

**First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 23-0699.02 Ed DeCecco x4216

HOUSE BILL 23-1287

HOUSE SPONSORSHIP

McCluskie and Lukens,

SENATE SPONSORSHIP

Roberts and Will,

House Committees

Transportation, Housing & Local Government

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A COUNTY'S REGULATORY AUTHORITY RELATED TO**
102 **SHORT-TERM RENTALS OF LODGING UNITS.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

A board of county commissioners is currently authorized to license and regulate an owner or owner's agent of a lodging unit that is rented or advertised for short-term stays, and "owner's agent" expressly excludes an internet hospitality service.

The bill modifies this regulatory authority by clarifying that it applies to lodging units that are available for short-term rentals, which are

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
Amended 2nd Reading
April 14, 2023

rentals for less than 30 days, and by excluding a hotel unit from the scope of the authority.

The bill also changes "internet hospitality service" to "vacation rental service" (service), defines the term, and provides separate authority for a board of county commissioners to regulate a service. This authority, however, is limited to requiring:

- An owner or owner's agent to include a rental license or permit number, if applicable, in any listing for a lodging unit on the service's website or other digital platform; and
- The service to remove a listing from the service's website or other digital platform, if properly notified by a county that the owner of the listed lodging unit has had a local short-term rental license or permit suspended or revoked or has been issued a notice of violation or similar legal process for not possessing a valid local short-term rental license or permit or that the county has a prohibition on short-term rentals that applies to the lodging unit. The service has 7 days from receiving the county notification to remove the listing.

To facilitate a service's ability to comply with a county ordinance, a county, upon request of the owner of a hotel unit or a vacation rental service on which the hotel unit is listed, is required to provide written verification that the hotel unit is exempt from the ordinance because it is not a lodging unit.

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

2 **SECTION 1.** In Colorado Revised Statutes, 30-15-401, **amend**
3 (1)(s)(I); and **add** (1)(s)(III), (1)(s)(IV), (1)(s)(V), and (1)(s.5) as follows:

4 **30-15-401. General regulations - definitions.** (1) In addition to
5 those powers granted by sections 30-11-101 and 30-11-107 and by parts
6 1, 2, and 3 of this article 15, the board of county commissioners may
7 adopt ordinances for control or licensing of those matters of purely local
8 concern that are described in the following enumerated powers:

9 (s) (I) To license and regulate an owner or owner's agent who
10 rents or advertises the owner's lodging unit for a short-term ~~stay~~ RENTAL,
11 and to fix the fees, terms, and manner for issuing and revoking licenses

1 issued therefor. As used in this subsection (1)(s)(I), "owner's agent" does
2 not include ~~an internet hospitality service~~ A VACATION RENTAL SERVICE,
3 EXCEPT AS SET FORTH IN SUBSECTION (1)(s)(IV) OF THIS SECTION.

4 (III) TO REGULATE A VACATION RENTAL SERVICE; EXCEPT THAT
5 THIS AUTHORITY IS LIMITED TO:

6 (A) REQUIRING A VACATION RENTAL SERVICE THAT DISPLAYS A
7 SHORT-TERM RENTAL LISTING FOR A LODGING UNIT LOCATED IN THE
8 COUNTY TO REQUIRE THE LODGING UNIT OWNER OR OWNER'S AGENT TO
9 INCLUDE A LOCAL SHORT-TERM RENTAL LICENSE OR PERMIT NUMBER, IF
10 APPLICABLE, IN ANY LISTING FOR THE SHORT-TERM RENTAL ON THE
11 VACATION RENTAL SERVICE'S WEBSITE OR OTHER DIGITAL PLATFORM; AND

12 (B) REQUIRING A VACATION RENTAL SERVICE TO REMOVE A
13 LISTING FOR A SHORT-TERM RENTAL FROM THE VACATION RENTAL
14 SERVICE'S WEBSITE OR OTHER DIGITAL PLATFORM AFTER NOTIFICATION BY
15 THE COUNTY THAT THE OWNER OF THE LISTED LODGING UNIT HAS HAD THE
16 OWNER'S LOCAL SHORT-TERM RENTAL LICENSE OR PERMIT SUSPENDED OR
17 REVOKED OR HAS BEEN ISSUED A NOTICE OF VIOLATION OR SIMILAR LEGAL
18 PROCESS FOR NOT POSSESSING A VALID LOCAL SHORT-TERM RENTAL
19 LICENSE OR PERMIT OR THAT THE COUNTY HAS A PROHIBITION ON
20 SHORT-TERM RENTALS THAT APPLIES TO THE LODGING UNIT. THE
21 NOTIFICATION MUST IDENTIFY THE LISTING'S UNIFORM RESOURCE LOCATOR
22 (URL) OR OTHER SPECIFIED DIGITAL LOCATION TO BE REMOVED AND
23 STATE THE REASON FOR THE REMOVAL. THE VACATION RENTAL SERVICE
24 SHALL REMOVE THE LISTING FROM THE WEBSITE OR OTHER DIGITAL
25 PLATFORM WITHIN SEVEN DAYS OF RECEIVING THE NOTIFICATION FROM
26 THE COUNTY.

27 (IV) IF A VACATION RENTAL SERVICE PROVIDES ADDITIONAL

1 SERVICES FOR THE OWNER THAT ARE RELATED TO THE OWNER'S LODGING
2 UNIT BUT UNRELATED TO PROVIDING A MEANS OF OFFERING THE LODGING
3 UNIT FOR SHORT-TERM RENTALS THROUGH THE PERSON'S WEBSITE OR
4 OTHER DIGITAL PLATFORM, THEN THE BOARD OF COUNTY COMMISSIONERS
5 MAY LICENSE OR REGULATE THE VACATION RENTAL SERVICE AS AN
6 OWNER'S AGENT UNDER SUBSECTION (1)(s)(I) OF THIS SECTION WITH
7 RESPECT TO THOSE ADDITIONAL SERVICES.

8 (V) TO FACILITATE A VACATION RENTAL SERVICE'S ABILITY TO
9 COMPLY WITH AN ORDINANCE ADOPTED BY A COUNTY UNDER THE
10 AUTHORITY CONFERRED BY SUBSECTION (1)(s)(III) OF THIS SECTION, A
11 COUNTY, UPON REQUEST OF THE OWNER OF A HOTEL UNIT THAT IS
12 LOCATED IN A BUILDING WITH ONE OR MORE LODGING UNITS OR A
13 VACATION RENTAL SERVICE ON WHICH A HOTEL UNIT THAT IS LOCATED IN
14 A BUILDING WITH ONE OR MORE LODGING UNITS IS LISTED, SHALL PROVIDE
15 WRITTEN VERIFICATION THAT THE HOTEL UNIT IS EXEMPT FROM THE
16 ORDINANCE BECAUSE IT IS NOT A LODGING UNIT. MULTIPLE HOTEL UNITS
17 MAY BE INCLUDED IN ONE REQUEST. THE WRITTEN VERIFICATION
18 PROVIDED MAY INCLUDE AN EXEMPTION NUMBER OR OTHER TYPE OF
19 IDENTIFIER FOR THE HOTEL UNIT AND A SINGLE EXEMPTION NUMBER OR
20 OTHER TYPE OF IDENTIFIER MAY BE USED FOR MULTIPLE HOTEL UNITS.

21 (s.5) AS USED IN SUBSECTION (1)(s) OF THIS SECTION, UNLESS THE
22 CONTEXT OTHERWISE REQUIRES:

23 (I) "HOTEL UNIT" MEANS A PORTION OF A STRUCTURE THAT IS:

24 (A) USED BY A BUSINESS ESTABLISHMENT TO PROVIDE
25 COMMERCIAL LODGING TO THE GENERAL PUBLIC FOR PREDOMINANTLY
26 OVERNIGHT OR WEEKLY STAYS;

27 (B) CLASSIFIED AS A HOTEL OR MOTEL FOR PURPOSES OF PROPERTY

1 TAXATION;

2 (C) NOT A UNIT, AS DEFINED IN SECTION 38-33.3-103 (30), IN A
3 CONDOMINIUM; AND

4 (D) ZONED OR OTHERWISE PERMITTED BY THE LOCAL
5 JURISDICTION FOR THE USE SPECIFIED IN SUBSECTION (1)(s.5)(I)(A) OF THIS
6 SECTION.

7 (II) "LODGING UNIT" MEANS ANY PROPERTY OR PORTION OF A
8 PROPERTY THAT IS AVAILABLE FOR LODGING; EXCEPT THAT THE TERM
9 EXCLUDES A HOTEL UNIT.

10 (III) "SHORT-TERM RENTAL" MEANS THE RENTAL OF A LODGING
11 UNIT FOR LESS THAN THIRTY DAYS.

12 (IV) "VACATION RENTAL SERVICE" MEANS A PERSON THAT
13 OPERATES A WEBSITE OR ANY OTHER DIGITAL PLATFORM THAT PROVIDES
14 A MEANS THROUGH WHICH AN OWNER OR OWNER'S AGENT MAY OFFER A
15 LODGING UNIT, OR PORTION THEREOF, FOR SHORT-TERM RENTALS, AND
16 FROM WHICH THE PERSON FINANCIALLY BENEFITS.

17 **SECTION 2. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly; except
20 that, if a referendum petition is filed pursuant to section 1 (3) of article V
21 of the state constitution against this act or an item, section, or part of this
22 act within such period, then the act, item, section, or part will not take
23 effect unless approved by the people at the general election to be held in
24 November 2024 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor.