



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 24-0633	Date:	January 22, 2024
Prime Sponsors:	Rep. Rutinel; Mabrey Sen. Exum; Gonzales	Bill Status:	House Trans., Hous. & Local Govt.
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Bill Topic: PROHIBIT RESIDENTIAL OCCUPANCY LIMITS

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input checked="" type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

The bill prohibits local governments from enacting or enforcing residential occupancy limits except for certain health and safety-related regulations. Starting in FY 2024-25, the bill minimally increases state and local workload.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Summary of Legislation

The bill prohibits local governments, including home rule or statutory cities, counties, towns, territorial charter cities, and consolidated cities and counties, from limiting the number of people who may live together in a single dwelling, regardless of familial relationship. A local government may limit the number of inhabitants in a dwelling if the regulation is tied to a minimum square footage per person necessary to regulate health, safety, or welfare.

State Expenditures

The bill increases workload in the Department of Local Affairs (DOLA) to respond to technical assistance requests from local governments regarding compliance, as well as to develop and promote best practices for local governments. This increase is expected to be minimal and no change in appropriations is required.

Local Government

Local government workload will increase to revise local codes to reflect the requirements of the bill, and costs will increase to implement these code changes. These impacts will likely be minimal. Additionally, to the extent the bill increases total population in a jurisdiction, local governments will experience an increase in demand for services and infrastructure.

Correspondingly, local government revenue from various sources may also increase from increased population and economic activity within a jurisdiction. The net impact of these changes will vary by jurisdiction and has not been estimated.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties	Law	Local Affairs
Judiciary	Municipalities	Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).