

House Business Affairs & Labor

SB21-173 Rights In Residential Lease Agreements

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Natasha Beilsmith Against Self	<p>SB21-173 only perpetuates the nightmare that Colorado landlords have been living for the past year thanks to the CDC moratorium. Please do NOT approve this Bill!! As a small private landlord, I cannot afford another tenant that would take advantage of legal loopholes this Bill creates and encourages.</p> <p>Section 4 allows non-paying tenants to escape eviction by paying as little as \$1 to the landlord up until the eviction court Judge rules on the case. By forcing landlords to accept partial payments, the current eviction case will be dismissed and the landlord must re-file eviction for the remaining rent amount due. Essentially a tenant could avoid eviction throughout the entirety of his lease by paying just \$1/month- while the landlord racks up thousands of dollars in legal bills. THAT IS INSANITY!!</p> <p>Section 15 allows tenants to without rent without putting the rent in escrow if they claim they're indignant- this will encourage tenants to make false claims of uninhabitability any time they can't (or don't want to) pay their rent. I know because I had a tenant who did just that: she repeatedly broke appliances, purposely damaged my property, and even left doors open for days with open food to create a pest issue- and lied about it so she could claim "Warranty of Habitability" every month to escape paying rent. Only thing that saved me was she failed to put rent money in escrow. Under this Bill she could've gotten away with not paying rent, damaging my house, and forcing me to PAY HER for her fake "pain&suffering" and "loss of use". HOW IS THAT FAIR?? She left me owing more than \$20,000 in damages and unpaid water bills; I'll never get repaid. Just like YOU KNOW landlords will never be repaid all of the money tenants owe them from this past year. STOP punishing landlords!!</p> <p>There's no consequences in this Bill for tenants who make false claims, yet there's severe consequences for landlords- how is that fair?? Why must landlords hold up their half of the contract when tenants don't? Why are you letting scammers hold our property hostage?? This Bill has absolutely no accountability for scammer tenants. By hurting landlords this Bill will do more harm to tenants than good: I would rather leave my house empty than risk another scammer. I can't afford a revolving door of failed eviction legal bills or willful property damage. This entire past year's housing crisis has been put on landlords' shoulders and this is the thanks we get?! PLEASE DO NOT PASS THIS BILL!!</p>

<p>Chelsea Thomas Against Self</p>	<p>Hello, I own shares of 6 single-family houses in Denver county, mostly with other family members, including my mother and aunt, who encouraged me to pursue a life as a landlady because of the flexibility it would permit me as a young mother. During the last year and a half, it has been gratifying to contribute to the financial well-being of my family even as I only work part-time with a baby-now-toddler. Most of my properties stay rented for 2+ years, as my tenants tell me what a great landlady I am and want to continue renting from me. I ask you to consider the other side of the renting equation when considering SB 21-173. While many tenants experience bad landlords over the time that they rent, know that there are bad tenants out there, too. Many of the changes you are contemplating make it easier for bad tenants to take advantage of smaller landlords like myself who really try to do right by our tenants. For instance, my aunt and I had a tenant about 5 years ago who signed a lease to move into our rental house for a year. 2 months later, we found out that she actually wanted to buy a house, which she did, and then she broke our lease. We had to go back in and completely clean (she left the house dirty) and touch up paint throughout the house. Plus, it was vacant for 2 weeks with no rent because we had to find a new tenant. After that experience, we put a clause in our leases that allows us to charge our tenants \$500 if they break their lease early. Neither I nor my aunt have ever had to enforce that clause. But if someone tries to take advantage of us like that again by lying about their intentions to rent for the term of the lease, then we have a path of recourse that we can pursue to make up for lost costs that the tenant causes. Similarly, prohibiting late fees for 7 days effectively changes the "real" date that the rent is due. I still have a mortgage to pay (ON TIME!) every month to ensure that my tenants continue to have a place to live. If you increase the risk that landlords have to take on by making these changes and the others proposed in SB 21-173, you are going to chase smaller landladies like me right out of the market. What will remain? Property management companies, which on average charge more for rental properties (in part to pay for the cost of their company to oversee the property!). Or, if I decide to stay in the business, I will have to start charging more rent, to protect myself against the additional risk that I am taking on.</p>
<p>Benjamin David Hensley For Self</p>	<p>Greetings, My name is Ben and I am the Lead Pastor of Lakewood United Methodist Church. We see many people experiencing homelessness in our neighborhood. Far from believing the conventional wisdom du jour that solving homelessness is as simple as dealing with drug addiction or magically curing someone's supposed "laziness," I am of the firm belief that adequate housing and renter protections like the ones in this bill not only can be a part of the broader solution of homelessness, but can also forestall the increase of people experiencing homelessness due to technicalities that landlords may desire to exploit, or a potential landlord's eagerness to extract as much revenue as they can from a tenant in litigation.</p>

	<p>The changes in this bill are not huge changes. But they are changes that can make a difference in the growing number of people forced out onto the streets because they just barely can make their rent, or have a hard time managing hitting a rough spot financially. I stand in firm support of this bill and urge you to pass it, especially in the current climate we are in with COVID-19 and the recent termination of the eviction moratorium by the CDC. We are already facing what I would characterize as a tsunami of new people experiencing homelessness as unemployment lags in catching up with where it was before COVID-19. I urge you to prioritize the right of renters and the people who actually live in these neighborhoods where landlords are renting property over the incremental increases of wealth and levers for legal extraction of funds from renters that the current status quo maintains. Thank you.</p>
<p>Sherrie Patterson Against Self</p>	<p>I am a small Asian-American, woman-owned business that is trying to grow my real estate investing business. I currently have 5 doors and I am in the process of acquiring a duplex as we speak. I am a person who is still planning to invest in the Colorado rental market, but Senate Bill 173 causes me to have concerns about my growing business. I want to be able to have the flexibility to write contracts that will work for my business plan and also allows for some flexibility with my tenants. My biggest issue with the bill that the court could remove the bond requirement if a tenant is deemed indigent. Regardless of whether my tenants pay their rent, I am still obligated to pay the mortgage on the properties. If a tenant can prove they are living at the poverty level then I would be forced to house them for free for months with no recourse available to me. I am a small business and this provision of the bill creates a huge risk for me. If I lose the rental income, then I could lose the properties. Senate Bill 173 has the potential to destroy the business that I have worked so hard to build. Please consider my position when voting on Senate Bill 173.</p>
<p>David Chorpenning Against Self</p>	<p>I've been a property owner in Colorado for over 40 years. I own 50+ rental units in Manitou Springs. One of our main intentions is to:</p> <p>Our intention is to:</p> <ul style="list-style-type: none"> • We provide safe, well-maintained, managed, and aesthetically pleasing housing and commercial units for our customers. • All resident safety issues are addressed immediately when any member of the team is made aware of the issue. <p>I've known many property owners of the last 40 years and I believe to a lesser or greater extent they approach owning rentals similarly.</p> <p>I believe there are plenty of laws protecting tenants, they just need representation to be able to address issues that may be caused by a very few bad actor property owners/managers.</p>

	<p>Legislators should find ways to provide people legal representation to people that are economically challenged, and are being legally mistreated by a bad actor property owner/manager.</p> <p>I would ask that you require the sponsors of the bill to provide answers to the following questions regarding the bill:</p> <ul style="list-style-type: none"> • What are the significant issues that require these changes to the rental laws. And proof that these issues are happening wide-spread and in your Districts or other areas of the state. Or, are there just a few bad actors. • DOLA is doing a very poor job of administering the tenant rent assistance program and this is a key issue that is affecting rent evictions. • What’s the long-term impact of SB 21-173, and are there other alternatives? <p>The changes suggested in the current bill might help existing tenants, but in the long run, landlords like myself will create higher rental qualification standards and security deposits for people to rent our units.</p> <p>I’m a member of the Colorado Landlord Legislative Coalition and I think the thoughts they layout about SB21-173 are reasonable.</p> <p>I strongly oppose SB21-173. The Senate amended SB 21-173, but there is still plenty of opportunity for those improvements to be changed during the remainder of the process. This is a very broad piece of legislation, removing the balance between tenants and owners.</p> <p>On behalf of Colorado's rental owners and the many people and families we serve, we would ask that you please vote to maintain some level of balance in Colorado's legal structure by voting against SB 21-173.</p>
<p>Christine Pardee For Self</p>	<p>Due to my schedule, I was unable to provide online testimony today and had to disconnect from your hearing on this matter. Please see my Testimony below in support of this bill.</p> <p>-----</p> <p>I am writing to encourage your support for this bill. My perception is informed from a number of relevant experiences related to the issues this bill takes up. I'm a former investment property owner, a former HOA Manager working for POWDR Corporation, a former plan and zoning commissioner in two cities, two different states (one of which is Fort Collins, CO) and a Director of the Polk County Housing Trust Fund. But most importantly, I am a current renter in Colorado who has experienced near eviction last year due to a CoVid related financial crisis. The only reason I maintained a roof over my head is because there</p>

	<p>happened to be a 30 day moratorium on evictions which allowed me time to resolve my financial crisis.</p> <p>When I moved to Colorado full time in 2016 I felt like I entered a time machine - going backwards - when I reviewed the Colorado Landlord Tenant Act and various other regulations as it pertained to tenant rights. Colorado, with its current laws in place, do not provide a level playing field for tenants and investment property owners.</p> <p>The Colorado Landlord Tenant Law was meant to protect the rights of both. In reality, it primarily protects, (and in a disproportionate ratio) the rights of business owners.</p> <p>I'm aware of the influential lobby that will be discouraging the passage of this bill. I'm also aware that many committee members are also investment property owners yourselves which may influence how you vote on this matter today.</p> <p>This committee, through an affirmative vote to pass this bill, will help level the playing field for those whose rental rights continue being denied. If I were not educated knowing where to go for assistance, have the ability to ask smart questions, if I did not have critical thinking skills and the assertiveness to reach out for help when needed, I likely would have ended up being evicted with my housing future on an impossible trajectory of being unrepairable.</p> <p>If this committee is butting heads on specific language and provisions within this bill, I implore you to please work at negotiating so you can come to a place and pass this important bill.</p> <p>Thank you.</p>
<p>Apryl Anis For Self</p>	<p>I am all for SB21-173. I believe human beings are always more important than mere monetary gain. Families and individuals who have been adversely impacted by the COVID-19 pandemic need to be able to maintain adequate housing to help prevent the spread of COVID-19. I am disabled and I received rental assistance through the Emergency Rental Assistance Program (ERAP) and also through the Community Resources and Housing Development Corporation (CRHDC) which kept me from being evicted in the dead of winter. Hence, the ERAP and CRHDC program kept me from becoming homeless during this most difficult time. I support SB21-173.</p>
<p>Kathy Smith For League of Women Voters of Colorado</p>	<p>Dear Honorable Representatives:</p> <p>My name is Kathy Smith, and I represent the League of Women Voters of Colorado in writing in support of SB21-173, concerning rights related to residential rental agreements. The League is a nonpartisan organization that encourages informed and active participation in</p>

	<p>government and supports policies to provide a decent home and a suitable living environment for every American family.</p> <p>One in four Colorado renters spend more than 50% of their income on housing, and this financial burden can be exacerbated by excessive late fees. Please follow the recommendation of Gov. Polis’ Special Eviction Prevention Task Force to impose a statutory limit on the amount of late fees and interest that landlords can charge tenants. We are concerned about the 5-unit carveout that has been added to this bill. Creating two sets of rules and timelines doubles the complexity of our laws and creates a disparity in equitable implementation and enforcement of the laws.</p> <p>Colorado tenants facing eviction need to have due process of law. The current eviction court requirement that renters post a bond before they can use health and safety as an eviction defense is not attainable by many low-income renters, not merely by indigent renters. Please reinstate the opportunity for all tenants to assert their right to a habitable home as an eviction defense without first being required to pay a bond.</p> <p>I urge the committee to vote YES on SB21-173.</p> <p>Thank you for your consideration.</p> <p>Respectfully, Kathy Smith Legislative Action Committee League of Women Voters of Colorado</p>
<p>Edward Yue Against Self</p>	<p>I am a small housing provider in Colorado and have enjoyed providing housing to tenants for many years. This is not only a source of income for my family but also we take great pride in ownership in our great State!</p> <p>Unfortunately, I am writing as a concerned citizen and voter on SB21-173. This bill is not only restricting to housing providers, but it also creates compensatory damages against us. For many reasons, this bill will destroy the housing market in Colorado as we know it. I, along with many owners are reconsidering our decision to own property in Colorado if legislation like this is passed. As an elected official, you are called to represent us. This is not a true representation of what Colorado was founded on! I would urge a NO vote on SB21-173. If you would like to discuss further, please email me or call me 303 525 0567.</p> <p>Edward Yue Small housing provider</p>



Testimony in Support of SB 173 | May 13, 2021

Hello - my name is Megan Gaydos, I am a Denver renter, and a Project Director at Human Impact Partners. We are a national non-profit that works closely with health professionals, including many here in Colorado, to advocate for health equity. Human Impact Partners supports Senate Bill 173 because more protections are urgently needed to help keep renters in their homes, both during the pandemic and beyond.

When I first graduated college, I was living paycheck to paycheck and went quickly into debt because of late fees and not being able to cover basic living expenses before the next paycheck arrived. Now as a mother of two with a more steady income, I empathize with the impossibly hard decisions one must make, particularly as a mother, about whether to forego food, health care, and other basic needs or risk getting evicted.

Before the pandemic, 44% of people nationally were living paycheck to paycheck and now [2 in 3 report](#) living paycheck to paycheck. That's as many as 3.6 million [Coloradans](#) - that could be your niece or nephew, your neighbor, or anyone else in your social circle. As of late March 2021, 23% of Coloradans, and almost half of Coloradans earning less than \$25K, report that it's somewhat or very difficult to pay usual household expenses in the last 7 days.

We know that keeping people housed is incredibly important to reduce COVID transmission and that housing is critically important for physical and mental health and social well-being. Last year, we conducted research with United for a New Economy and gto5, and found that more than half of surveyed renters here in Colorado had experienced recent rent increases. On average, rent increased by \$113/month, but some experienced rent increases of 40%, or up to \$450/month. When housing costs are high, people have to skip meeting other basic needs like food and transportation. In our survey, 3 of every 5 families had skipped accessing health care because of housing costs.

By limiting late fees, allowing longer grace periods, and eliminating bond requirements, SB 173 provides renters with a slightly larger buffer between paychecks, which can reduce evictions, increase housing stability and prevent negative eviction-related health outcomes.

The proposed provisions should apply to all landlords, small and big. When carveouts happen or people are excluded, you are creating different paths for people's housing and their health. Smaller landlords may be impacted but a carveout will likely exacerbate health inequities.

Specifically evictions, and the threat of evictions, have been shown to increase depression, anxiety and blood pressure as well as increase risk of homelessness, subsequent housing instability and visits

to the ER. Evictions particularly impact children - by negatively impacting their behaviors, social ties and educational attainment. [Recent national research](#) has shown that during the pandemic, evictions have contributed to 433,000 excess cases and over 10,000 excess deaths, disproportionately impacting Black and Latinx communities. SB 173 will help prevent unneeded and unjust evictions and thereby help protect health.

SB 173 also helps ensure that housing is habitable and healthy to live in. Renters who are struggling financially should not be condemned to live in poor quality housing that can cause asthma or injuries, furthering cycles of poor health and limited income.

I know there is no one magic solution to ensure everyone has access to safe and affordable housing. Many different approaches are needed - both in the public and private sectors. SB 173 can be one of the tools in the toolbox to help stabilize housing and decrease evictions now. Please support SB 173 and help protect health.

Reports for Additional Information:

HIP Reports

- [Stable Homes, Healthy Communities: How rent stabilization will support a healthy Colorado](#) (co-authored with gto5 and UNE)
- [Evictions in the COVID-19 Era: A threat to family and community health in Santa Fe](#)
- [Home is Where Our Health Is: Policies to Improve the Health of Renters in Milwaukee and Beyond](#)
- [Health, Healing, and Housing in Santa Fe: Community Land Trusts, Midtown, and a Vision for Post-Pandemic Development](#)

Other reports referenced in this testimony

- [Expiring eviction moratoriums and COVID-19 incidence and mortality](#)
- [Eviction, Health Inequity, and the Spread of COVID-19: Housing Policy as a Primary Pandemic Mitigation Strategy](#)
- [Pandemic Housing Policy: Examining the Relationship Among Eviction, Housing Instability, Health Inequity, and COVID-19 Transmission](#)
- [Housing And Health: An Overview Of The Literature](#)
- [Colorado's Housing Needs](#)



Mile High Connects

Opportunity for all through transit

May 12, 2021

VIA WRITTEN TESTIMONY

Dear Members of Senate:

My name is Deyanira Zavala, and I am submitting written comments on behalf of Mile High Connects (MHC), a diverse cross-sector of nonprofit, public, and private partners working to address the Denver Metro Region's growing economic and racial disparities.

We support SB 21-173 as it ensures all families have affordable, stable homes regardless of their zip code.

Eviction Court Reform:

- We know renters are disproportionately younger, lower income, and represent Black, Brown, Indigenous and communities of color – groups marginalized by systemic racism in housing policies and practices.
- Across genders, women also represent a disproportionate number of renters, and many were and continue to be more vulnerable to loss of employment and income – even as many were sole heads of households – both prior and during the pandemic.
- **Women and families will be most impacted by evictions**. SB 173 represents a **meaningful step toward addressing longstanding inequities** in Coloradans' access to affordable housing, by creating a more balanced and equitable playing field between renters and landlords in eviction court.

Late Fees:

- One in four Colorado renters spend more than 50% of their income on housing, and many have recently experienced loss of income. Late fees that are limited to a set percentage and/or dollar amount and bound to a consistent timeframe before they are imposed **provides consistency and much needed protections** for financially burdened renters.
- Capping late fees at the greater end of \$50 or 5% of each month's rent is reasonable – and ensures tenants have the protections they need most to stay in their homes.
- Ensuring renters have a meaningful grace period between rent and late fee assessment is an **equitable approach** that gives renters more time to catch up on rent and avoid eviction, leveling the playing field between homeowners and renters.

Prioritize women. Prioritize families. Prioritize tenants. Protect our renters.

Thank you chair and members of the committee.

My name is Dulce Reza Vargas, I'm here with 9to5 Colorado. I urge you to support SB 173, a bill that would create reasonable measures to late fees charged to tenants by landlords.

Many years ago I worked as a leasing agent for the management company Sares Regis in a 300+ unit property. Rent was due the 1st of the month and renters had until the 3rd of month to pay. On the 4th day a \$50-75 late fee was added. If rent has not been paid by the 15th, the late fees accrued to \$150, then if there was a court case it would add up to \$200-250 by the 20th. This eventually led to people falling into an even bigger cycle of debt after being late for one month.

Renters would come into my office to ask why they were getting late fees. People told many stories of why they couldn't pay their rent, for example if they got laid off. Explaining late fees was one of the hardest parts of the job for me – that and moving out tenants' personal belongings under eviction orders of the sheriff. I'm human, I felt their pain, no one wants to have their home taken away.

Once there was a single mom who got laid off from her job and could not pay rent for two months. When the sheriff came to evict them, the leasing staff was forced to help put all of their belongings in trash bags. We put everything in those trash bags, even their dishes. When I stuffed her 6 year-old son's blankets, clothes and toys, I cried. It broke my heart. This lady didn't have a chance to catch up on her rent because of how much the late fees and court fees added up.

I urge you to pass SB 173. People are already struggling to pay the rent by itself and when adding all those late fees together, it gets harder and harder for people to be able to pay. No one should lose their home when an unexpected tragedy happens in life. And the legislature should do everything they can to keep people housed.

Thank you.

Thank you chair and members of the committee. I urge you to support SB 173.

My name is James Rogers, I'm a Case Manager with Colorado Coalition for the Homeless and am here with 9to5 Colorado. I have lived in Colorado for 10 years. A little over two years ago, I lived in an Aurora house managed by Mad Girls Three, LLC. They operate under Different Property Management.

While I lived there I was charged an improper late fee. After I put my rent check in their office door, they claimed they hadn't seen it. Even though I had already paid, they still made me pay the late fee, applying it to my next month's rent.

While still living there my wife and I separated and I had to find a way to continue to pay the \$2150 on my own. I got behind on my rent and started accumulating late fees. Late fees are imposed after the third day, \$75 a day for each day late. It only took me 14 days of not paying my rent to accumulate over \$1000 in late fees alone. I tried to work with them but they would not accept a portion of the late fees and demanded only payment in full.

It takes a couple of weeks to get your finances in order. It's not going to happen from one day to the next.

I was distraught. I was trying to work and go to school at the same time. Next thing I know I received an eviction notice and had to go through the eviction process. I eventually paid the late fee penalties and what I owed in rent after going to court. After this experience with Mad Girls Three, LLC I was homeless. I lived in a shelter for about 8 or 9 months.

Accumulating late fees like that messes with your mind, not to mention the toll you take when facing eviction. You get depressed and discouraged. SB 173 will help tenants buy more time to pay in circumstances such as mine. Otherwise, it's almost impossible to catch up. Again, I urge you to pass SB 173 to keep Coloradans in their homes.

Thank you.

Hello, my name is Leland Dominicis and I own Four Squares Framing & Metaphysical Shop. We are a small family owned and operated business located in Wheat Ridge Colorado on 38th avenue, where we build custom picture frames and also sell metaphysical supplies.

I am writing this letter today to testify in support of this SB21-173 on behalf of my business and Good Business Colorado, an organization representing over 370 values-driven businesses across Colorado.

The location of my business is also the residence for my family. We lease this property from a local landlord. We began living here and opened the business in late 2018 at this location. When the pandemic hit in 2020, it could have easily shut the business down for good and left my family in a position of an uncertain living situation. If our land lord was not willing to work with us on paying our rent late and waiving fees for us, there would have been no way to survive the impact of lost revenue. Luckily he (our landlord) was very kind, and provided us time to catch up without paying penalties for several months of late and underpaid rent. We were fortunate to have been able to overcome these setbacks. It could have easily been a worse situation if we had to face high late fees and possibly eviction with short notice due to suddenly not being able to pay our rent on time, due to the impact of the pandemic, when we have otherwise always been ideal tenants paying in full on time each month. If the new limits and proposals were set in place, I feel it would greatly increase stability and fairness in housing for renters in Colorado and benefit all of Colorado by decreasing eviction and homelessness.

Thank you for your time, and I ask you to please support this bill.

Leland Dominicis



NAACP

Colorado / Montana / Wyoming
State Area Conference

In Support of SB 21-173 Rights in Residential Lease Agreements

House Business Affairs & Labor
Committee Hearing
May 13, 2021

The NAACP works to disrupt inequality, dismantle racism, and accelerate change in key areas including criminal justice, health care, education, climate, and the economy. Economic equity is a crucial part of establishing holistic racial equity for Black people.

Tenant's rights are inherently a racial justice issue. Home ownership is heavily skewed towards white Coloradans - in 2016, 72% of white families owned homes as compared to 44% of Black families - a startling statistic that already shows how carefully we must tread. Negative impacts borne by renters in Colorado are disproportionately borne by Black families.

The statistics on eviction also show disturbing demographic trends: studies of the physical addresses for evictions show a disproportionate impact on communities with more people of color and areas of gentrification. Evictions have been triggered by being behind on rent by as little as \$4.

We cannot look at housing instability without also considering the impacts of an inequitable employment market. The causes are profound and multi-faceted, but a quick way to see the inequitable impacts on families is by looking at the Equal Pay Day by race. Equal Pay Day denotes how far into the new year women must work to be paid what men were paid the previous year. For 2021 those days look like this:

- All women: March 24
- Black women: August 3
- Latinas: October 21

The pandemic has only exacerbated racial inequity within the workforce. While unemployment claims rose steeply across broad demographic groups throughout Colorado, the recovery has been uneven from the early months. For instance, from May to June of 2020 UI claims filed by white people declined by 9% even while UI claims filed by Black people increased by 12%.

And these problems compound. A history of eviction makes it harder to rent in the future. The lack of secure, stable housing makes it more difficult to get a new job, or to hold on to an existing one. Housing instability makes it harder for children to go to school and harder for them to keep up with their schoolwork.

The NAACP calls for inclusive economic policies including a Renters' Bill of Rights that would ensure fair protections from evictions. We are living through a global pandemic. More than 6500 Coloradans have lost their lives to Covid. The economic impact has been devastating. Now, more than ever, it is imperative to consider the impact of our policies on those who most need assistance.

SB21-273 offers common sense aid to families at risk of losing their housing:

- Require information on late fees upfront, so prospective tenants can make informed decisions
- Limit late fees on rent to a set percentage, dollar amount, and grace period
- Prohibit tenant evictions based solely on late fees
- Give Coloradans more time to make up their rent and avoid eviction

The NAACP CO-MT-WY State Area Conference endorses SB21-173: Rights in Residential Lease Agreements, and we ask for your support of SB21-173 today.

Sincerely,

Rosemary Lytle

State Conference President

Cherry-Rose Anderson

State Conference Civic Engagement Chair



NAACP

Colorado / Montana / Wyoming
State Area Conference

Supporting SB21-173 by Rev. Brian Henderson, Minister, First Baptist Church of Denver, 1373 Grant Street, Denver, CO, 80203, (303) 861-2501, minister@rethinkbaptist.org, www.rethinkbaptist.org

TO: Senate State, Veterans, & Military Affairs Committee

DATE: May 11, 2021

RE: SB21-173

I write in support of SB21-173 as a Denver resident who is (1) personally a “lessee” and knows how challenging rent payments can be; (2) as a “landlord” that professionally manages a facility with multiple “lessees”; and (3) a minister who serves a community that has faced the impact of evictions, especially in light of the global pandemic.

From a faith and humanitarian perspective, housing that is safe and secure provides the stability necessary for an individual, couple, or family unit to live as productive, contributing citizens. The global pandemic this past year has created challenging financial scenarios for businesses, faith communities, organizations, and individuals. Extraordinary times such as we’re experiencing call for extraordinary measures if we are to survive the challenges we face.

To this end, professionally, I’ve learned to work with flexibility with lessees who have had to stretch deficit budgets. Perhaps not in all situations, but in many, I find that a landlord and lessee can usually meet somewhere in the middle of a lease agreement so that both parties help each other survive. I know from experience that “evictions” tend to cost both parties more than an amicable compromise.

The church I serve currently provides a Safe-Outdoor-Space (SOS) for those who are houseless in our neighborhood. The experience of the SOS has reminded our faith community that evictions have increased our unhoused populations over the past 12 months. While it’s been an honor to offer the SOS, we are aware that it is a short-term solution and finding long-term housing solutions in our state, especially once someone is evicted, is all but impossible right now.

My reading of SB21-173 suggests that this bill works to address the lack of tenant rights in Colorado and shift the balance of power so that tenants can assert their defense. Again, from a faith and humanitarian perspective, I couldn’t support more a bill that seeks to offer such assistance and care during these extraordinarily difficult days.

I ask your committee today to extend as much care as you can. I live always with the mantra, “There’s far more we can do together than any of us can do on our own.” Your committee has the capacity to help people experience the power of this sentiment.

Thank you for the opportunity to express my convictions re: SB21-173.

Thank you for the opportunity to share my experience with you.

I request you focus your attention on three Colorado Laws.

Mobile Home Park Act

C.R.S. 18-6.5-102 – Wrongs to At- Risk Adults

C.R.S. 18-3-207 – Colorado Criminal Extortion Laws

Predatory Economic Hardship Practices of late fees are the primary predatory resource of management and the owner of my Mobile Home Community. Homeowners on fixed income is the primary target. If a homeowner has equity, on/or waiting on SSDI, and a widow, that resident is a trifecta to the park owner. The point is to push them into an economic corner with no escape to take the asset of their home. At Risk Persons are exploited and extorted for the financial gain by management and the park owner.

Prior to and throughout the pandemic late fees were charged if the tenant paid the rent late. This is understandable, but within reason, without fabrication and without predatory means to obtain the late fees any reasonable person would think. Late fees are not charged, if a third party (charity, EHAP) pays the lot rent. Relief is only provided to third parties. The late fees start on the 6th, at \$35.00 and \$2.50 per day every day after, until it is paid. An eviction notice is placed on the home as early as the 7th, a resident may or may not even know it is there. Depending on where they place it. If they want your home, is the factor of where they place it. In hopes of the resident not responding to the complaint.

The following is a few the predatory fees I endured following unforeseen life circumstance that place me in a severe economic position. The management and owners used the loss of my entire family in 16 months, suffering a disabling injury, mental health crisis, and economic disaster the events caused; to criminally exploit and criminally extort me, in attempt to take my late husband's home that I reside in. And to current day, refuse to communicate regarding maintenance, or monies overcharged intentionally in violation of the Mobile Home Park Act and the two above mentioned criminal laws.

In April 2019 I was charged for the exact same meter reading for water that I had been for four months and management would not provide me any explanation for the issue, refused to discuss it. I deducted the water from the rent in June hoping a conversation would happen. It did not I was forced into late fees of \$85 and attorney's fees of \$250 due to not being able to find an attorney that would help me enforce the laws of utility billing.

July 3, 2019, I paid my rent, on time. I received an eviction notice that included late fees on July 11 and July 18, 2019. I emailed a copy of my cashiers check to the office both times, to not receive a response. No return email, no phone call, management not returning calls. Management never in the office or locked inside refusing to answer the door. I stopped payment on the first cashiers check on the 18th and reissued another for \$31.00 in bank fees. It was refused, when I caught someone in the office due to the late fees not being included. Stating they did not lose the first payment, aggressively calling me a liar and literally telling me they were taking my home to pack up. Although I provided a copy of the first cashiers check and the stop payment from the bank, they refused the payment. It was days before I caught up with someone again each day was another money order for another \$2.50 in late fees. On July 24, 2019, I receive another eviction notice stating my rent was not paid that included an NSF fee of \$25.00. On the 30th I was able to speak with someone telling them that a cashier's check is cash, there is not NSF fee possible. She then told me the cashiers check dated July 3, 2019 was returned. So, the original payment they refused to reimburse me the stop payment fee for, charged me 22 days in late fees, aggressively calling me a liar, management had tried to deposit, knowing that I had it reissued on the 18th. They had it the entire time. If I had not stopped payment, disastrous does not even cover the outcome. Refused late fee

reimbursement, refused the NSF fee, my bank reimbursed me the stop payment fee because they stated. "We do not know what is going on in your neighborhood, but you are not the only one this happened to. We are helping everyone by reimbursing the stop payment fees and any other bank fees".

August 2019 – an exact repeat of July 2019.

September 2019, the 12th I received an eviction notice for late fees plus the monthly rent. It took until the 17th to find someone in the office close to closing time. I stated that this was beyond comprehension and I was not under any circumstance paying them anything but the rent ever again. She showed me my cashier's check and it was \$1.36 short. I stated I was sorry asked her why she did not call. She stated, "that was not her job". She refused the \$1.36 in cash, Stated I had to give her a check, money order or cashier's check. I got a money order for \$2.00 the 18th went to the office and was told It would not be accepted without late fees for the entire time. Their computer system did not accept partial payment or late payments without the correct amount including late fees. I demanded the original cashier's check to have another issued and avoid them depositing it. I had to sit outside the locked office until closing and wait for them to come outside to have it signed for, they avoid the tenants at all costs. I paid it to avoid the \$250 attorney's fees I was threatened with. \$67.50 in late fees, for \$1.36 that was accidentally not paid and management that could not simply call and tell me of the obvious accidental error.

From April – September of 2019 I paid the community \$737.50, in late fees and attorney's fees, and bank fees of \$62 because I questioned the same meter reading on my water usage for January - April. And one person using double what 2 people had previously not used prior to my husband's death. To current day water usage, stormwater and wastewater charges are escalated to the point of the community profiting 10's of thousands of dollars a year and not one person in the state will enforce the law with undisputable evidence provided of the crime.

Late fees are predatory and require regulation and legislation. Not only do the laws need to be enacted they need to be enforced. Oversight programs for residents, that have a response time requirement and where the laws are enforced. Every month, I give money I do not owe to a criminal park owner, whose management, blatantly stated to me "What the **** do you think your poor *** can do"?

Why exactly am I required to pay money that I do not owe for fabricated late fees or lose my home? I have *been told by attorneys; I must pay it despite owing it or not, they will win in court. Why? It is illegal and criminal laws broken by the community. No one will answer me. I will never recover this money, and the amount of extorted money increases every month x 486 homes.

December 10, 2020, with a CDC declaration, Social Security letter of when SSDI payment would begin, and copied in on every email with EHAP for assistance; management placed a repayment plan on my door. This plan demanded payment in full of November's rent immediately and December's lot rent over 36 months. Not knowing when the EHAP program would get to me and SSDI not starting until January 31, 2021, I could not sign this and if I did sign it, park owner would have been able to seize my home on January 5, 2021. I refused to sign it. I received an eviction notice on December 18, 2021. In this eviction complaint to the court, they stated the 90 days had come and gone. This was not true, only 48 days had passed and only the past due November rent was on the complaint. I emailed management informing her it would be answered on the 29th as required. And informed her that she left off late fees and December rent. All late fees, attorneys' fees were placed on the December Invoice and not submitted to the court. Because they knew the COVID laws were waiving all these fees and there was an active moratorium, yet the court accepted the complaint. Why? Management did not want to reveal their violations to the court. Otherwise, if truthful all monies owed would have been included on the complaint for eviction. They assumed I would not read it and pay it. It was blatant intimidation and extortion to take my home. I answered the complaint on the 29th with a countersuit. On January 3, 2021 I received notice of management placing the case in suspense that was filed on the December 21st that I was never notified of as required by law.

That stopped my countersuit. This cost me \$105 to file the answer. To current day the case has never been dismissed. It remains in suspense, constituting intimidation. All rent is paid in full as well. While under eviction moratorium the predatory practice to force forfeiture of my home was the action management took. Management did not realize that after 3.5 years of extensive counseling my mental illness and grief are slowly starting to turn into anger at the injustice and I have spent considerable time while recovering from injury reading your state laws because not one person, attorney, law enforcement, city, county, or state division will aid me in stopping the exploitation and extortion.

Under Colorado Criminal Law 18-3-207 this was an "Substantial Threat" to cause economic harm. A Colorado Criminal act. Apparently unenforceable.

Under Colorado Revised Statute 18-6.5-105 exploitation of an at-risk person to take their assets is also a criminal act. I am a documented at-risk person and management is aware of it. They took advantage of it. Apparently unenforceable.

I did not have the money for November's Rent because I had to remove a tree off my home that the park refused to even come look at or remove for so long, it was leaning on my home and damaging it in September. The legal requirement of the park is to maintain trees. To date, the community has refused reimbursement because I forgot to take a picture of it. The licensed bonded contractors' statement was not good enough. Plausible deniability, by not returning calls, emails or coming to inspect along with never being in the office released them of their responsibility. This is a common practice. They provide zero services, raise the rent every year for zero services. Extortion is not a community service despite what they may think.

These are only a few instances of predatory fees and costs that the community management and owner practice daily in Harmony Village located in Fort Collins.

All this said, everyone in this room that we elected to protect us and represent us from criminals allow it. Enacting laws does not enforce them. Enforcement of those laws obviously needs to happen immediately. Waiting for government red tape is costing people their homes and lives waiting for all of you to decide that you need to do your job and enforce the laws and represent the people and not the lobbyist. Stop them from being untouchable and let us live our lives without being extorted into bone crushing poverty, homelessness, and suicide.

This community owner is a criminal, and all of you need to do something about it immediately. Without the year of debate. Take care of those that pay you and that is the voters you needed on election day.

Extensive, well documented evidence, I possess. Anyone one of you that wants it, I will provide it to. It contains facts, of late fee manipulations and fabrications, theft through utility billing of 486 homes, criminal extortion, criminal exploitation of at-risk persons, HOA fees for an HOA that does not exist, required maintenance of the park owner not provided damaging our homes, unreasonable rent increases for zero services, intimidation, retaliation, and predatory late fees.

With your help, we may be able to recover from life's unforeseen circumstance that led us into a low-income state and save some lives from suicide. Without your help, it is not a possibility.

My next step is to try and enforce this federally. That appears to be the only way any broken laws in Colorado get enforced.

Colorado ranks as one of the least friendly states for **renters** in terms of **laws** governing security deposits, **rent** increases and evictions, according to a 2019 analysis by the Rental Housing Journal.

The lack of regard for these communities or enforcement of the few laws that are in place not only results in the rise in homelessness, and economic hardship. It is literally killing people on your watch. Some would rather die than live on the street. These owners are forcing more that you are willing to admit onto the street, not through

honest monies owed, through fabricated charges that force us into not being able to pay and they take our home and equity. I certainly cannot move it if I barely pay the rent. And when the mood strikes them to extort extra, I must pay it or lose my home, along with doing without food on occasion to pay the extorted fabricated late fees.

Being defeated by corporate entities and by our elected officials that only needed on election day is contributing to the rise in suicide.

As outlined in [The Surgeon General's Call to Action to Implement the National Strategy for Suicide Prevention](#), released by the U.S. Department of Health and Human Services and Office of the Surgeon General on January 19, 2021, suicide prevention efforts need to address both environmental and individual factors that can contribute to suicide. This includes upstream factors like economic and financial stability, housing stability, and social connectedness.

I ask this body two questions:

1. Why are you allowing this to happen to the very people that elected you to represent their best interest?
2. Why are you allowing Mobile Home Park Owners to lobby you, with illegally obtained monies from the residents that elected you, when it only allows them to literally continue to kill people by extorting everything they have in this world.

Provide legislation that will stop these predators from doing this to the citizens that elected you to represent them.

Legislation with absence of enforce, as it is now, is useless. You may as well not even be having this meeting. Absence of enforce is the key factor you need to address is everything you do. And that enforce must be today, before another person is criminally extorted for money they do not owe.

Residents just throwing money at the park owners that is not owed, should not be a situation that is a possibility. Why is it? Because you all in this room allow it and no one will enforce the law. Stop allowing it and enforce the law.

Place Rent control on communities, require regulated community inspections by the state before they can raise the rent. Make them pay you to inspect it, to ensure the community management and owner is providing a proper community guideline and they are holding up their end of the bargain. Help us establish Homeowners Associations that will protect us from these landlords.

It is not what you say in life, it is what you do. Do the right thing and represent the best interest of the people that pay you. That is the voters, the lobbyist job to stop you from enforcement is done with the low-income residents extorted money.

Again, thank you for hearing my journey through extortion in Colorado Mobile Home Park.

Kind Regards,

Karen Stewart Short

*** Evil will not destroy the world; the world will be destroyed by those who watch evil and do nothing****
Albert Einstein.



Mister Chair and Members of the House Business Affairs and Labor Committee,

My name is Jade Woodard, Executive Director of Illuminate Colorado. Illuminate is a statewide nonprofit working to strengthen families, organizations, and communities to prevent child maltreatment. Illuminate serves as the Colorado Chapter of Prevent Child Abuse America. I am providing written testimony **on behalf of Illuminate Colorado in support of Senate Bill 21-173.**

Safe and stable housing is essential for the health and well-being of everyone, especially for children, youth, and families. Colorado's Child Fatality Prevention System 2020 Legislative Report specifically recommends the support of policies that expand access to quality, affordable and stable housing across the state in order to ensure positive health outcomes for children and families.¹ Policies, such as the measures included in Senate Bill 21-173, help create safe, stable environments that Colorado children need in order to thrive.

The passing of such policies is greatly needed as families still face significant challenges in accessing and affording quality and stable housing. Current research demonstrates that families with children are more likely to face eviction than households without children.² This has to change because stable housing helps protect children from injury and violence, including child abuse and neglect.³

Low-income families, who are unable to secure affordable and adequate housing, are disproportionately affected by housing hardship, which can undermine healthy family functioning and may increase the likelihood that children in those environments will experience neglect or abuse.⁴ Housing instability may also have a direct effect on other forms of physical neglect for children, such as food insecurity and lack of access to medical care.⁵ In addition, studies have also shown that there is an association between housing insecurity and other subtypes of child maltreatment, such as physical or emotional abuse.⁶ Evidence shows that a lack of adequate shelter and exposure to chaotic or unsafe living environments leads to increased rates of parental stress.⁷ Conditions of scarcity and stress have a direct impact on parent behavior and their ability to provide resources to their families.⁸

This bill is particularly important for addressing inequities that impact renter households of color who are bearing the weight of higher housing cost burdens. Due to a long-standing history of discriminatory housing and lending practices, Black, Indigenous, and people of color face even more barriers to adequate housing, systemically creating more conditions of scarcity and stress for those families.⁹ Further, the economic hardship created by the COVID-19 pandemic has exacerbated the challenges families face in securing affordable and adequate housing, and has amplified the need for the measures in this bill. In order to support our children and our families, we must increase fairness in the eviction court process and reasonably limit late fees in order to prevent housing instability, eviction, and homelessness, which will ultimately help advance racial equity and support all Coloradans to have stable housing.

Please join Illuminate Colorado in our support of Senate Bill 173 by voting yes. Thank you for your time. I am available to answer any questions the committee may have.

Sincerely,

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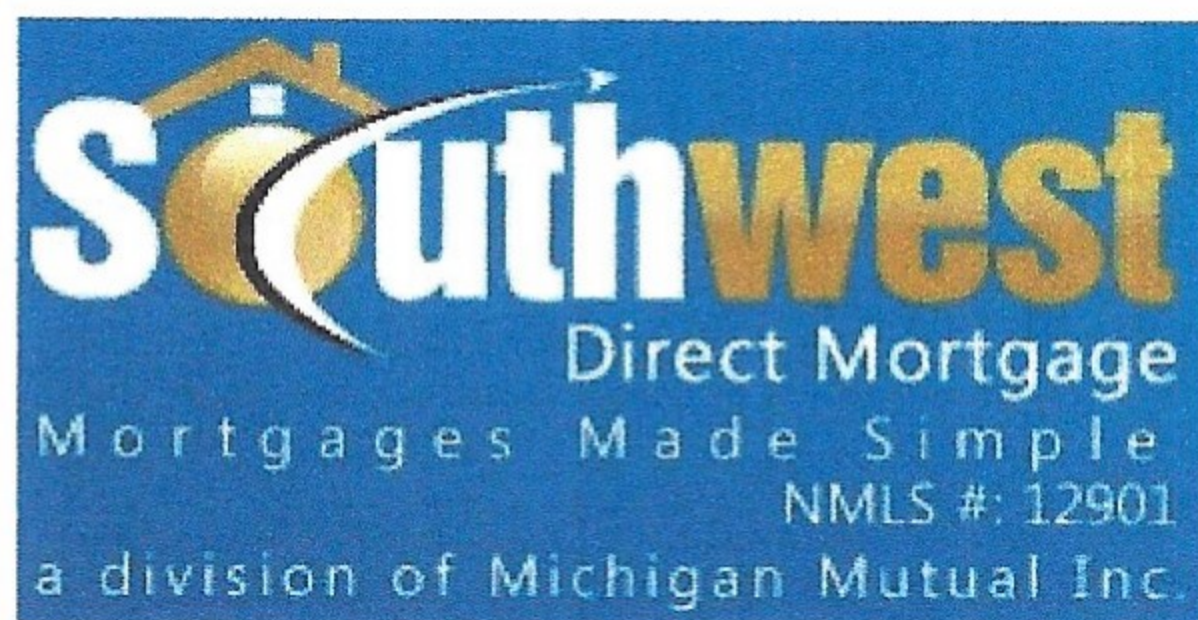
illuminate
Building Brighter Childhoods

^{1, 3, 9} Colorado Department of Public Health & Environment. (2020). Child Fatality Prevention System: 2020 Annual Legislative Report. https://drive.google.com/file/d/12G_KsneyJPmdYsNiJapao6IJ875COWUL/view

² Desmond, M., An, W., Winkler, R., & Ferriss, T. (2013). Evicting children. *Social Forces* 92(1), pp. 303-327.

⁴⁻⁶ Warren, E.J., & Font, S. A. (2015). Housing insecurity, maternal stress, and child maltreatment: An application of the family stress model. *Social Service Review*, 89(1), 9-39. <https://doi-org.ezproxy2.library.colostate.edu/10.1086/680043>

^{7, 8} Marcal, K.E. (2019). The impact of housing instability on child maltreatment: A casual investigation. *Journal of family social work*, 21 (4-5), 331-347. <https://doi.org/10.1080/10522158.2018.1469563>



These comments are regarding your hearing SB21-173.

Legislators - Please do not go forward and impose these additional anti property rights bills. I vote in every election and pay attention to who's voting against property owners

1- **Required serving notices to quit**.. This just adds more expense to the landlord and adds significant time to the legal process when eviction is necessary. Eviction is never the first step with tenants. They take time consuming, frustrating, and expensive for the owner.

We recently dealt with an eviction where a **Non -Covid impacted tenant** wouldn't come to the door to be served and constantly skirted our personal serving of court related docs... If this serving requirement for notices to quit takes place, landlords, property managers and owners will be put in a position where the violating tenant HIDES... This just Adds More cost and significant time to the legal process on the backs of the owner.

2-**Writ of restitution**- Adding any more time to the current process for a now evicted / judgement served tenant is unnecessary and again costly to the property owner...Once the tenant has received an eviction court date, they know they need to be out.. the process is already taking approx. 60 days. most of these expenses will never be collected and another cost to the owner.

3-These new bills being pushed through are favoring the tenant against the legal property owners' rights with unfair practices. Doing so leans heavily towards non-paying tenants and other violations and weighs heavily towards the Large Institutional investors... Their benefit of large scale helps them absorb these anti property owner laws whereas a smaller investor with a few locations is unable to realistically absorb these costs... We as real estate investors carry debt on most properties and are not being helped with these delays of evictions when necessary.

Why would our state legislators look to stack the deck so heavily towards the large, institutional investors? We provide clean safe affordable housing for tenants of all types... We currently work with section 8, loaves and fishes and have provided housing to the foster care kids who have aged out of the system while still in High School.

4- **Rental rate increases**- I strongly urge you to oppose any control of the rent amount and the number of times it can change per year.

We just received our RE Tax Bills for 2021 paying 2022. 26-34% increases!

After last year's increases- were experiencing TAX increases of close to 60% over the course of three years' time!

-Insurance costs have seen a constant increase annually

-Utility expenses for our ALL BILLS Paid Apartments increased by 16%

-We work hard to maintain our properties for our tenants and keep it affordable. we do all bills paid apartments along with homes and other non-bills paid apartments..

We spend a significant amount of our annual budget on maintaining our properties... It is not free to maintain a property and provide housing to those in need.

5-If legislators insist on limiting the amount or frequency of rental adjustments ... You are going to create unintended consequences.

You will often force property owners to defer maintenance, which is bad for tenant, property owner and importantly the community.

When neighborhoods start looking run down. It is bad for community, property values etc... plenty of examples out there of declining communities where owners defer maintenance and the subsequent degradation due to excessive government costs and restrictions ... If you also lock Colorado property owners into these practices, you will see more rental housing challenges than today.

You will force the smaller landlord OUT of the business of providing rental homes to families in need... US Census reports a huge number of rental homes are owned by smaller owners who have rental properties... When rental properties are sold to the homeowner market, a large supply of rentals will be pulled out of the rental housing market... Roughly 30% of our households need rental properties... This reflects households who are not in a position to own a home for a number of reasons.

6- Rental property owners have dealt with way too much in the last year of covid to get hit with even more difficulties in providing housing by our state's lawmakers. Between the CDC eviction moratorium where owners get almost zero help.. In our case, we worked with all of those truly impacted by covid. We communicated and in every single case of a covid impacted tenant of ours... Every Single one of those impacted worked out a plan with us and are caught up with their rent.

We then had some who were NOT affected by covid refuse to pay and between eviction moratorium, Governors executive orders and judges not giving timely Truthfulness hearings (Part of CDC Instructions)...due to these overreaching negative policies.. We faced losses of thousands of dollars which will never be collected.

Then if the eviction case files are sealed, which has been allowed, the next landlord does not have knowledge when they run background checks.

These actions are really helping to support criminals. A nonpaying , non-covid impacted tenant is really a thief. These policies you are encouraging will incent BAD behavior and thereby raise costs further...Those increases in costs will ultimately need to be passed on to the renting community. This and already passed legislation is going to make it more expensive on the very people you claim to want to help.

7- Late Fees - These need to be allowed the day they are late per contractual lease agreement the landlord and tenant have agreed too. Why late fees? As a 25 year plus owner of rental homes and apartments, Late fees INCENT the tenant to pay on time.. Not unlike mortgages, credit cards and any other type of responsible debt. Look at your personal mortgage statement. Once it's late, you pay a Late fee and for most, it hurts and discourages being late. Late fees encourage ON TIME payment.

Importantly, on time payments are needed for property owners who themselves face mortgage payments. Extending the late fee period only encourages a tenant to pay late. Housing is critical to the majority of Americans. Property owners need to be paid on time to help them also manage their debt load. I will also add, we don't want late paying tenants and correlating late fees. We want to be paid on time. As we were smaller and providing rental properties, On time payments are even more important to manage cash flow... Do not damage property owners by extending these further... Owners can only absorb so much.

There seems to be a reluctance to understand that property owners take all the risk...They are the ones who will save for down payments, utilize their credit, carry the Mortgage Debt required to buy property and to maintain their properties.

Real estate ownership / Investing isn't the paper investment that WALL Street is. Its capital and very labor intensive and requires attention to succeed.

Incent Good Behavior, you will get that.

Incent bad behavior, you will get just that. This just adds cost to everyone.

I urge you to not make it harder on Americans who are willing to take the risks to succeed while providing a critical source of housing.



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