New Protections for Colorado Renters

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Colorado enacted many new laws to better protect renters this year. These laws will help renters—including mobile homeowners—avoid eviction and financial burdens, and advance access to justice for those facing eviction.

Late Fees

- To be able to charge fees on late rent payments, a landlord must disclose those fees in a lease agreement.
- If a renter can't pay rent the day it is due (usually the 1st of the month), landlords have to wait at least 7 calendar days before they charge a late fee. (Calendar days means weekends and holidays count toward that 7-day minimum.) If the renter pays their rent in those 7 days, no late fee should be charged.
- When a landlord does charge late fees, in one month, those fees can't total more than:
 - o \$50 or
 - o 5% of the amount owed that month—whichever of these amounts is greater.
- A landlord can charge late fees more than once per month, as long as the total does not go over those limits.
- A landlord is <u>not</u> allowed to:
 - o charge interest on late fees;
 - o charge late fees on an portion of the rent that is subsidized;
 - o subtract any late fees from rent the renter has paid;
 - o evict someone only for unpaid late fees; or
 - o charge any more than \$50 or 5% of the amount owed that month, even if a renter can't pay rent for multiple months.
- If a landlord violates any of these laws, a renter can:
 - Get \$50 from the landlord for an initial violation, plus additional compensation (ranging from \$150 to \$1,000) for additional violations if the renter first notifies the landlord of the violation and the landlord doesn't fix it within 7 days;
 - o Bring legal action against their landlord to stop them from violating the law; and
 - o Seek financial damages and coverage of attorney fees if they go to court.

Time to Pay Overdue Rent

- A landlord can still evict a renter for not paying rent. But, if a renter can pay all outstanding rent any time before the point of a judgment in eviction court, the landlord or the court have to accept that rent and let the renter stay in their home.
- If a judge confirms the renter has paid all rent that is due, the court will vacate any judgment and dismiss the case. This means the renter won't have anything about the eviction filing or court case on their record.
- A landlord or attorney can't ask or force a renter to give up these rights as part of any negotiation or in a lease.

Advancing Justice in Eviction Court

- Any court summons for eviction due to nonpayment of rent must include information on where a renter can obtain rental and legal assistance.
- Renters have until the close of business to go to their local courthouse and file their response to the court summons on the day specified in that summons. (The same applies for any online or phone requirement if a court has Covid or other protocol in place.)
- Renters who respond to the court summons will then have at least 7 days to prepare before their court (or trial) date.
- A renter can claim that their landlord violated the state's "warranty of habitability" law as an "affirmative defense" to the eviction that has been filed against them. This means even though the landlord brought the case against the renter, the renter can bring evidence that the landlord is responsible for the unit not being safe or healthy to live in, which is why the renter did not pay all or part of their rent. (Please seek legal advice if you think you might have a warranty of habitability issue.)
- Some low-income renters can assert that warranty of habitability defense without having to pay a costly bond to the court. If someone's household income is less than 250% of the federal poverty guideline, they are likely eligible. Renters should ask a legal aid provider for help if they think they might qualify.

Illegal Lockouts

- Landlords must have a court order to legally lock a renter out of their home. Renters who are illegally locked out without a court order can now bring their landlord to court, recover their costs, and be awarded three times their monthly rent or \$5,000 whichever is greater.
- If the renter's home is still open (has not been re-rented) by the time a judge finds they were illegally locked out, the judge can order the renter be allowed to move back in—if that's what the renter wants.

Additional Protections

- Renters who lose their case in eviction court will be guaranteed at least 10 days from when the judgment is issued to when a sheriff can forcibly remove renters and their belongings.
- Landlords can't increase rent more than once in a continuous 12-month period.
- Landlords must provide 60 days' notice of a rent increase for renters who do not have a written lease agreement.

This document is for informational use only, not for the purpose of providing legal advice. For information on legal aid, go to <u>coloradohousingconnects.org</u> or call 1-844-926-6632.