

<u>2021 Legislative Update: House Bills 21-1310 & 21-1229</u>

Two new House Bills which directly impact HOAs were signed into law on July 2, 2021. HB 21-1310 impacts an HOA's ability to restrict an owner's right to display flags or signs on the Owner's property. HB 21-1229 addresses several topics, such as allowing an owner to use nonvegetative turf grass in backyards, clarification of what a "significant increase in cost" or "significant decrease in efficiency" means for renewable energy generation devices, and changes to an HOA's records requirements. These changes will take effect on September 2021 unless referred to the people for a vote.

HB 21-1310: Limitation on Restrictions for Flags and Signs

HB 21-1310 is an amendment to CCIOA § 38-33.3-106.5(1)(a-c). The legislature has expanded an Owner's right to display flags and signs on the Owner's property. Pursuant to the new law, **HOAs may not prohibit signs and flags to be displayed on an Owner's Property on the basis of the flag's or sign's subject matter, message, or content**, EXCEPT that the HOA can prohibit flags or signs with a commercial message. HOAs are still authorized to restrict the number, placement/location, and size of such flags and signs.

HB 21-1229: Required allowance of Nonvegetative Turf Grass in the Backyard

The first part of HB 21-1229 specifies that an HOA <u>cannot</u> prohibit an Owner from installing nonvegetative turf grass (artificial turf) in the backyard of a residential property. The Board can still adopt design or aesthetic guidelines or rules that apply to nonvegetative landscapes.

HB 21-1229: Clarification Regarding Renewable Energy Generation Devices

HB 21-1229 also clarifies that an HOA cannot apply restrictions on the dimensions, placement, or external appearance of a renewable energy generation device <u>if</u> such restrictions would result in an Owner's cost of the device increasing by more than 10% or result in a decrease in the efficiency of the device by more than 10%. This new language also requires that an HOA Board respond to an application within 60 days of receiving the application. Otherwise, the application is deemed approved by law. If such application is denied, the basis for denial must be described in reasonable detail to the Owner.

HB 21-1229: Record Requirements

The last portion of HB 21-1229 amends the record requirements in CCIOA. The bill requires that HOAs maintain a list of the current amounts of all unique and extraordinary fees, assessments, and expenses that are chargeable by the HOAs in connection with the purchase or sale of a unit (transfer fees, record change fees, and the cost for a status letter or statement of assessments due). The HOA must also provide to a requesting Owner the public disclosure information provided in C.R.S. 38-33.3-209.4. Lastly, this bill penalizes an HOA which does not provide the records to a requesting owner within 30 days of the request. The HOA will be liable for \$50.00 per day, retroactive to the 11th day after the HOA received the request, up to a maximum of \$500.00 or the Owner's actual damages resulting from not receiving such records.

Have questions about these new laws? Contact us at: <u>info@westernlawgroup.com</u>
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