Legislative Council Staff
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Fiscal Note

Drafting Number:	LLS 24-1000		**Date:**	March 7, 2024	
Prime Sponsors:	Rep. Ortiz		**Bill Status:**	House Trans., Hous. & Local Govt.	
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Bill Topic:	**MODIFY RENTAL PREMISES PERSON WITH DISABILITY**	
Summary of Fiscal Impact:	☒ State Revenue ☒ State Expenditure	☐ State Transfer ☐ TABOR Refund	☐ Local Government ☐ 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:	The fiscal note reflects the introduced 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 takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Judicial   Law   Local Affairs
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.