

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Business Affairs & Labor.

HB21-1134 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3       **"SECTION 1. Legislative declaration.** (1) The general  
4 assembly finds that:

5       (a) According to the Urban Institute, home ownership is currently  
6 the largest single source of wealth building, but in Colorado, a significant  
7 racial gap in home ownership rates exists;

8       (b) In 2018:

9           (I) Sixty-eight percent of White households were home owners,  
10 compared to thirty-seven percent of Black households and fifty-two  
11 percent of Latino households. This is especially problematic because  
12 home ownership plays a bigger role in building wealth for communities  
13 of color than it does for White households. According to a recent study,  
14 home ownership amounts to fifty-three percent of wealth for Blacks and  
15 thirty-nine percent of wealth for Whites.

16           (II) The national mortgage loan denial rate for Black applicants  
17 was double that of White applicants, at eighteen percent versus nine  
18 percent. Among Black and Latino households, the most common reason  
19 for denial was debt-to-income ratios. The second most common reason  
20 was credit history.

21           (c) Due to traditional credit scoring models, many communities  
22 of color are credit invisible or unscorable. Roughly fifteen percent of  
23 Blacks and Latinos are credit invisible compared to ten percent of Whites;  
24 similarly, thirteen percent of Blacks and twelve percent of Latinos are  
25 credit unscorable compared to seven percent of Whites. Credit invisibility  
26 and unscorability are barriers to financial opportunity that have adverse  
27 effects lasting generations.

28           (2) The general assembly also finds that:

29           (a) Communities of color find it difficult to gain access to credit,  
30 especially when it comes to mortgages;

31           (b) For renters, the rental payment is often their single largest  
32 credit or contractual obligation;

33           (c) Reporting rental payments is a way to even the playing field  
34 and enable communities of color, lower-income households, and residents  
35 of rural communities to generate and build credit without taking on  
36 additional debt; and

37           (d) Reporting rental payments allows renters to build credit in  
38 much the same way that home owners build credit through the reporting  
39 of mortgage payments.

40           (3) Therefore, the general assembly declares that it is in the best

1 interests of the state to create a pilot program whereby participant tenants  
2 may elect to have their rent payment information reported to consumer  
3 reporting agencies and thereby build and improve their credit.

4           **SECTION 2.** In Colorado Revised Statutes, **add** 24-36-123 as  
5 follows:

**24-36-123. Rent reporting for credit pilot program - Colorado housing and finance authority - appropriations - repeal.** (1) ON OR BEFORE OCTOBER 1, 2021, THE STATE TREASURER SHALL ISSUE A WARRANT IN THE AMOUNT OF TWO HUNDRED FIVE THOUSAND DOLLARS FROM THE TREASURY DEPARTMENT TO THE COLORADO HOUSING AND FINANCE AUTHORITY CREATED IN SECTION 29-4-704 FOR THE IMPLEMENTATION OF THE RENT REPORTING FOR CREDIT PILOT PROGRAM CREATED IN SECTION 29-4-1003.

14 (2) THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY TO THE  
15 TREASURY DEPARTMENT FOR THE PURPOSES OF THIS SECTION AND PART 10  
16 OF ARTICLE 4 OF TITLE 29.

17 (3) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.

18           **SECTION 3.** In Colorado Revised Statutes, **add** part 10 to article  
19   4 of title 29 as follows:

## PART 10

## RENT REPORTING FOR CREDIT PILOT PROGRAM

22           **29-4-1001. Short title.** THE SHORT TITLE OF THIS PART 10 IS THE  
23    "RENT REPORTING FOR CREDIT PILOT PROGRAM ACT".

24           **29-4-1002. Definitions.** AS USED IN THIS PART 10, UNLESS THE  
25           CONTEXT OTHERWISE REQUIRES:

26 (1) "AUTHORITY" MEANS THE COLORADO HOUSING AND FINANCE  
27 AUTHORITY CREATED IN SECTION 29-4-704.

28 (2) "CONSUMER REPORTING AGENCY" HAS THE MEANING SET  
29 FORTH IN 15 U.S.C. SEC. 1681a (f).

30 (3) "CONTRACTOR" MEANS THE CONTRACTOR WITH WHICH THE  
31 AUTHORITY CONTRACTS TO ADMINISTER THE PILOT PROGRAM PURSUANT  
32 TO SECTION 29-4-1003 (2).

33 (4) "DWELLING UNIT" HAS THE MEANING SET FORTH IN SECTION  
34 38-12-502 (3).

35 (5) "FINANCIAL EDUCATION COURSE" MEANS AN EDUCATIONAL  
36 COURSE THAT PROVIDES INFORMATION ABOUT THE IMPORTANCE OF  
37 BUILDING AND MAINTAINING GOOD CREDIT, INCLUDING A FINANCIAL  
38 EDUCATION COURSE OFFERED BY OR THROUGH A LOCAL BANK, A  
39 NONPROFIT ORGANIZATION, THE AUTHORITY, A HOUSING AUTHORITY, A  
40 STATE GOVERNMENT AGENCY, A LOCAL GOVERNMENT AGENCY, OR ANY  
41 THIRD PARTY UNDER CONTRACT WITH ANY SUCH ENTITY.

42 (6) "LANDLORD" HAS THE MEANING SET FORTH IN SECTION  
43 38-12-502 (5).

6 (8) "PARTICIPANT TENANT" MEANS A TENANT THAT HAS ELECTED  
7 TO PARTICIPATE IN THE PILOT PROGRAM AND WHOSE LANDLORD IS A  
8 PARTICIPANT LANDLORD.

9 (9) "PILOT PROGRAM" MEANS THE RENT REPORTING FOR CREDIT  
10 PILOT PROGRAM CREATED IN SECTION 29-4-1003.

11 (10) "RENT PAYMENT INFORMATION" MEANS INFORMATION  
12 CONCERNING A TENANT'S TIMELY PAYMENT OF RENT, UNTIMELY PAYMENT  
13 OF RENT, OR NONPAYMENT OF RENT. "RENT PAYMENT INFORMATION" DOES  
14 NOT INCLUDE INFORMATION CONCERNING A TENANT'S PAYMENT OR  
15 NONPAYMENT OF ANY FEES.

16 (11) "TENANT" HAS THE MEANING SET FORTH IN SECTION  
17 38-12-502(9).

18                   **29-4-1003. Rent reporting for credit pilot program - created**  
19                   **- third-party contractor - participant landlords and participant**  
20                   **tenants - financial education courses required - compensation for**  
21                   **participant landlords.** (1) THE RENT REPORTING FOR CREDIT PILOT  
22                   PROGRAM IS CREATED TO FACILITATE THE REPORTING OF PARTICIPANT  
23                   TENANTS' RENT PAYMENT INFORMATION TO CONSUMER REPORTING  
24                   AGENCIES.

38 (I) A VARIETY OF TYPES OF DWELLING UNITS FOR RENT, INCLUDING  
39 DWELLING UNITS OF VARIOUS SIZES;

40 (II) DWELLING UNITS FOR RENT THAT ARE LOCATED IN DIVERSE  
41 AREAS OF THE STATE; AND

42 (III) AT LEAST FIVE DWELLING UNITS FOR RENT.

43 (b) IN ORDER TO BECOME A PARTICIPANT LANDLORD, A LANDLORD

1       MUST AGREE IN WRITING:

2           (I) TO PARTICIPATE IN THE PILOT PROGRAM FOR AT LEAST  
3       FOURTEEN MONTHS, BUT THE AUTHORITY SHALL NOT REQUIRE THE  
4       LANDLORD TO PARTICIPATE AFTER APRIL 1, 2024;

5           (II) NOT TO CHARGE A PARTICIPANT TENANT FOR PARTICIPATION  
6       IN THE PILOT PROGRAM;

7           (III) TO COMPLY WITH RULES PROMULGATED BY THE AUTHORITY  
8       PURSUANT TO SECTION 29-4-1004; AND

9           (IV) TO PROVIDE INFORMATION, TO THE EXTENT PRACTICABLE, TO  
10      THE AUTHORITY AND THE CONSULTANT CONCERNING THE EXECUTION OF  
11      THE PROGRAM FOR THE PURPOSE OF INFORMING THE REPORT DESCRIBED  
12      IN SECTION 29-4-1005.

13           (c) THE CONTRACTOR MAY WORK WITH STATEWIDE OR NATIONAL  
14      ASSOCIATIONS OF LANDLORDS TO IDENTIFY POTENTIAL PARTICIPANT  
15      LANDLORDS.

16           (d) THE CONTRACTOR SHALL SUPPORT AND WORK WITH  
17      LANDLORDS TO RECRUIT TENANTS TO PARTICIPATE IN THE PILOT PROGRAM.

18           (4) A TENANT MAY PARTICIPATE IN THE PILOT PROGRAM ONLY IF  
19      THE TENANT AGREES TO PARTICIPATE AND COMPLETES A FINANCIAL  
20      EDUCATION COURSE. A PARTICIPANT TENANT MUST DEMONSTRATE THAT  
21      THE PARTICIPANT TENANT HAS COMPLETED A FINANCIAL EDUCATION  
22      COURSE BEFORE THE PARTICIPANT TENANT MAY HAVE A PARTICIPANT  
23      LANDLORD REPORT THE PARTICIPANT TENANT'S RENT PAYMENT  
24      INFORMATION.

25           (5) ON AND AFTER OCTOBER 15, 2021, THE CONTRACTOR SHALL:

26           (a) PROVIDE EDUCATION TO PARTICIPANT LANDLORDS AND  
27      POTENTIAL PARTICIPANT LANDLORDS CONCERNING THE REQUIREMENTS OF  
28      PARTICIPATION IN THE PILOT PROGRAM; AND

29           (b) PROVIDE INFORMATION TO PARTICIPANT LANDLORDS TO HELP  
30      RECRUIT PARTICIPANT TENANTS, INCLUDING, AT A MINIMUM,  
31      INFORMATION CONCERNING HOW TO PARTICIPATE IN THE PILOT PROGRAM  
32      AND THE LIST OF FINANCIAL EDUCATION COURSES ESTABLISHED PURSUANT  
33      TO RULES PROMULGATED BY THE AUTHORITY PURSUANT TO SECTION  
34      29-4-1004.

35           (6) PARTICIPANT LANDLORDS THAT SATISFY THE REQUIREMENTS  
36      DESCRIBED IN SUBSECTION (3)(b) OF THIS SECTION MAY RECEIVE  
37      COMPENSATION FOR THEIR PARTICIPATION IN THE PILOT PROGRAM. SUCH  
38      COMPENSATION:

39           (a) SHALL BE PAID FROM MONEY RECEIVED BY THE AUTHORITY  
40      FROM THE STATE TREASURER PURSUANT TO SECTION 24-36-123; AND

41           (b) SHALL BE PAID TO PARTICIPANT LANDLORDS IN ACCORDANCE  
42      WITH RULES ESTABLISHED BY THE AUTHORITY PURSUANT TO SECTION  
43      29-4-1004.

1                   **29-4-1004. Rent reporting for credit pilot program - rules.**

2                   (1) ON OR BEFORE OCTOBER 1, 2021, THE AUTHORITY SHALL ESTABLISH  
3                   RULES FOR THE ADMINISTRATION OF THE PILOT PROGRAM. AT A MINIMUM,  
4                   THE RULES MUST:

5                   (a) INCLUDE A LIST OF FINANCIAL EDUCATION COURSES THAT  
6                   TENANTS MAY COMPLETE IN ORDER TO PARTICIPATE IN THE PILOT  
7                   PROGRAM, INCLUDING ONLINE CLASSES SORTED BY LOCATION AND, TO THE  
8                   EXTENT PRACTICABLE, ADDRESSES, PHONE NUMBERS, WEBSITES, AND  
9                   OTHER CONTACT INFORMATION;

10                   (b) ENSURE THAT EACH PARTICIPANT LANDLORD REPORTS ONLY  
11                   RENT PAYMENT INFORMATION CONCERNING A PARTICIPANT TENANT'S  
12                   PAYMENT OR NONPAYMENT OF RENT AFTER THE DATE UPON WHICH THE  
13                   PARTICIPANT TENANT ELECTED TO PARTICIPATE IN THE PILOT PROGRAM;

14                   (c) ESTABLISH AMOUNTS, SCHEDULES, AND OTHER TERMS OF  
15                   COMPENSATION FOR PARTICIPANT LANDLORDS PURSUANT TO SECTION  
16                   29-4-1003 (6); AND

17                   (d) ESTABLISH A STANDARD FORM FOR PARTICIPANT TENANTS TO  
18                   USE TO ELECT TO PARTICIPATE OR CEASE PARTICIPATING IN THE PILOT  
19                   PROGRAM, WHICH STANDARD FORM MAY BE ELECTRONIC AND MUST  
20                   INCLUDE:

21                   (I) A STATEMENT THAT THE PARTICIPANT TENANT'S PARTICIPATION  
22                   IN THE PILOT PROGRAM IS VOLUNTARY AND THAT A PARTICIPANT TENANT  
23                   MAY CEASE PARTICIPATING IN THE PILOT PROGRAM AT ANY TIME AND FOR  
24                   ANY REASON BY PROVIDING NOTICE TO THE PARTICIPANT TENANT'S  
25                   PARTICIPANT LANDLORD;

26                   (II) A STATEMENT THAT ALL OF THE PARTICIPANT TENANT'S RENT  
27                   PAYMENTS MAY BE REPORTED, REGARDLESS OF WHETHER THE PAYMENTS  
28                   ARE TIMELY, LATE, OR MISSED, AND THAT REPORTING MAY COMMENCE  
29                   WITHIN THIRTY DAYS AFTER THE PARTICIPANT TENANT ELECTS TO  
30                   PARTICIPATE IN THE PILOT PROGRAM;

31                   (III) A STATEMENT THAT IF THE PARTICIPANT TENANT ELECTS TO  
32                   CEASE PARTICIPATING IN THE PILOT PROGRAM, THE PARTICIPANT TENANT  
33                   MAY NOT RESUME PARTICIPATING IN THE PILOT PROGRAM;

34                   (IV) INSTRUCTIONS DESCRIBING HOW TO ELECT TO CEASE  
35                   PARTICIPATING IN THE PILOT PROGRAM; AND

36                   (V) A SIGNATURE BLOCK WHERE THE PARTICIPANT TENANT MAY  
37                   SIGN AND DATE THE FORM.

38                   **29-4-1005. Rent reporting for credit pilot program - report.**

39                   (1) ON OR BEFORE JUNE 1, 2024, THE AUTHORITY, IN CONSULTATION WITH  
40                   THE CONTRACTOR, SHALL SUBMIT TO THE GOVERNOR AND THE GENERAL  
41                   ASSEMBLY A REPORT CONCERNING THE PILOT PROGRAM. AT A MINIMUM,  
42                   THE REPORT MUST INDICATE:

43                   (a) THE NUMBER OF PARTICIPANT LANDLORDS, INCLUDING AN

1 INDICATION AS TO WHETHER MORE THAN TEN LANDLORDS EXPRESSED AN  
2 INTEREST IN PARTICIPATING;

3 (b) THE NUMBER OF PARTICIPANT TENANTS, INCLUDING THE  
4 NUMBER OF PARTICIPANT TENANTS WHO CEASED PARTICIPATING IN THE  
5 PILOT PROGRAM;

6 (c) THE DEMOGRAPHICS OF PARTICIPANT TENANTS, INCLUDING  
7 RACE, ETHNICITY, GENDER, INCOME, AND AGE, AS MAY BE VOLUNTARILY  
8 PROVIDED BY PARTICIPANT TENANTS;

9 (d) THE COST OF ADMINISTERING THE PILOT PROGRAM;

10 (e) THE NUMBER OF RESIDENTIAL PROPERTIES OFFERED BY EACH  
11 LANDLORD;

12 (f) FOR EACH PARTICIPANT LANDLORD:

13 (I) THE NATURE OF THE REPORTING MECHANISM USED TO REPORT  
14 PARTICIPANT TENANTS' RENT PAYMENT INFORMATION TO CONSUMER  
15 REPORTING AGENCIES; AND

16 (II) THE LOCATION OF EACH PROPERTY OFFERED BY THE  
17 PARTICIPANT LANDLORD;

18 (g) A SHORT NARRATIVE OF CHALLENGES FACED BY PARTICIPANT  
19 LANDLORDS AND PARTICIPANT TENANTS DURING THE PILOT PROGRAM;  
20 AND

21 (h) A SIMPLE ASSESSMENT OF HOW THE PILOT PROGRAM, IN  
22 AGGREGATE, POSITIVELY OR NEGATIVELY AFFECTED PARTICIPATING  
23 TENANTS' CREDIT.

24 (2) IN ADDITION TO THE INFORMATION DESCRIBED IN SUBSECTION  
25 (1) OF THIS SECTION, THE REPORT MAY INCLUDE ANY RECOMMENDATIONS  
26 OF THE AUTHORITY CONCERNING THE CONTINUATION OR REPEAL OF THE  
27 PILOT PROGRAM.

28 (3) THE AUTHORITY SHALL MAKE THE REPORT DESCRIBED IN  
29 SUBSECTION (1) OF THIS SECTION AVAILABLE ON ITS PUBLIC WEBSITE.

30 **29-4-1006. Repeal of part.** THIS PART 10 IS REPEALED, EFFECTIVE  
31 SEPTEMBER 1, 2024.

32 **SECTION 4. Safety clause.** The general assembly hereby finds,  
33 determines, and declares that this act is necessary for the immediate  
34 preservation of the public peace, health, or safety.".

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