



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1316: PRIVATE MEMBERSHIP CLUB COVENANTS

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**Prime Sponsors:**

Rep. Hamrick

**Fiscal Analyst:**

Julia Group, 303-866-4720

julia.group@coleg.gov

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**Version:** Initial Fiscal Note

**Date:** March 11, 2026

**Fiscal note status:** This fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** This bill prohibits new covenants or declarations for a residential property that requires property owners to join and pay dues to a private membership club, and places new disclosure requirements on private membership clubs that collect fees or dues under existing covenants or declarations.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- State Revenue

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## **Summary of Legislation**

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This bill restricts private membership club requirements in residential communities. Beginning January 1, 2027, any new covenant or declaration recorded for a residential property that requires a property owner to join a private membership club, such as a country club, golf club, or tennis club, as a condition of owning a home is void and unenforceable.

For existing covenants and declarations that currently obligate property owners to pay dues or fees to a private membership club, the bill requires the club to disclose financial and operating information to property owners. The club must post this information on its website and mail or deliver it to property owners within 90 days at the end of the fiscal year, at no cost to the owners. Property owners are not required to pay fees to clubs that do not comply with these conditions, and may bring civil claims for damages in the event of noncompliance.

The bill specifies that a "private member club" does not include a unit owners' association (HOA) or metropolitan district, or a recreational club, amenity, or facility operated or owned by an HOA or metropolitan district.

## **State Revenue**

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The bill may increase revenue from filings fees to the Judicial Department from additional civil cases regarding prohibited covenants or violations of disclosure requirements. It is assumed most impacted entities will follow the requirements; therefore, any resulting revenue is assumed to be minimal.

## **State Expenditures**

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### **Department of Regulatory Agencies**

The HOA Information and Resource Center in the Division of Real Estate in the Department of Regulatory Agencies may have a minimal workload increase to respond to questions concerning the change to club membership and disclosure requirements. No change in appropriations is required.

### **Judicial Department**

The bill authorizes civil litigation for violations, which could increase civil cases and associated court workload. The increase is absorbable within existing resources and no change in appropriations is required.

## Effective Date

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State and Local Government Contacts

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Regulatory Agencies

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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](#).