

2026

COLORADO LEGISLATION WATCH

 Housing Legislation that
Impacts Real Estate Investors

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2026 Colorado Legislation Bills Watch

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Legislative Session: 2026 Regular Session

Keep up to date on proposed and new legislation by the Colorado General Assembly.

You can view all bills, including each bill's status, at <https://leg.colorado.gov/bills>. The key status considerations are if the bill passed or failed, if it was signed into law by the Governor and the date it becomes effective as the law of the land.

TLDR

A relatively quiet legislative session for housing. Not much to report after the fireworks of 2023 and 2024.

I added a section on failed bills that would have been consequential for landlords if passed and that I expect to see again in the future.

Watching:

Minimum Lot Size - The bill I was really interested in was the possible reduction in minimum lot sizes to 2,000 square feet for single-family zoning. It failed.

Critical Updates

Each year we track the critical updated you need to make to things like advertising, tenant screening, tenant applications, lease agreements, property management and eviction notices.

You can view past years and updates within the member community at www.reiville.com

2026 Colorado Legislative Trends to Watch

There are three major housing legislation trends at the state and local level.

Tenant Rights

There is a strong movement towards protecting tenant rights, especially around habitability and eviction. It's getting tougher, riskier and more expensive to be a landlord.

Affordable Housing

The housing affordability crisis has become a political issue, particularly at the local government level. The state is allocating more funding to affordable housing programs and putting pressure on local municipalities to adopt more affordable programs and to relax density restrictions. There should be an increase in affordable for sale and for rent housing inventory.

Housing Density

The state has made clear its intention to actively legislate and advocate for increased housing density. This has resulted in legislation removing non-related tenant limits, parking requirements in transit corridors, advocating for ease in construction of manufactured and tiny homes, waiving or reducing minimum lot sizes, removing zoning and permit restrictions on building ADUs and small multifamily on single family zoned lots.

Note on Land Planning and Zoning

It's important to remember that land planning, zoning and building permits are controlled at the local municipal level. Under Colorado law, Home Rule Municipalities have the right to local planning control within their municipal boundaries. If the state passes a law that conflicts with local planning law, the local home rule municipality has superior rights.

The state of Colorado recently passed sweeping planning and zoning laws that conflict with local home rule municipality laws. Numerous Front Range local municipalities have sued the state to preserve their superior rights.

Some municipalities have affirmed their right to home rule but then also enacted local ordinances to mirror some of the state of Colorado's legislation. An example is the city of Boulder adopted the state of Colorado's ADU regulations that permit ADUs in most single-family zoned parcels.

This can obviously be very confusing, especially where there is a conflict between state, county and city regulations. You need to carefully inspect the rules and regulations for your local jurisdiction.

Index of 2026 Bills Under Consideration

The following 2026 bills are under consideration or passed in the 2026 regular legislative session.

1. HB-1196 – Tenant Data Information
2. HB26-1045 – Disabilities Housing Protection
3. HB26-1099 - Protect Financial Condition of Homeowners Associations
4. SB26-054 - Security Deposits & Post-Closing Occupancy Agreements

The following 2026 bills have failed but are worth tracking because they may come up again in the future.

1. HB26-1114 – Allowed Minimum Lot Size for Subject Jurisdictions
2. HB26-1106 - Eviction Protections for Tenants
3. HB26-1047 - Protections for Residential Tenants

Summary and Notes on 2026 Bills

1. HB-1196 – Tenant Data Information

Status – Passed, Signed by Governor

[Copy of Signed Bill](#)

The bill requires a landlord to:

- Comply with applicable court rules governing the protection and redaction of personal identifying information in eviction filings;
- Redact personal identifying information from supporting documents submitted to a court; and
- Include certain information in all rental applications.

Notes

This places an administrative burden on landlords and attorneys to protect personally identifying and personal information of a tenant in eviction filings. Court records are usually public documents. It does make it harder for landlords when vetting prospective tenants if court and eviction records are suppressed.

2. HB26-1045 – Disabilities Housing Protection

Status – Passed, Signed by Governor

[Copy of Signed Act](#)

BILL SUMMARY:

The bill defines the terms "assistance animal" and "emotional support animal" as used in the "Colorado Anti-discrimination Act" (CADA) and other specified provisions of law. The bill also defines the term "reasonable accommodation" as it applies to housing practices included in CADA and specifies relevant factors related to assessing reasonable accommodations necessary for an individual with a disability to have an equal opportunity to use and enjoy housing.

Notes

This is an attempt to clear up much of the confusion about assistance animals and emotional support animals. It prohibits a landlord from denying a tenant with a disability the use of an assistance animal or an emotional support animal so as to have an equal opportunity to use and enjoy housing. This impacts no pet rules and pet rents and deposits.

In case you were wondering:

“Assistance animal” means an animal that does work, performs tasks, assists, or provides therapeutic emotional support to an individual with a disability. Assistance animal includes an emotional support animal and a service animal.

“Emotional support animal” means an animal that provides solely emotional support to an individual to alleviate a symptom or an effect of a disability.

That’s pretty much any animal that your tenant claims as an assistance or emotional support animal.

HB26-1099 - Protect Financial Condition of Homeowners Associations

Status – Passed, Signed by Governor.

[Copy of Signed Act.](#)

Concerning protecting the financial condition of common interest communities.

BILL SUMMARY:

The bill requires the declarant of a new planned community or condominium, prior to the sale or conveyance of the first unit, to obtain a reserve study for the planned community or condominium, which study estimates the projected costs of maintaining, repairing, or replacing the common elements or property of the planned community or condominium over a 30-year period. The reserve study must be updated after each phase of building, with a final updated reserve study conducted for the planned community or condominium as built.

Until the transfer of control of the planned community or condominium to a unit owners' association (association), a declarant must provide the reserve study to each prospective purchaser of a unit at least 24 hours prior to the sale or conveyance of the unit. After such transfer of control, the association must make the reserve study available to a unit owner upon reasonable notice.

At or before the transfer of control of the planned community or condominium to an association, a declarant must pay to the association 1.5% of the amount required to fully fund the reserves.

When an association changes association management companies, the former association management company shall, within 45 days, deliver to the new association management company or the association, at no charge to the association, all association

property, records, money, accounts, information, and other items or information specified in the bill (property and records).

The former association management company shall pay the association \$250 for each business day that it fails to timely return the association's property and records and is liable for all interest and late fees on late payments made by the association due to the former association management company's failure to turn over the property and records, as well as any other damages incurred by the association.

In a civil action to recover the property and records or the payments owed to the association for the former association management company's failure to turn over the property and records, if the court finds that the former association management company's violation was willful, the former association management company shall be liable for treble the association's damages, plus attorney fees and court costs.

Notes

This helps clean up many of the problems associated with the transparency and financial health of new planned communities and condominiums when they are handed over by the developer. It requires the developer to conduct a full reserve study and to partially fund the reserve.

In existing planned communities and condominiums, the law also compels the previous HOA or association manager to provide the new HOA or association manager with full records, documents and accounting for the HOA. There are significant penalties for non-compliance, incomplete records and delay.

This should clear up a problem that investors encountered when buying homes in an HOA. There could be hidden costs and potential special assessments that were hidden in poor HOA financial records and lack of reserves.

SB26-054 - Security Deposits & Post-Closing Occupancy Agreements

Status: Passed, Signed into Law

Concerning an exception to the statutory limit on the amount that a landlord may require a tenant to provide as a security deposit in cases where the landlord and tenant have executed a post-closing occupancy agreement.

BILL SUMMARY:

Current law prohibits a landlord from requiring a tenant to submit a security deposit in an amount that exceeds 2 monthly rent payments. The bill creates an exception to this prohibition for cases in which a buyer and a seller of residential real property have executed a post-closing occupancy agreement in connection with the sale. The exception takes effect January 1, 2027.

Notes

This just cleans up a problem that limited buyers and sellers from collecting adequate security deposit following the sale of a home where the seller remained in the home for a short period after closing under a post occupancy agreement. Mainly relevant to realtors negotiating post occupancy agreements.

Failed 2026 Bills

HB26-1114 – Allowed Minimum Lot Size for Subject Jurisdictions

Status – Failed

BILL SUMMARY:

The bill requires that, on or after October 1, 2031, a subject jurisdiction shall not require that a parcel have an area larger than 2,000 square feet if the parcel's residential use is limited to a single-family home. The bill exempts certain types of parcels from this requirement.

Notes

This was one of two bills that sought to introduce smaller minimum size lots and allow for easy subdivision of single-family lots. It failed but there is considerable policy pressure to increase density by allowing smaller lots or subdividing existing lots as a solution to the lack of housing.

If passed in the future, a decrease in lot size would create major opportunities for investors. You could identify single-family lots that are perfect for a lot split and purchase the lot well below the market value of two split lots. You could split a lot with a home on it into two lots with one lot keeping the house and the second new lot either sold as a lot or you can build a new home.

It will be interesting to see if any local municipalities independently adopt similar laws.

HB26-1106 - Eviction Protections for Tenants

Concerning eviction protections for tenants.

Status: Failed

BILL SUMMARY:

The bill limits the number of forcible entry and detainer (eviction) actions that a county court schedules on one business day.

The bill prohibits including a minor defendant as a named defendant in an eviction complaint when a parent or adult guardian is also listed as a defendant on the same complaint.

The bill prohibits a court from entering judgment without a trial or a hearing when a tenant's answer to an eviction complaint expresses an intent to cure nonpayment.

The bill specifies that the following reasons excuse a tenant from filing a timely written answer to an eviction complaint: A hospitalization, a sickness or injury, a reasonable accommodation request for a disability, a lack of proper service, a transportation issue, a complication related to electronic filing that was reasonably outside of the tenant's control, and a court issue that was reasonably outside of the tenant's control.

When a tenant in an eviction action asserts that they were affected by one of the specified reasons, the bill requires a court to:

- Relieve a tenant from final judgment, vacate any judgment or writ of restitution that was issued, and provide the tenant with a reasonable amount of time to file an answer;
- Permit additional and amended pleadings; and
- Extend the trial date.

The bill repeals appeals bond in eviction cases.

The bill extends the time for executing a writ of restitution in an eviction action from 48 hours to 30 days, except in cases involving substantial violations.

The bill prohibits the execution of writs in eviction actions during inclement weather.

Notes

This failed bill gives investors an insight into how far legislators are willing to go to protect tenants from eviction or delay the eviction process. It gives tenants a “list of excuses”, like sickness, a transportation issue or even bad weather, as to why they failed to pay rent or attend court and significantly extends time periods for court dates and eviction actions.

This was bad news for investors and just one more indication that it is getting tougher to be a landlord. It also follows the policy trend of moving the financial burden from the state to the landlord for tenants facing housing emergencies.

HB26-1047 - Protections for Residential Tenants

Status: Failed

Concerning protections for residential tenants, and, in connection therewith, requiring a plaintiff that files a complaint regarding the unlawful detention of real property to include

certain information with the complaint; requiring court records of certain eviction actions to remain suppressed; requiring a landlord to include certain information in, and to redact personal identifying information from, a written demand or notice; and requiring a landlord to provide a tenant at least one rent payment option that does not require the tenant to access an online portal or pay a transaction fee.

BILL SUMMARY:

The bill requires a plaintiff that files a complaint concerning the unlawful detention of real property to include certain documentation with the complaint.

The bill requires that if a landlord posts a written demand or notice, the landlord must:

- Include in the demand or notice certain information; and
- Redact from the document certain personal identifying information.

Under current law, when a landlord commences an action for forcible entry and detainer, any court record of the action is a suppressed court record. If the court issues an order granting the landlord possession of the premises, the record is no longer a suppressed court record unless the parties agree that the record remain suppressed. Under the bill, such a court record remains suppressed unless it concerns a substantial violation of the lease. A court may publish a judicial opinion concerning the action if the names and identifiers of the parties are anonymized.

The bill requires a landlord to provide a tenant at least one rent payment option that does not require the tenant to access an online portal or pay a transaction fee.

Notes

This is part of the trend to protect the personal identifying information of tenants in court proceeding. It's not a significant for investors but continues the theme of protecting tenant rights. It also makes it harder for investors to vet future tenants if information is suppressed about court proceedings and eviction actions.

