Colorado Legislative Council Staff $m{F}$ iscal $m{N}$ ote $m{STATE}$

FISCAL IMPACT

Drafting Number: LLS 13-0772 **Date:** February 20, 2013

Prime Sponsor(s): Sen. Carroll Bill Status: Senate Local Government

Rep. Fields Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING WATER CONSERVATION MEASURES IN COMMON INTEREST

COMMUNITIES.

| Fiscal Impact Summary | FY 2013-2014 | FY 2014-2015 |
|---|--------------|--------------|
| State Revenue | | |
| State Expenditures | | |
| FTE Position Change | | |
| Effective Date: Upon signature of the Governor, or upon becoming law without his signature. | | |
| Appropriation Summary for FY 2013-2014: None required | | |
| Local Government Impact: None. | | |

Summary of Legislation

Under current law, a restrictive covenant of common interest communities (i.e., home owner or condominium owner associations (HOA)) may not prohibit xeriscaping or drought-tolerant landscaping, as such provisions are deemed unenforceable. This bill further specifies that such prohibitions may not occur in declarations, bylaws, rules, or regulations of any restrictive covenant.

The bill adds a definition of "xeriscape" and prohibits an HOA from prohibiting a unit owner from using xeriscape or other drought-tolerant landscaping; however, the association may adopt guidelines or rules that regulate the type, number, and placement of drought tolerant plants. Finally, this bill prohibits an HOA from requiring that a unit owner water landscaping in violation of municipal watering restrictions.

State Expenditures

If a common interest community fails to comply with this amended law, tenants or unit owners may seek civil remedies through the courts. Since the issues of water conservation, water restriction, and xeriscaping are commonplace in Colorado, the courts can expect to see a few cases regarding enforcement of this statutory change. However, the number of cases is expected to be minimal and can be absorbed within existing resources.

Departments Contacted

Energy Office Judicial Local Affairs Regulatory Agencies