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Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

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| Drafting Number: | LLS 24-1000 | Date: | August 13, 2024 |
| Prime Sponsors: | Rep. Ortiz Sen. Danielson | Bill Status: | Signed into Law |
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Bill Topic: **MODIFY RENTAL PREMISES PERSON WITH DISABILITY**

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

The bill repeals a landlord's authority to require restoration of property after reasonable modifications are made by an individual with a disability. It minimally increases state revenue and expenditures beginning in FY 2024-25.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: This final fiscal note reflects the enacted bill.

Summary of Legislation

Current law prohibits a landlord from discriminating against an individual with a disability seeking reasonable modifications of existing premises if the modification affords the renter full enjoyment of the premise. However, landlords may condition the permission of modifications on the renter's agreement to restore the interior of the premise to its previous state at the end of a lease. The bill repeals a landlord's authority to condition permission of modifications on restoration of the premise.

Background

The Colorado Civil Rights Division (CCRD) in the Department of Regulatory Agencies (DORA) enforces the state's anti-discrimination laws in the areas of employment, housing, and public accommodations. In housing matters, aggrieved individuals who believe they have been discriminated against have one year from the act of alleged discrimination to file a complaint with the division and eighteen months to file a civil action.

The U.S. Department of Housing and Urban Development has certified the CCRD as a Fair Housing Assistance Program agency, which partially funds the division for resolving unfair or discriminatory housing practice complaints and administrative operations.

State Revenue

Starting in FY 2024-25, the bill may increase state revenue from civil penalties and court filing fees by a minimal amount.

Civil penalties. A person committing an unfair or discriminatory housing practice may be subject to a civil penalty of up to \$10,000 for each violation. Additional penalties may be imposed for subsequent violations of a court order or injunction. This revenue is classified as a damage award and not subject to TABOR. Given the uncertainty about the number of cases that may be pursued by the Attorney General and district attorneys, as well as the wide range in potential penalty amounts, the fiscal note cannot estimate the potential impact of these civil penalties.

Filing fees. The bill may increase revenue to the Judicial Department from an increase in civil case filings. Revenue from filing fees is subject to TABOR.

State Expenditures

The bill may increase workload in DORA and the Judicial Department beginning in FY 2024-25, as described below.

Department of Regulatory Agencies. Workload in DORA may increase to the extent that unfair or discriminatory housing practice complaints are filed with the CCRD. The number of additional complaints and related workload are expected to be minimal and no change in appropriation is required.

Judicial Department. Similar to the State Revenue section above, trial courts in the Judicial Department may experience an increase in workload to the extent that additional civil cases are filed under the bill. The fiscal note assumes that landlords will comply with the law and any increase will be minimal.

Effective Date

The bill was signed into law by the Governor on May 28, 2024, and it took effect on August 7, 2024.

State and Local Government Contacts

Judicial
Regulatory Agencies

Law

Local Affairs

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](#).