

CHAPTER 264

PROPERTY

SENATE BILL 25-020

BY SENATOR(S) Weissman and Gonzales J., Ball, Bridges, Cutter, Michaelson Jenet, Rodriguez, Sullivan, Wallace, Winter F., Coleman;
also REPRESENTATIVE(S) Lindsay and Mabrey, Bacon, Brown, Clifford, Espenoza, Froelich, Garcia, Jackson, Joseph, Ricks, Rutinel, Sirota, Story, Velasco, Zokaie.

AN ACT**CONCERNING THE ENFORCEMENT OF EXISTING LANDLORD-TENANT LAW.**

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

SECTION 1. In Colorado Revised Statutes, 13-40-110.5, **add** (6) as follows:

13-40-110.5. Automatic suppression of court records - definition. (6) IN ADDITION TO THE PERSONS DESCRIBED IN SUBSECTIONS (1) AND (5) OF THIS SECTION, A COURT SHALL ALLOW A PERSON TO ACCESS A SUPPRESSED COURT RECORD IF THE PERSON AFFIRMS TO THE COURT, IN WRITING OR ELECTRONICALLY, THAT THE PERSON IS ACCESSING THE SUPPRESSED COURT RECORD ON BEHALF OF THE ATTORNEY GENERAL FOR THE PURPOSE OF INVESTIGATING ANY VIOLATION OF STATE LAW THAT THE ATTORNEY GENERAL IS AUTHORIZED TO ENFORCE PURSUANT TO SECTION 24-31-101 (1)(i).

SECTION 2. In Colorado Revised Statutes, 24-31-101, **amend** (1)(i)(XXII); and **add** (1)(i)(XXVIII), (1)(i)(XXIX), (1)(i)(XXX), and (5) as follows:

24-31-101. Powers and duties of attorney general. (1) The attorney general:

(i) May independently initiate and bring civil and criminal actions to enforce state laws, including actions brought pursuant to:

(XXII) Part 14 of article 12 of title 38; ~~and~~

(XXVIII) BEGINNING JANUARY 1, 2026, PART 4 OF ARTICLE 12 OF TITLE 38;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(XXIX) BEGINNING JANUARY 1, 2026, PART 8 OF ARTICLE 12 OF TITLE 38; AND

(XXX) BEGINNING JANUARY 1, 2026, PART 10 OF ARTICLE 12 OF TITLE 38.

(5) THE ATTORNEY GENERAL SHALL CONDUCT ENFORCEMENT ACTIONS AUTHORIZED BY SENATE BILL 25-020, IF ANY, WITHIN EXISTING APPROPRIATIONS.

SECTION 3. In Colorado Revised Statutes, 24-31-115, **amend** (4)(a) introductory portion, (5)(a), (6)(b), (8)(a) introductory portion, (8)(a)(III), (8)(b), and (9) as follows:

24-31-115. Housing unit - powers of attorney general or district attorney - subpoenas - document production - remedies - injunctive relief - penalties.

(4) **Powers.** (a) When the attorney general has reasonable cause to believe that any person, whether in this state or elsewhere, has engaged in or is engaging in a violation of any of the provisions listed in section 24-31-101, ~~(1)(i)(IX) to (1)(i)(XIV)~~, the attorney general may:

(5) **Subpoenas - production of documents.** (a) When the attorney general has reasonable cause to believe that a person, whether in this state or elsewhere, has engaged in or is engaging in a violation of any of the provisions listed in section 24-31-101, ~~(1)(i)(IX) to (1)(i)(XIV)~~, the attorney general, in addition to any other powers conferred upon the attorney general by this article 31, may issue subpoenas to require the attendance of witnesses or the production of documents, administer oaths, conduct hearings in aid of any investigation or inquiry, and prescribe such forms and promulgate such rules as may be necessary to administer the provisions of this article 31.

(6) **Inadmissible testimony.** (b) Subject to subsection (8) of this section, the records of investigations or intelligence information of the attorney general obtained under this article 31 may constitute public records available for inspection by the public at the sole discretion of the attorney general. This subsection (6)(b) shall not be construed to prevent the attorney general from issuing public statements describing or warning of any course of conduct or any conspiracy that constitutes a violation of any of the provisions listed in section 24-31-101, ~~(1)(i)(IX) to (1)(i)(XIV)~~, whether on a local, statewide, regional, or nationwide basis.

(8) **Injunctive authority - assurances of discontinuance.** (a) Whenever the attorney general has cause to believe that a person has engaged in or is engaging in a violation of any of the provisions listed in section 24-31-101, ~~(1)(i)(IX) to (1)(i)(XIV)~~, the attorney general may apply for and obtain, in an action in the appropriate district court of this state, a temporary restraining order or injunction, or both, pursuant to the Colorado rules of civil procedure, prohibiting the person from continuing or engaging in such practices, or doing any act in furtherance of such practices. The court may make such orders or judgments as is necessary to:

(III) Prevent any unjust enrichment by any person through the use or employment of any practice that is in violation of any of the provisions listed in section 24-31-101. ~~(1)(i)(IX) to (1)(i)(XIV)~~.

(b) Where the attorney general has authority to institute a civil action or other

proceeding pursuant to the provisions of this article, the attorney general may accept, in lieu thereof or as a part thereof, an assurance of discontinuance of any practice that constitutes a violation of any of the provisions that are listed in section 24-31-101. ~~(1)(i)(IX) to (1)(i)(XIV)~~. Any such assurance of discontinuance may include a stipulation for the voluntary payment by the alleged violator of the costs of investigation and the costs of any action or proceeding by the attorney general or a district attorney and any amount necessary to restore to any person any money or property that may have been acquired by the alleged violator by means of a violation of any of the provisions that are listed in section 24-31-101. ~~(1)(i)(IX) to (1)(i)(XIV)~~. Any such assurance or discontinuance accepted by the attorney general and any such stipulation filed with the court as a part of any such action or proceeding is a matter of public record unless the attorney general determines, in the attorney general's sole discretion, that the assurance of discontinuance and any stipulation are confidential to the parties to the action or proceeding and to the court and its employees. Upon the filing of a civil action by the attorney general alleging that a confidential assurance of discontinuance or stipulation accepted pursuant to this subsection (8)(b) has been violated, the assurance of discontinuance or stipulation is deemed a public record and open to inspection by any person. Proof by a preponderance of the evidence of a violation of any such assurance or stipulation constitutes prima facie evidence of a deceptive trade practice for the purposes of any civil action or proceeding brought thereafter by the attorney general, whether a new action or a subsequent motion or petition in any pending action or proceeding.

(9) **Penalties.** In order to enforce the provisions of this article 31, in addition to any penalties stated in this article 31, the attorney general may seek any of the penalties or other enforcement mechanisms specified in ~~the "Immigrant Tenant Protection Act", part 12 of article 12 of title 38; the "Mobile Home Park Act", part 2 of article 12 of title 38; the "Mobile Home Park Act Dispute Resolution and Enforcement Program", part 11 of article 12 of title 38; part 1 of article 12 of title 38; part 7 of article 12 of title 38; and section 38-12-904 (1)(b)~~ ARTICLE 12 OF TITLE 38, INCLUDING ANY PENALTIES AVAILABLE TO AGGRIEVED TENANTS OR OTHER AGGRIEVED PERSONS UNDER THESE PROVISIONS, along with costs to enforce these provisions.

SECTION 4. In Colorado Revised Statutes, 30-11-101, **add** (1)(m) and (3) as follows:

30-11-101. Powers of counties. (1) Each organized county within the state is a body corporate and politic and as such is empowered for the following purposes:

(m) INDEPENDENTLY INITIATING AND BRINGING CIVIL ACTIONS TO ENFORCE:

(I) PARTS 1, 2, 5, 7, 9, 11, 12, AND 14 OF ARTICLE 12 OF TITLE 38; AND

(II) BEGINNING JANUARY 1, 2026, PARTS 4, 8, AND 10 OF ARTICLE 12 OF TITLE 38.

(3) (a) NOTWITHSTANDING ANY LAW TO THE CONTRARY, A CONTRACT BETWEEN A COUNTY AND A PRIVATE ATTORNEY WHO THE COUNTY RETAINS IN RELATION TO A CIVIL ACTION DESCRIBED IN SUBSECTION (1)(m) OF THIS SECTION SHALL SPECIFY

AN HOURLY RATE, NOT TO EXCEED FIVE HUNDRED DOLLARS PER HOUR, AT WHICH THE COUNTY COMPENSATES THE PRIVATE ATTORNEY.

(b) A COUNTY MAY USE AN AMOUNT EQUAL TO OR LESS THAN TEN PERCENT OF ANY MONETARY AWARD RECEIVED AS A RESULT OF A CIVIL OR CRIMINAL ACTION COMMENCED PURSUANT TO SUBSECTION (1)(m) OF THIS SECTION TO COVER THE COSTS OF THAT CIVIL ACTION, INCLUDING ATTORNEY FEES.

(c) IN COMMENCING A CIVIL ACTION PURSUANT TO SUBSECTION (1)(m) OF THIS SECTION, A COUNTY MAY CONFER WITH ANY HOUSING AUTHORITY CREATED PURSUANT TO TITLE 29 THAT SERVES THE COUNTY IN WHOLE OR IN PART.

SECTION 5. In Colorado Revised Statutes, 31-15-401, **add** (1)(r) and (2) as follows:

31-15-401. General police powers. (1) In relation to the general police power, the governing bodies of municipalities have the following powers:

(r) MAY INDEPENDENTLY INITIATE AND BRING CIVIL ACTIONS TO ENFORCE:

(I) PARTS 1, 2, 5, 7, 9, 11, 12, AND 14 OF ARTICLE 12 OF TITLE 38; AND

(II) BEGINNING JANUARY 1, 2026, PARTS 4, 8, AND 10 OF ARTICLE 12 OF TITLE 38.

(2) (a) NOTWITHSTANDING ANY LAW TO THE CONTRARY, A CONTRACT BETWEEN A MUNICIPALITY AND A PRIVATE ATTORNEY WHO THE COUNTY RETAINS IN RELATION TO A CIVIL ACTION DESCRIBED IN SUBSECTION (1)(r) OF THIS SECTION SHALL SPECIFY AN HOURLY RATE, NOT TO EXCEED FIVE HUNDRED DOLLARS PER HOUR, AT WHICH THE MUNICIPALITY COMPENSATES THE PRIVATE ATTORNEY.

(b) A MUNICIPALITY MAY USE AN AMOUNT EQUAL TO OR LESS THAN TEN PERCENT OF ANY MONETARY AWARD RECEIVED AS A RESULT OF A CIVIL ACTION COMMENCED PURSUANT TO SUBSECTION (1)(r) OF THIS SECTION TO COVER THE COSTS OF THAT CIVIL ACTION, INCLUDING ATTORNEY FEES.

(c) IN COMMENCING A CIVIL ACTION PURSUANT TO SUBSECTION (1)(r) OF THIS SECTION, A MUNICIPALITY MAY CONFER WITH ANY HOUSING AUTHORITY CREATED PURSUANT TO TITLE 29 THAT SERVES THE MUNICIPALITY IN WHOLE OR IN PART.

SECTION 6. In Colorado Revised Statutes, **add** 38-12-513 as follows:

38-12-513. Receivership of residential housing - definition. (1) THE PURPOSE OF THIS SECTION IS TO ESTABLISH A RECEIVERSHIP MECHANISM THAT WILL BE AVAILABLE AS A REMEDY FOR VIOLATIONS OF APPLICABLE LAWS AND REGULATIONS BY THE LANDLORD OF MULTIFAMILY RESIDENTIAL PROPERTY. THE DUTIES OF A RECEIVER ARE TO ACHIEVE THE PURPOSES OF THIS PART 5 PURSUANT TO SECTION 38-12-501, TO ENSURE THAT MULTIFAMILY RESIDENTIAL PROPERTY IS FIT FOR HUMAN HABITATION AS REQUIRED BY SECTION 38-12-503 (1), AND TO ENSURE THAT THE MULTIFAMILY RESIDENTIAL PROPERTY COMPLIES WITH ALL COUNTY OR MUNICIPAL PUBLIC HEALTH CODES OR MUNICIPAL ORDINANCES REGULATING PUBLIC HEALTH AND SAFETY THAT APPLY TO MULTIFAMILY RESIDENTIAL PROPERTY.

(2) THE FOLLOWING PARTIES MAY APPLY TO THE DISTRICT COURT FOR THE APPOINTMENT OF A RECEIVER TO OPERATE A MULTIFAMILY RESIDENTIAL PROPERTY:

(a) THE ATTORNEY GENERAL, WHEN THE ATTORNEY GENERAL HAS REASONABLE CAUSE TO BELIEVE THAT ANY PERSON, WHETHER IN THIS STATE OR ELSEWHERE, HAS ENGAGED IN OR IS ENGAGING IN A PATTERN OF NEGLECT IN CONNECTION WITH THE MULTIFAMILY RESIDENTIAL PROPERTY; AND

(b) A COUNTY, CITY AND COUNTY, OR MUNICIPALITY WHEN THE COUNTY, CITY AND COUNTY, OR MUNICIPALITY HAS REASONABLE CAUSE TO BELIEVE THAT ANY PERSON, WHETHER IN THIS STATE OR ELSEWHERE, HAS ENGAGED IN OR IS ENGAGING IN A PATTERN OF NEGLECT IN CONNECTION WITH THE MULTIFAMILY RESIDENTIAL PROPERTY.

(c) AS USED IN THIS SUBSECTION (2), UNLESS THE CONTEXT OTHERWISE REQUIRES, "PATTERN OF NEGLECT" MEANS EVIDENCE THAT A PERSON HAS MAINTAINED THE MULTIFAMILY RESIDENTIAL PROPERTY IN A STATE OF DISREPAIR THAT CONSTITUTES A THREAT TO THE HEALTH, SAFETY, OR SECURITY OF THE TENANTS OR THE PUBLIC. A THREAT TO THE HEALTH, SAFETY, OR SECURITY OF THE TENANTS INCLUDES:

(I) A VERMIN OR RAT INFESTATION;

(II) FILTH OR CONTAMINATION;

(III) INADEQUATE VENTILATION, ILLUMINATION, SANITARY, HEATING, OR LIFE SAFETY FACILITIES;

(IV) INOPERATIVE FIRE SUPPRESSION OR WARNING EQUIPMENT;

(V) INOPERATIVE DOORS OR WINDOW LOCKS; AND

(VI) ANY OTHER CONDITION THAT CONSTITUTES A HAZARD TO TENANTS, OCCUPANTS, OR THE PUBLIC.

(3) (a) A PETITIONER SEEKING THE APPOINTMENT OF A RECEIVER PURSUANT TO THIS SECTION MUST FILE AN APPLICATION WITH THE DISTRICT COURT FOR THE COUNTY OR CITY AND COUNTY WHERE THE MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED.

(b) (I) THE DISTRICT COURT SHALL NOT HOLD A HEARING CONCERNING AN APPLICATION FOR THE APPOINTMENT OF A RECEIVER PURSUANT TO THIS SECTION SOONER THAN THREE BUSINESS DAYS AFTER THE FOLLOWING PARTIES HAVE BEEN SERVED WITH NOTICE THEREOF, AS PROVIDED IN THE COLORADO RULES OF CIVIL PROCEDURE:

(A) THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY;

(B) ANY LESSEE OR MORTGAGEE OF THE MULTIFAMILY RESIDENTIAL PROPERTY, EXCEPT THAT THE FAILURE TO SERVE ANY SUCH PARTY WHOSE NAME AND ADDRESS ARE NOT AVAILABLE TO THE PETITIONER DOES NOT PRECLUDE THE COURT FROM

HOLDING THE HEARING OR INVALIDATING THE PROCEEDING SO LONG AS THE NOTICE IS POSTED AT THE PROPERTY;

(C) THE CITY OR TOWN IN WHICH THE MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED;

(D) THE COUNTY OR CITY AND COUNTY IN WHICH THE MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED;

(E) THE ATTORNEY GENERAL'S OFFICE;

(F) THE DEPARTMENT OF LOCAL AFFAIRS; AND

(G) IF THE MULTIFAMILY RESIDENTIAL PROPERTY IS SUBJECT TO A FORM OF LOCAL, STATE, OR FEDERAL GOVERNMENT SUBSIDY OR SUPPORT OR OTHER GOVERNMENT ASSISTANCE THAT HAS A RECORDED USE COVENANT UPON THE PROPERTY, THE PROVIDER OF THAT SUBSIDY, SUPPORT, OR OTHER GOVERNMENT ASSISTANCE.

(II) IN PROVIDING NOTICE PURSUANT TO SUBSECTION (3)(b)(I) OF THIS SECTION, A PARTY DOES NOT HAVE TO PROVIDE NOTICE TO ITSELF.

(III) A PETITIONER SEEKING THE APPOINTMENT OF A RECEIVER PURSUANT TO THIS SECTION MUST CONSPICUOUSLY POST NOTICE OF THE PETITION ON AND AROUND THE RELEVANT MULTIFAMILY RESIDENTIAL PROPERTY. THIS NOTICE SHALL INCLUDE THE PHONE NUMBER AND EMAIL ADDRESS OF THE PETITIONER. THE PETITIONER IS STRONGLY ENCOURAGED TO POST THE NOTICE IN LANGUAGES OTHER THAN ENGLISH, IF THE PETITIONER IS AWARE THAT THOSE LANGUAGES ARE SPOKEN BY THE PROPERTY'S TENANTS.

(c) AN APPLICATION FOR APPOINTMENT OF A RECEIVER PURSUANT TO THIS SUBSECTION (3) HAS PRECEDENCE AND PRIORITY OVER ANY CIVIL OR CRIMINAL CASE PENDING IN THE DISTRICT COURT WHERE THE APPLICATION IS FILED.

(4) (a) THE DISTRICT COURT'S APPOINTMENT OF A RECEIVER PURSUANT TO THIS SECTION SHALL BE IN ACCORDANCE WITH AND GOVERNED BY RULE 66 OF THE COLORADO RULES OF CIVIL PROCEDURE.

(b) TO APPOINT A RECEIVER PURSUANT TO THIS SECTION, THE DISTRICT COURT MUST FIND THAT:

(I) GROUNDS FOR THE APPOINTMENT OF A RECEIVER EXIST DUE TO A FINDING BY THE DISTRICT COURT, BASED ON A PREPONDERANCE OF THE EVIDENCE, SUPPORTING THE RELEVANT CLAIMS IN AN APPLICATION SUBMITTED BY A PARTY PURSUANT TO SUBSECTION (2) OF THIS SECTION; AND

(II) PROPER NOTICE AS REQUIRED BY SUBSECTION (3) OF THIS SECTION HAS BEEN SERVED.

(c) A RECEIVER APPOINTED BY THE DISTRICT COURT PURSUANT TO THIS SECTION MUST BE A PERSON WITH KNOWLEDGE AND EXPERIENCE IN THE OPERATION,

MAINTENANCE, AND IMPROVEMENT OF RESIDENTIAL HOUSING. THE RECEIVER MUST BE FINANCIALLY AND LEGALLY INDEPENDENT OF THE MULTIFAMILY RESIDENTIAL PROPERTY'S OWNERSHIP OR MANAGEMENT. THE DISTRICT COURT MAY ALSO REQUIRE THAT THE RECEIVER POST A BOND WITH ADEQUATE SURETIES AS DETERMINED BY THE COURT.

(d) IN APPOINTING A RECEIVER PURSUANT TO THIS SECTION, THE DISTRICT COURT MUST HOLD A HEARING, AT WHICH TIME THE PARTIES MAY APPEAR AND BE HEARD.

(e) FOLLOWING THE HEARING DESCRIBED IN SUBSECTION (4)(d) OF THIS SECTION, IF THE COURT APPOINTS A RECEIVER, THE COURT MUST ENTER AN ORDER OF APPOINTMENT THAT SPECIFIES THE DUTIES AND RESPONSIBILITIES OF THE RECEIVER, WHICH MUST INCLUDE THAT THE RECEIVER:

(I) WITHIN THIRTY DAYS OF BEING APPOINTED BY THE DISTRICT COURT, SUBMIT A PLAN TO THE DISTRICT COURT FOR THE REMEDIATION OF ANY VIOLATIONS OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;

(II) TAKE THE ACTIONS NECESSARY TO ENSURE THAT THE MULTIFAMILY RESIDENTIAL PROPERTY IS NO LONGER IN VIOLATION OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;

(III) NO LATER THAN EVERY THIRTY DAYS AFTER BEING APPOINTED BY THE DISTRICT COURT, SUBMIT AN ACCOUNTING AND STATUS REPORT TO THE DISTRICT COURT, WHICH MUST INCLUDE ACTIONS THAT HAVE BEEN COMPLETED AND ACTIONS THAT ARE STILL ONGOING TO ACHIEVE COMPLIANCE WITH THIS PART 5, A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE; AND

(IV) AT THE END OF THE RECEIVERSHIP, AS DESCRIBED IN SUBSECTION (8) OF THIS SECTION, SUBMIT A FINAL ACCOUNTING AND STATUS REPORT TO THE COURT, WHICH MUST INCLUDE ACTIONS THAT HAVE BEEN COMPLETED AND ACTIONS THAT ARE STILL ONGOING TO ACHIEVE COMPLIANCE WITH THIS PART 5, A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE.

(5) (a) A RECEIVER APPOINTED BY THE DISTRICT COURT PURSUANT TO THIS SECTION HAS THE POWER TO:

(I) REMEDIATE ANY VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;

(II) AS NECESSARY TO ACCOMPLISH THE REMEDIATION AND COMPLIANCE DESCRIBED IN SUBSECTION (5)(a)(I) OF THIS SECTION:

(A) ENTER INTO NEW CONTRACTS;

(B) BORROW MONEY;

(C) SECURE FUNDS BY GRANTING LIENS UPON THE MULTIFAMILY RESIDENTIAL PROPERTY; AND

(D) RECEIVE RENT FROM TENANTS OF THE MULTIFAMILY RESIDENTIAL PROPERTY; AND

(III) EXERCISE ANY OTHER POWERS DEEMED NECESSARY BY THE DISTRICT COURT AND NOT INCONSISTENT WITH RULE 66 OF THE COLORADO RULES OF CIVIL PROCEDURE.

(b) THE RECEIVER'S FEES ESTABLISHED IN THE DISTRICT COURT'S ORDER OF APPOINTMENT ENTERED PURSUANT TO SUBSECTION (4)(e) OF THIS SECTION MAY ONLY BE COVERED BY MONEY THAT THE RECEIVER RAISES PURSUANT TO SUBSECTION (5)(a)(II)(C) OF THIS SECTION.

(c) IN EXERCISING ITS POWERS PURSUANT TO THIS SUBSECTION (5), A RECEIVER IS NOT REQUIRED TO EMPLOY STANDARD PUBLIC BIDDING PRACTICES AND MAY:

(I) CARRY OUT EXECUTORY CONTRACTS;

(II) ENTER INTO NEW CONTRACTS;

(III) BORROW MONEY;

(IV) MORTGAGE OR PLEDGE PROPERTY;

(V) SELL ASSETS AT PUBLIC OR PRIVATE SALE;

(VI) MAKE AND RECEIVE CONVEYANCES IN THE CORPORATE NAME;

(VII) LEASE REAL ESTATE;

(VIII) SETTLE OR COMPROMISE CLAIMS;

(IX) COMMENCE AND PROSECUTE ALL ACTIONS AND PROCEEDINGS NECESSARY TO ENABLE LIQUIDATION; AND

(X) DISTRIBUTE ASSETS EITHER IN CASH OR IN KIND AMONG MEMBERS ACCORDING TO THEIR RESPECTIVE RIGHTS AFTER PAYING OR ADEQUATELY PROVIDING FOR THE PAYMENT OF LIABILITIES.

(6) THE RECEIVER SHALL PERFORM DUTIES, ASSUME RESPONSIBILITIES, AND PRESERVE THE MULTIFAMILY RESIDENTIAL PROPERTY IN ACCORDANCE WITH ESTABLISHED PRINCIPLES OF LAW FOR RECEIVERS OF REAL PROPERTY. IN SO DOING, THE RECEIVER:

(a) SHALL PERFORM THEIR DUTIES IN A WAY THAT MINIMIZES, TO THE GREATEST EXTENT POSSIBLE, FURTHER DISRUPTION OF THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS;

(b) SHALL COMMUNICATE, AT LEAST ONCE A WEEK, IN A MANNER REASONABLY

CALCULATED TO BE RECEIVED BY THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS, SUCH AS BY CONSPICUOUSLY POSTING COMMUNICATIONS ON AND AROUND THE PROPERTY OR ON THE PROPERTY'S ONLINE TENANT PORTAL, CONCERNING WHAT MEASURES THE RECEIVER IS TAKING TO BRING THE PROPERTY INTO COMPLIANCE WITH A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE AND OTHERWISE BRINGING THE PROPERTY INTO COMPLIANCE WITH THIS PART 5;

(c) SHALL FIRST APPLY RENTS RECEIVED PURSUANT TO SUBSECTION (5)(a)(II)(D) OF THIS SECTION TOWARD THE PAYMENT OF ANY UTILITIES OR SERVICES FOR THE MULTIFAMILY RESIDENTIAL PROPERTY;

(d) AFTER APPLYING RENTS RECEIVED PURSUANT TO SUBSECTION (5)(a)(II)(D) OF THIS SECTION AS DESCRIBED IN SUBSECTION (6)(c) OF THIS SECTION, SHALL APPLY RENTS RECEIVED PURSUANT TO SUBSECTION (5)(a)(II)(D) OF THIS SECTION TOWARD THE COST OF REMEDIATING ANY VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE AND OTHERWISE BRINGING THE PROPERTY INTO COMPLIANCE WITH THIS PART 5;

(e) AFTER APPLYING RENTS RECEIVED PURSUANT TO SUBSECTION (5)(a)(II)(D) OF THIS SECTION AS DESCRIBED IN SUBSECTION (6)(d) OF THIS SECTION, SHALL APPLY RENTS RECEIVED PURSUANT TO SUBSECTION (5)(a)(II)(D) OF THIS SECTION FOR PURPOSES REASONABLY NECESSARY IN THE ORDINARY COURSE OF BUSINESS OF THE MULTIFAMILY RESIDENTIAL PROPERTY, INCLUDING MAINTENANCE AND UPKEEP OF THE PROPERTY; MORTGAGES, OR OTHER DEBTS; AND PAYMENT OF THE RECEIVER'S FEES;

(f) HAS A FIDUCIARY DUTY TO THE OWNER OF THE MULTIFAMILY RESIDENTIAL PROPERTY TO MAINTAIN AND PRESERVE THE PROPERTY SO LONG AS THE VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), IS ADDRESSED, AND OWES A DUTY TO THE PROPERTY'S RESIDENTS;

(g) SHALL NOT INITIATE A FORCIBLE ENTRY OR DETAINER ACTION OR PROCEEDING RELATED TO THE NONPAYMENT OF RENT BEFORE THE BEGINNING OF THE RECEIVERSHIP;

(h) MAY INITIATE A FORCIBLE ENTRY OR DETAINER ACTION OR PROCEEDING RELATED TO THE NONPAYMENT OF RENT THAT OCCURS DURING THE RECEIVERSHIP; AND

(i) SHALL NOT INCREASE RENTS, FEES, OR COSTS CHARGED TO THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS BEYOND THE LEVELS OF THE RENTS, FEES, AND COSTS CHARGED WHEN THE COURT APPOINTED THE RECEIVER.

(7) NOTHING IN THIS SECTION PREVENTS THE COURT FROM ALTERING OR AMENDING THE TERMS AND CONDITIONS OF THE RECEIVERSHIP OR THE RECEIVER'S RESPONSIBILITIES AND DUTIES FOLLOWING A HEARING, AT WHICH TIME THE PARTIES MAY APPEAR AND BE HEARD, AND NOTHING IN THIS SECTION PROHIBITS THE PARTIES FROM STIPULATING TO THE TERMS AND CONDITIONS OF THE RECEIVERSHIP AND THE

RESPONSIBILITIES AND DUTIES OF THE RECEIVER, INCLUDING THE DURATION THEREOF, WHICH STIPULATION MUST BE SUBMITTED TO THE COURT FOR APPROVAL.

(8) (a) NO SOONER THAN NINETY DAYS AFTER THE DISTRICT COURT HAS APPOINTED A RECEIVER FOR A MULTIFAMILY RESIDENTIAL PROPERTY, ANY OF THE FOLLOWING MAY SUBMIT AN APPLICATION TO THE DISTRICT COURT SEEKING THE TERMINATION OF THE RECEIVERSHIP:

(I) THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY;

(II) ANY LESSEE OF THE ENTIRE MULTIFAMILY RESIDENTIAL PROPERTY;

(III) THE ATTORNEY GENERAL'S OFFICE;

(IV) THE CITY OR TOWN IN WHICH THE MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED; AND

(V) THE COUNTY OR CITY AND COUNTY IN WHICH THE MULTIFAMILY RESIDENTIAL PROPERTY IS LOCATED.

(b) A DISTRICT COURT MAY ONLY TERMINATE A RECEIVERSHIP IF IT:

(I) RECEIVES AN APPLICATION TO TERMINATE THE RECEIVERSHIP PURSUANT TO SUBSECTION (8)(a) OF THIS SECTION;

(II) FINDS THAT TERMINATING A RECEIVERSHIP IS IN THE PUBLIC INTEREST AND IN THE BEST INTEREST OF THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS; AND

(III) FINDS THAT THE LANDLORD, OPERATOR, OR MANAGER OF THE MULTIFAMILY RESIDENTIAL PROPERTY HAS:

(A) DEMONSTRATED THAT IT WILL CARRY OUT, IN THE TIME FRAME MOST RECENTLY APPROVED BY THE COURT PURSUANT TO SUBSECTION (4) OR (7) OF THIS SECTION, ANY REMAINING ACTIONS IDENTIFIED BY THE RECEIVER AS NECESSARY TO ENSURE THAT THE MULTIFAMILY RESIDENTIAL PROPERTY IS NO LONGER IN VIOLATION OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE;

(B) PAID OR DEPOSITED WITH THE DISTRICT COURT ANY MONEY NECESSARY FOR THE RECEIVER TO COMPLETE THEIR DUTIES PURSUANT TO THIS SECTION;

(C) AGREED TO ASSUME ALL LEGAL OBLIGATIONS, INCLUDING DEBT OR LIENS, INCURRED BY THE RECEIVER IN CONNECTION WITH THE RECEIVERSHIP OF THE MULTIFAMILY RESIDENTIAL PROPERTY;

(D) PAID ANY COSTS INCURRED BY THE RECEIVER IN CONNECTION WITH THE RECEIVERSHIP OF THE MULTIFAMILY RESIDENTIAL PROPERTY; AND

(E) POSTED A BOND WITH THE DISTRICT COURT IN AN AMOUNT DETERMINED BY THE DISTRICT COURT AND EQUAL TO NOT MORE THAN FIFTY PERCENT OF THE FAIR MARKET VALUE OF THE MULTIFAMILY RESIDENTIAL PROPERTY, WHICH BOND IS

FORFEITED IN THE EVENT OF FUTURE VIOLATION BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE AND FAILURE TO BRING THE MULTIFAMILY RESIDENTIAL PROPERTY INTO COMPLIANCE WITH THIS PART 5, COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODES, AND MUNICIPAL ORDINANCES, AND WHICH BOND IS RELEASED WHEN THE ACTIONS, OBLIGATIONS, AND INDEBTEDNESS IDENTIFIED IN THIS SUBSECTION (8)(b)(III) ARE COMPLETED OR OTHERWISE SATISFIED.

(c) NOTWITHSTANDING SUBSECTION (8)(b) OF THIS SECTION, THE DISTRICT COURT MAY TERMINATE THE RECEIVERSHIP UPON A FINDING THAT THE RECEIVER HAS COMPLETED ITS WORK AND THAT ALL VIOLATIONS BY THE MULTIFAMILY RESIDENTIAL PROPERTY OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE HAVE BEEN REMEDIED AND THE MULTIFAMILY RESIDENTIAL PROPERTY HAS BEEN BROUGHT INTO COMPLIANCE WITH THIS PART 5, COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODES, AND MUNICIPAL ORDINANCES.

(d) UPON A FINDING THAT THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY HAS NOT COMPLIED WITH ANY OF THE CONDITIONS IDENTIFIED IN SUBSECTION (8)(b)(III) OF THIS SECTION, THE DISTRICT COURT MAY REAPPOINT THE RECEIVER.

(e) AFTER TERMINATING THE RECEIVERSHIP PURSUANT TO THIS SUBSECTION (8), THE DISTRICT COURT:

(I) MAY APPOINT THE RECEIVER, OR ANOTHER QUALIFIED ENTITY THAT SATISFIES THE REQUIREMENTS OF A RECEIVER ESTABLISHED IN SUBSECTION (4)(c) OF THIS SECTION, TO MONITOR THE LANDLORD'S OPERATION AND MAINTENANCE OF THE MULTIFAMILY RESIDENTIAL PROPERTY;

(II) SHALL ORDER A FINAL ACCOUNTING AND FINALLY FIX THE FEES AND EXPENSES OF THE RECEIVER FOLLOWING A HEARING, AT WHICH TIME THE PARTIES MAY APPEAR AND BE HEARD; AND

(III) SHALL REQUIRE THE RECEIVER TO COMMUNICATE IN A MANNER REASONABLY CALCULATED TO BE AVAILABLE TO THE MULTIFAMILY RESIDENTIAL PROPERTY'S TENANTS, SUCH AS BY CONSPICUOUSLY POSTING COMMUNICATIONS ON AND AROUND THE PROPERTY OR ON THE PROPERTY'S ONLINE TENANT PORTAL, THAT THE RECEIVERSHIP HAS BEEN TERMINATED AND THE NAME, PHONE NUMBER, AND EMAIL ADDRESS OF THE OWNER, MANAGER, OR OTHER ENTITY THAT WILL ASSUME THE RESPONSIBILITY OF MAKING THE PROPERTY COMPLIANT WITH THIS PART 5, A COUNTY OR CITY AND COUNTY PUBLIC HEALTH CODE, OR A MUNICIPAL ORDINANCE.

(9) NOTWITHSTANDING ANYTHING IN THIS SECTION TO THE CONTRARY:

(a) NOTHING IN THIS SECTION RELIEVES THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY OF ANY CIVIL OR CRIMINAL LIABILITY OR ANY DUTY IMPOSED BY REASON OF ACTS OR OMISSIONS OF THE LANDLORD, NOR DOES THE DISTRICT COURT'S APPOINTMENT OF A RECEIVER SUSPEND ANY OBLIGATION THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY OR ANY OTHER PERSON

MAY HAVE FOR PAYMENT OF TAXES, ANY OPERATING OR MAINTENANCE EXPENSES, OR MORTGAGES OR LIENS, OR FOR REPAIR OF THE MULTIFAMILY RESIDENTIAL PROPERTY;

(b) A RECEIVER APPOINTED BY A DISTRICT COURT PURSUANT TO THIS SECTION IS LIABLE FOR INJURIES TO PERSONS AND PROPERTY TO THE SAME EXTENT AS THE LANDLORD OF THE MULTIFAMILY RESIDENTIAL PROPERTY WOULD HAVE BEEN LIABLE; EXCEPT THAT, SUCH LIABILITY IS LIMITED TO THE ASSETS AND INCOME OF THE RECEIVERSHIP, INCLUDING ANY PROCEEDS OF INSURANCE PURCHASED BY THE RECEIVER IN ITS CAPACITY AS RECEIVER;

(c) A RECEIVER IS NOT PERSONALLY LIABLE FOR ACTIONS OR INACTIONS WITHIN THE SCOPE OF THE RECEIVER'S CAPACITY AS RECEIVER;

(d) ONLY A SUIT APPROVED BY THE DISTRICT COURT THAT APPOINTS THE RECEIVER MAY BE BROUGHT AGAINST THE RECEIVER;

(e) NOTHING IN THIS SECTION LIMITS THE RIGHT OF TENANTS TO SEEK A REMEDY FOR A VIOLATION OF THIS PART 5, OTHER THAN A VIOLATION OF SECTION 38-12-503 (5), INCLUDING A BREACH OF THE WARRANTY OF HABITABILITY, THAT OCCURRED BEFORE THE APPOINTMENT OF A RECEIVER PURSUANT TO THIS SECTION;

(f) NOTHING IN THIS SECTION LIMITS THE POWERS OF ANY HOME RULE MUNICIPALITY TO ENACT ORDINANCES OR OTHERWISE SAFEGUARD THE HEALTH, SAFETY, AND WELFARE OF RESIDENTS OF MULTIFAMILY RESIDENTIAL PROPERTIES; AND

(g) NOTHING IN THIS SECTION LIMITS THE RIGHT OF TENANTS TO RAISE ANY COUNTERCLAIMS OR DEFENSES IN ANY SUMMARY PROCESS OR OTHER ACTION REGARDING POSSESSION BROUGHT BY A RECEIVER.

SECTION 7. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 28, 2025