

SUBJECT: Limiting dwelling unit occupancy regulation by home-rule municipalities

COMMITTEE: Land & Resource Management — favorable, without amendment

VOTE: 5 ayes — Gates, Lalani, Alders, Morgan, Virdell

1 nay — R. Lopez

3 absent — Y. Davis, Hinojosa, Hunter

SENATE VOTE: On final passage (April 14) — 30 - 1

WITNESSES: None (*Considered in a formal meeting April 28*)

BACKGROUND: Concerns have been raised that occupancy limits may harm students' ability to find affordable housing. Some have suggested that the health and safety concerns that occupancy limits based on familial status in certain cities were designed to address could be addressed using other regulatory metrics.

DIGEST: SB 1567 would prohibit a home-rule municipality in which a university campus was located from adopting or enforcing a zoning regulation that limited the number of people who could occupy a dwelling unit based on age, familial status, occupation, relationship status, or whether the occupants were related to each other by a certain degree of affinity or consanguinity.

Such a municipality could not impose an occupancy limit that was more restrictive than one occupant per sleeping room with a minimum floor area of 70 square feet and one additional occupant for each additional 50 square feet of floor area in the same sleeping room.

SB 1567 would not prohibit a municipality from limiting occupancy based on health and safety standards in a building code, fire code, Department of State Health Services standards, or affordable housing program guidelines.

The bill would prohibit a municipality from requiring a real estate broker, agent, or other third party fiduciary to submit a lease or related document to determine the number of unrelated occupants of a dwelling unit for the purpose of enforcing an occupancy requirement.

The bill would not prohibit a property owner from enforcing rules or deed restrictions imposed by a property owners' association or by other private agreement.

SB 1567 would authorize a property owner in a municipality that violated the bill to bring an action against the municipality for damages and equitable relief. The municipality's governmental immunity to suit and from liability would be waived to the extent of liability under the bill.

The bill would take effect September 1, 2025.