilar  
 Rep. Wilson

**Date:** February 2, 2012  
**Bill Status:** Senate Judiciary  
**Fiscal Analyst:** Alex Schatz (303-866-4375)

**TITLE:** CONCERNING RESIDENTIAL LANDLORDS AND TENANTS, AND, IN CONNECTION THEREWITH, ENACTING THE "UNIFORM RESIDENTIAL LANDLORD AND TENANT ACT".

<b>Fiscal Impact Summary</b>	<b>FY 2012-2013</b>	<b>FY 2013-2014</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	Minimal savings. See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> August 7, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.		
<b>Appropriation Summary for FY 2012-2013:</b> None required.		
<b>Local Government Impact:</b> Minimal savings. See Local Government Impact section.		

**Summary of Legislation**

The bill creates the Uniform Residential Landlord and Tenant Act (the Act), as recommended by the **Colorado Commission on Uniform State Laws** with modification to some provisions. The Act describes the obligations of both landlords and tenants as it relates to rental property and rental property agreements. It also specifies remedies for noncompliance.

The bill limits the time period for landlord reconciliation of the security deposit to one month following termination, eliminating current law that permits a 60-day reconciliation period if so negotiated in the written rental agreement.

**State Expenditures**

Medical institutions, detention facilities (e.g., jails, prisons) and on-site residences for employees are exempted by the bill. Based on these exemptions, state and local agencies acting in the capacity of a residential landlord are assumed to be exempt.

The bill guides residential rental disputes in both trial courts and appellate courts in Colorado. By establishing procedures (e.g., service on out-of-state landlords) and rules (e.g., effect of an unsigned lease) governing residential lease disputes, the bill removes uncertainty from court cases when lease agreement issues are contested. Based on existing case law, the amount of uncertainty is assumed to be minimal. The bill may result in minimal savings for state courts as statutory provisions replace case law and effectively limit the scope of landlord-tenant litigation.

### **Local Government Impact**

In the City and County of Denver, functions of the county court are funded at the local government level. To the extent that this bill affects the costs or workload of the courts, Denver is the sole jurisdiction in Colorado with a local government impact. As assessed for trial courts statewide, the fiscal note finds that statutory guidance in the bill will result in minimal savings due to the clarification of policies and procedures that apply to residential rental disputes.

### **Departments Contacted**

Judicial  
Labor and Employment  
Human Services  
Local Affairs

Law  
Corrections  
Regulatory Agencies  
Public Safety

Personnel  
Property Tax  
Higher Education