

2026 Colorado Legislative Session Report



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Community Associations Institute (CAI) Colorado Legislative Action Committee (CLAC) spent the 2026 legislative session advocating on behalf of the approximately [2,497,000 Coloradans living in 998,900 homes in more than 11,300 community associations across the Centennial State.](#)

Legislative Overview

Colorado's legislative session began on January 14 and adjourned on May 13, 2026. This year, the primary challenge for legislators was to work with the Governor on a state budget that addressed the \$1.5 billion shortfall, meaning that bills with a substantial fiscal note was unlikely to pass. Legislators sought to decrease spending without creating new tax burdens for Colorado households.

2026 Key Bills of Interest to Community Associations in Colorado:

Below is a brief overview of highlights from the 2026 Colorado Legislative Session. Bills which have passed are effective August 12, 2026 unless otherwise stated:

CAI SOUGHT AMENDMENTS TO THE BELOW BILLS

CAI works with legislators to champion legislative amendments to better align the language with CAI's public policy positions on topics impacting the community association industry.

[HB26-1099 Protect Financial Condition of Homeowners Associations](#)

This legislation requires declarants to provide a 30-year reserve study for any association under declarant control beginning August 8, 2026. The bill also adds several new disclosure requirements. Before transition, declarants must provide a copy of the study to the association. Additionally, management companies or managers must turn over all association records and property within 45 days after the nonrenewal of a contract or they may be subject to a \$250 penalty for each business day after the 45-day period that the property is not transferred. Willful violation is subject to 3x penalties plus damages, attorneys fees, and court costs.

CLAC sought amendments to this bill to better align with the recommendations found in CAI's [Reserve Study and Funding Public Policy](#) and was actively engaging with legislative authors during the process as well as provided legislative testimony during the Committee process. However, stakeholder engagement was extremely limited and the bill continued to proceed through the Committee process without amendments or stakeholder conversations. CLAC remains committed to the long-term health and safety of community associations and looks forward to ongoing conversations regarding this legislation.

Community Associations Institute (CAI) | www.caionline.org

Contact Information – Call CAI at (888) 224-4321 to find the chapter nearest you.

Status: PASSED, signed by Governor. Effective August 12, 2026.

[HB26-1007 Improve Customer Use Distributed Energy Resources](#)

This bill establishes rules and regulations governing the ownership and use of portable solar devices. This includes rules and regulations from common interest communities, which cannot effectively prohibit the use of a portable solar device and conflicting covenant provisions will be unenforceable. The bill also allows owners in common interest communities to install portable-scale solar devices on limited common elements, such as patios, decks, and balconies serving their unit, notwithstanding certain existing restrictions. CLAC sought to amend this bill to protect an association's ability to impose reasonable rules and regulations, as well as to protect liability in cases where a device causes property damage and/or injury.

Language was included to allow associations to retain the ability to require prior notice of installation and impose reasonable restrictions related to fire and electrical safety, preventing property damage or personal injury, and the location of the device. Associations may require devices to be reasonably secured and may hold owners responsible for maintenance, removal, indemnification, liability, and associated costs.

Status: PASSED, signed by Governor. Effective January 1, 2027.

[HB26-1045: Disability Housing Protections](#)

Part of the Colorado Anti-Discrimination Act, assistance animals include both service animals and emotional support animals. The bill allows reasonable accommodations for assistance animals. Reasonable documentation may be requested. Direct threats to health and safety or substantial damage to property are sufficient reasons to deny reasonable accommodation requests.

Status: PASSED, signed by Governor. Effective August 12, 2026.

CAI MONITORED THE BELOW BILLS

CAI LACs monitor legislation with the potential to impact those living and working in community associations across their state, as well as legislation that may indirectly or unintentionally impact community associations.

[HB26-1001 Housing Developments on Qualifying Properties](#)

A carry-over from a 2025 bill impacting populous areas in Colorado, this bill requires subject jurisdictions to allow residential development on or after December 31, 2027 which may include an expedited approval process.

Status: PASSED, signed by Governor. Effective Immediately.

SB26-155 Increase Access Homeowner's Insurance Enterprise

Adds a .5% fee to premiums to create an enterprise fund for the following:

- Reducing insurer losses and administrative expenses due to hail damage claims by providing grants for the installation of resilient roof systems (grants). At least 85% of the fee revenue must be used for grants to Colorado homeowners to retrofit residential property;
- Analyzing data on hail losses to identify areas of the state to target for installation of resilient roof systems;
- Setting standards for resilient roof systems and awarding workforce training grants for installing and certifying resilient roof systems;
- Creating codes of conduct for roofing contractors to ensure roofs are properly and appropriately installed;
- Evaluating roofing protocols to ascertain if the protocols meet science-based, certifiable standards;
- Conducting or contracting with a third party to conduct a study to analyze insurance risk in high-risk wildfire areas of the state; and
- Improving market stability throughout the state.

A 7-member board will be appointed by January 1, 2027 to oversee the enterprise.

Status: PASSED, signed by Governor. Effective August 12, 2026

HB26-1201 Homeowners' Preferred Language Notice to HOAs – Postponed Indefinitely

This bill amends existing CCIOA language around the accommodation of non-English speakers. Currently, a unit owner may notify the association that they prefer to receive correspondence and notices from the in a language other than English. The association is then required to send the unit owner correspondence and notices in both English and the preferred language. This bill authorizes associations to request proof of the need for language accommodations, and then allows the association to send materials only in the language of preference.

Status: Died in Committee.

2026 UPDATE TO LENDING REQUIREMENTS

On the Federal level, Fannie Mae and Freddie Mac recently made updates regarding approved lending requirements for HOAs. Under the new rules:

- The Association's budget must include at least 15% of the budget must be for reserves; less than 15% may be set aside provided the association has a reserve study less than 3 years old and is following the highest recommended level of funding.
- No longer requires roofs to be insured at full replacement cost.
- Condos: Inflation guard requirement has been removed. Maximum deductible of \$50k per unit applies.

Please keep an eye out for CAI National news for future updates to lending requirements.

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Get Involved in CAI's Colorado Advocacy Work through Your Local Chapter!


In addition to strong and effective advocacy work in Denver, CAI's Colorado chapters provide information, resources, education programs and best practices designed to help you and your communities throughout Colorado thrive.

Not a member yet? Join a growing global network of more than 51,000 community managers, management company executives, homeowner leaders, and business partners, and open up a world of opportunities for professional growth, networking and industry knowledge.

Find your local chapter at <https://www.caionline.org/find-a-chapter/>.


<p>Track CO Legislation CAI tracks legislation throughout the year, so you can stay informed. You can check the legislation that CAI is monitoring around the clock here.</p>	<p>CAI CO Legislative Resources and Contact Information CAI Colorado Legislative Action Committee - (888) 224-4321 CAI Rocky Mountain Chapter- (303) 585-0367 CAI Southern Colorado Chapter- (719) 432-9960</p>
<p>Support and Donate Today CAI depends on professional lobbyists funded by community associations, businesses, and individuals to create the best public policy for the community association industry in Colorado. Learn More & Donate Today by Selecting "Colorado."</p>	
<p>Register for CAI's 2026 Congressional Advocacy Summit - Sept. 24 in Washington, D.C. This exclusive members-only event brings together industry leaders and advocates to engage directly with members of Congress and their staff. As the premier advocacy event of the year for the community association housing model, CAI's Advocacy Summit offers a unique opportunity to meet face-to-face with federal lawmakers and help shape public policy impacting the industry. Learn More and Register</p>	

Review CAI's Public Policy Positions



Help Shape Future Legislation

Join our CAI Advocacy Ambassador program and become a part of the movement to create positive change. Your voice matters, so sign up now to make your mark!



www.caionline.org/Ambassadors