First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 23-0898.01 Jery Payne x2157

SENATE BILL 23-206

SENATE SPONSORSHIP

Winter F.,

HOUSE SPONSORSHIP

Michaelson Jenet and Sirota,

Senate Committees
Local Government & Housing

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House Committees

A BILL FOR AN ACT

CONCERNING INFORMATION ABOUT RADON IN RESIDENTIAL REAL PROPERTY TRANSACTIONS.

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.)

The bill requires the seller of residential real estate and a landlord of residential real estate to provide to prospective buyers and tenants in writing:

- A warning statement about the dangers of radon and the need for testing;
- Any knowledge the seller or landlord has of the residential

real property's radon concentrations and history, including tests performed, reports written, and mitigation conducted; and

• A copy of the most recent brochure published by the department of public health and environment that provides advice about radon in real estate transactions.

If a seller fails to provide the written disclosures, the buyer has a claim for relief against the seller for damages to the buyer resulting from the failure plus court costs. If a landlord fails to provide the written disclosures or fails to mitigate an elevated radon level, the tenant may void the lease without penalty.

A real estate broker must take reasonable steps to ensure the real estate broker's clients comply with the bill.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 **SECTION 1. Legislative declaration.** (1) The general assembly 3 finds and declares that: 4 (a) Radon is an odorless, colorless, tasteless, and radioactive gas 5 that occurs naturally in soil and groundwater, enters buildings through 6 openings in foundations, and, unless vented to the atmosphere, 7 accumulates in buildings; 8 (b) Radon is recognized by the United States surgeon general and 9 the World Health Organization as a carcinogenic toxin; 10 (c) Radon is the leading cause of lung cancer in nonsmokers and 11 the second leading cause of all lung cancer in the United States; 12 (d) Prolonged exposure to radon threatens the health of Colorado 13 residents and families and is associated with increases in the risk of lung 14 cancer; 15 (e) Radon exposure is responsible for the deaths of approximately 16 five hundred Coloradans each year and for twenty-one thousand lung

(f) Elevated radon levels have been detected in every Colorado

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cancer deaths nationwide:

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1	county;
2	(g) A home in Colorado may have elevated levels of radon even
3	if other homes in that neighborhood do not;
4	(h) Radon levels may change over time, and the United States
5	environmental protection agency recommends that homes should be
6	tested every two years;
7	(i) Nearly half of all homes tested in Colorado return results at or
8	above the United States environmental protection agency's recommended
9	action level of four picocuries per liter (pCi/L);
10	(j) Testing for radon is simple and inexpensive, and identified
11	radon problems can be readily mitigated;
12	(k) Colorado recently began licensing and regulating radon
13	measurement and radon mitigation professionals to help ensure the public
14	has reliable access to qualified providers offering high-quality testing and
15	mitigation services that help improve public health; and
16	(l) Financial assistance for radon testing and mitigation services
17	is available to help address health disparities and access for low-income
18	individuals and families in disproportionately impacted communities
19	through the Colorado department of public health and environment's
20	radon mitigation assistance program for low-income individuals.
21	(2) The general assembly further declares that there is a need to
22	protect human health, prevent exposure to elevated concentrations of
23	radon, and avoid higher rates of mortality from lung cancer by requiring
24	disclosures to increase awareness in residential real estate transactions
25	about the presence of and risks from radon exposure.
26	SECTION 2. In Colorado Revised Statutes, add 38-35.7-111 as
27	follows:

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1	38-35.7-111. Disclosure - elevated radon - definition. (1) A
2	BUYER OF RESIDENTIAL REAL PROPERTY HAS THE RIGHT TO BE INFORMED
3	OF WHETHER THE PROPERTY HAS BEEN TESTED FOR ELEVATED LEVELS OF
4	RADON.
5	(2) (a) Before signing a contract for the transfer of
6	RESIDENTIAL REAL PROPERTY, THE SELLER SHALL DISCLOSE AND PROVIDE
7	IN WRITING TO THE BUYER THE FOLLOWING INFORMATION IN A DOCUMENT
8	THAT THE BUYER SIGNS TO ACKNOWLEDGE RECEIPT OF THE DISCLOSURE
9	(I) A WARNING STATEMENT IN BOLD-FACED TYPE THAT IS CLEARLY
10	LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED AS FOLLOWS
11	THE COLORADO DEPARTMENT OF PUBLIC
12	HEALTH AND ENVIRONMENT STRONGLY RECOMMENDS
13	THAT ALL HOME BUYERS HAVE AN INDOOR RADON TEST
14	PERFORMED BEFORE PURCHASING RESIDENTIAL REAL
15	PROPERTY AND RECOMMENDS HAVING THE RADON
16	LEVELS MITIGATED IF ELEVATED RADON
17	CONCENTRATIONS ARE FOUND. ELEVATED RADON
18	CONCENTRATIONS CAN BE REDUCED BY A RADON
19	MITIGATION PROFESSIONAL.
20	RESIDENTIAL REAL PROPERTY MAY PRESENT
21	EXPOSURE TO DANGEROUS LEVELS OF INDOOR RADON
22	GAS THAT MAY PLACE THE OCCUPANTS AT RISK OF
23	DEVELOPING RADON-INDUCED LUNG CANCER. RADON, A
24	CLASS A HUMAN CARCINOGEN, IS THE LEADING CAUSE OF
25	LUNG CANCER IN NONSMOKERS AND THE SECOND
26	LEADING CAUSE OF LUNG CANCER OVERALL. THE SELLER
27	OF RESIDENTIAL REAL PROPERTY IS REQUIRED TO

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1	PROVIDE THE BUYER WITH ANY KNOWN INFORMATION ON
2	RADON TEST RESULTS OF THE RESIDENTIAL REAL
3	PROPERTY.
4	(II) ANY KNOWLEDGE THE SELLER HAS OF THE RESIDENTIAL REAL
5	PROPERTY'S RADON CONCENTRATIONS, INCLUDING THE FOLLOWING
6	INFORMATION:
7	(A) WHETHER A RADON TEST OR TESTS HAVE BEEN CONDUCTED ON
8	THE RESIDENTIAL REAL PROPERTY;
9	(B) THE MOST RECENT RECORDS AND REPORTS PERTAINING TO
10	RADON CONCENTRATIONS WITHIN THE RESIDENTIAL REAL PROPERTY;
11	(C) A DESCRIPTION OF ANY RADON CONCENTRATIONS DETECTED
12	OR MITIGATION OR REMEDIATION PERFORMED; AND
13	(D) Information regarding any radon mitigation system,
14	INCLUDING A SYSTEM DESCRIPTION AND DOCUMENTATION, IF A RADON
15	MITIGATION SYSTEM HAS BEEN INSTALLED IN THE RESIDENTIAL REAL
16	PROPERTY; AND
17	(III) A COPY OF THE MOST RECENT BROCHURE PUBLISHED BY THE
18	DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT IN ACCORDANCE
19	WITH SECTION 25-11-114 (2)(a) THAT PROVIDES ADVICE ABOUT RADON IN
20	REAL ESTATE TRANSACTIONS.
21	(b) The buyer shall acknowledge receipt of the
22	INFORMATION DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION BY
23	SIGNING THE DISCLOSURE.
24	(3) IF THE SELLER FAILS TO PROVIDE THE WRITTEN DISCLOSURES
25	DESCRIBED IN SUBSECTION (2) OF THIS SECTION, THE BUYER HAS A CLAIM
26	FOR RELIEF AGAINST THE SELLER FOR DAMAGES TO THE BUYER RESULTING
27	FROM THE FAILURE PLUS COURT COSTS.

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1	(4) As used in this section, "residential real property"
2	INCLUDES:
3	(a) A SINGLE-FAMILY HOME, MANUFACTURED HOME, MOBILE
4	HOME, CONDOMINIUM, APARTMENT, TOWNHOME, OR DUPLEX; OR
5	(b) A HOME SOLD BY THE OWNER, A FINANCIAL INSTITUTION, OR
6	THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
7	DEVELOPMENT.
8	SECTION 3. In Colorado Revised Statutes, add 38-12-803 as
9	follows:
10	38-12-803. Disclosure - elevated radon - definition. (1) A
11	TENANT THAT RENTS RESIDENTIAL REAL PROPERTY HAS THE RIGHT TO BE
12	INFORMED OF WHETHER THE PROPERTY HAS BEEN TESTED FOR ELEVATED
13	LEVELS OF RADON.
14	(2) (a) Before signing a lease agreement for residential
15	REAL PROPERTY, THE LANDLORD SHALL DISCLOSE AND PROVIDE IN
16	WRITING TO THE TENANT THE FOLLOWING INFORMATION IN A DOCUMENT
17	THAT THE TENANT SIGNS TO ACKNOWLEDGE RECEIPT OF THE DISCLOSURE:
18	(I) A WARNING STATEMENT IN BOLD-FACED TYPE THAT IS CLEARLY
19	LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED AS FOLLOWS:
20	THE COLORADO DEPARTMENT OF PUBLIC
21	HEALTH AND ENVIRONMENT STRONGLY RECOMMENDS
22	THAT ALL TENANTS HAVE AN INDOOR RADON TEST
23	PERFORMED BEFORE LEASING RESIDENTIAL REAL
24	PROPERTY AND RECOMMENDS HAVING THE RADON
25	LEVELS MITIGATED IF ELEVATED RADON
26	CONCENTRATIONS ARE FOUND. ELEVATED RADON
27	CONCENTRATIONS CAN BE REDUCED BY A RADON

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1	MITIGATION PROFESSIONAL.
2	RESIDENTIAL REAL PROPERTY MAY PRESENT
3	EXPOSURE TO DANGEROUS LEVELS OF INDOOR RADON
4	GAS THAT MAY PLACE THE OCCUPANTS AT RISK OF
5	DEVELOPING RADON-INDUCED LUNG CANCER. RADON, A
6	CLASS A HUMAN CARCINOGEN, IS THE LEADING CAUSE OF
7	LUNG CANCER IN NONSMOKERS AND THE SECOND
8	LEADING CAUSE OF LUNG CANCER OVERALL. A
9	LANDLORD IS REQUIRED TO PROVIDE THE TENANT WITH
10	ANY KNOWN INFORMATION ON RADON TEST RESULTS OF
11	THE RESIDENTIAL REAL PROPERTY.
12	(II) ANY KNOWLEDGE THE LANDLORD HAS OF THE RESIDENTIAL
13	REAL PROPERTY'S RADON CONCENTRATIONS, INCLUDING THE FOLLOWING
14	INFORMATION:
15	(A) WHETHER A RADON TEST OR TESTS HAVE BEEN CONDUCTED ON
16	THE RESIDENTIAL REAL PROPERTY;
17	(B) THE MOST CURRENT RECORDS AND REPORTS PERTAINING TO
18	RADON CONCENTRATIONS WITHIN THE RESIDENTIAL REAL PROPERTY;
19	(C) A DESCRIPTION OF ANY RADON CONCENTRATIONS DETECTED
20	OR MITIGATION OR REMEDIATION PERFORMED; AND
21	(D) Information regarding any radon mitigation system,
22	INCLUDING A SYSTEM DESCRIPTION AND DOCUMENTATION, IF A RADON
23	MITIGATION SYSTEM HAS BEEN INSTALLED IN THE RESIDENTIAL REAL
24	PROPERTY; AND
25	(III) A COPY OF THE MOST RECENT BROCHURE PUBLISHED BY THE
26	DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT IN ACCORDANCE
27	WITH SECTION $25_{-}11_{-}114(2)(2)$ THAT DROWINGS ADVICE ABOUT DADON IN

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- 2 (b) THE TENANT SHALL ACKNOWLEDGE RECEIPT OF THE 3 INFORMATION DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION BY SIGNING THE DISCLOSURE.
- 5 (3) (a) A TENANT MAY VOID A LEASE AGREEMENT AND VACATE

 THE PREMISES IF THE LANDLORD FAILS TO:
- 7 (I) PROVIDE THE WRITTEN DISCLOSURES DESCRIBED IN SUBSECTION 8 (2) OF THIS SECTION; OR
 - (II) MAKE A REASONABLE EFFORT TO MITIGATE RADON WITHIN ONE HUNDRED EIGHTY DAYS AFTER BEING NOTIFIED THAT A RADON MEASUREMENT PROFESSIONAL HAS DETERMINED THE AIR CONCENTRATION OF RADON IS FOUR PICOCURIES PER LITER OR MORE.
 - (b) When the tenant vacates the premises in accordance with this subsection (3), all future rights and obligations between the landlord and tenant under the lease agreement terminate, and the tenant may demand the immediate return of all or any portion of the security deposit held by the landlord to which the tenant is entitled. Within seventy-two hours after the tenant vacates the premises, the landlord shall deliver to the tenant all of, or the appropriate portion of, the security deposit plus any rent rebate owed to the tenant for the paid time on the lease after the tenant vacated. The tenant shall provide the landlord with a correct forwarding address. The landlord shall not retain any part of the security deposit to cover normal wear and tear. If actual cause exists for retaining any portion of the security deposit, the landlord shall provide the tenant with a written statement listing the exact reasons for

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1	THE RETENTION OF ANY PORTION OF THE SECURITY DEPOSIT.
2	(4) AS USED IN THIS SECTION, "RESIDENTIAL REAL PROPERTY"
3	INCLUDES:
4	(a) A SINGLE-FAMILY HOME, MANUFACTURED HOME, MOBILE
5	HOME, CONDOMINIUM, APARTMENT, TOWNHOME, OR DUPLEX; OR
6	(b) A HOME SOLD BY THE OWNER, A FINANCIAL INSTITUTION, OR
7	THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN
8	DEVELOPMENT.
9	SECTION 4. In Colorado Revised Statutes, add 12-10-221.5 as
10	follows:
11	12-10-221.5. Radon disclosure - rules. (1) A REAL ESTATE
12	BROKER SHALL TAKE REASONABLE ACTIONS TO ENSURE THAT:
13	(a) A REAL ESTATE SELLER THAT IS THE REAL ESTATE BROKER'S
14	CLIENT FOR THE TRANSACTION COMPLIES WITH SECTION 38-35.7-111 WITH
15	RESPECT TO RESIDENTIAL REAL PROPERTY BEING SOLD; AND
16	(b) A LANDLORD, WHO IS THE REAL ESTATE BROKER'S CLIENT FOR
17	THE TRANSACTION, COMPLIES WITH SECTION 38-12-803 WITH RESPECT TO
18	RESIDENTIAL REAL PROPERTY BEING LEASED.
19	(2) THE COMMISSION MAY PROMULGATE RULES TO IMPLEMENT
20	THIS SECTION.
21	SECTION 5. Act subject to petition - effective date -
22	applicability. (1) This act takes effect at 12:01 a.m. on the day following
23	the expiration of the ninety-day period after final adjournment of the
24	general assembly; except that, if a referendum petition is filed pursuant
25	to section 1 (3) of article V of the state constitution against this act or an
26	item, section, or part of this act within such period, then the act, item,
27	section, or part will not take effect unless approved by the people at the

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- general election to be held in November 2024 and, in such case, will take
- 2 effect on the date of the official declaration of the vote thereon by the
- 3 governor.
- 4 (2) This act applies to contracts and lease agreements entered into
- 5 on or after the applicable effective date of this act.

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