

Senate Local Government & Housing

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HB25-1272 Construction Defects & Middle Market Housing

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Lydia Waligorski For Clayton Early Learning	<p>Good afternoon, members of the committee. My name is Lydia Waligorski, and I serve as the Director of Policy for Clayton Early Learning. Clayton Early Learning serves over 500 families annually and is proudly one of Colorado’s largest Head Start and Early Head Start programs. I am here today supporting House Bill 25-1272. This bill represents a pivotal step toward addressing Colorado’s critical housing shortage, a crisis that disproportionately impacts families with young children who are striving to achieve the stability and opportunity that homeownership can bring.</p> <p>Early and even mid-level professional earners In Colorado face insurmountable barriers in saving for housing that is both reasonably priced, near their places of employment and schools and accessible. House Bill 25-1272 tackles this issue head-on by incentivizing the construction of middle-market housing while still ensuring robust homeowner protections. This dual approach is not just pragmatic; it’s humane.</p> <p>For new home buyers, this legislation also provides the promise of protection through the carefully crafted guardrails in this bill. Families too often struggle to remain housed and the dream of homeownership which provides a steady and predictable housing payment in exchange for equity and stability that can extend beyond a single generation is only realized if the house remains solid and habitable.</p> <p>While we at Clayton Early Learning are not land developers, we do have expertise in both two-generation policy and changing systemic inequities, and HB25-1272 is a fair policy working to address the financial realities of home ownership and the needs of builders so we can find a workable solution for a statewide problem.</p> <p>For our parents and grandparents who travel over an hour each way on public transit so their children and grandchildren can access early learning, and for our teachers and families who working to build a future, please support HB25-1272.</p>



April 5, 2025

RE: HB25-1272 American Dream Act—SUPPORT

Dear Members of the Senate Local Government and Housing Committee:

My name is Kate van Houten, and I am a Volunteer Lobbyist with the League of Women Voters of Colorado's Legislative Action Committee. **I am writing in support of HB25-1272, on behalf of the League of Women Voters of Colorado.**

The League of Women Voters of Colorado (LWVCO) has been a nonpartisan organization for 105 years, encourages informed and active participation in government, and influences public policy through education and advocacy. Our membership spans the state of Colorado with 19 local leagues operating in several regions around the state.

The LWVCO supports policies to provide a decent home and a suitable living environment for every person, and equal rights and equal opportunity for all.

While CDARA was intended to protect building professionals from frivolous construction defects lawsuits, builders and developers ceased building for-purchase homes rather than face the CDARA litigation process at all. CDARA is a controversial, complicated, and nuanced statute with strict deadlines and requirements that must be carefully analyzed on a case-by-case basis. It requires legal representation for both parties.

This bill, which was introduced with the title of Construction Defects & Middle Market Housing has been changed by the sponsors to the "American Dream Act." Buying a home is recognized universally as the mechanism for building personal and generational wealth, because housing is the single most important asset a family can own. This bill is solidly written and amended to promote more attainable housing for all residents, not just the few that can afford artificially inflated prices due to lack of supply. Revising the complex construction defects statutes has been the reason nearly all construction professionals have cited for not building more multifamily, attainable for-purchase housing inventory.

The risks of construction defects litigation increased the costs of construction professionals' liability insurance, and fewer insurers stay in Colorado. This bill's goals are to also create optional incentive programs for building professionals which will decrease the risks of such litigation. The bill's structuring is to increase opportunities for the reinsurance market to come to Colorado.

A significant amendment introduced through Second Reading, contains robust affordability commitment provisions qualifying new projects for financing through Colorado's Proposition 123 program.

We urge the committee members to vote YES on HB25-1272. Thank you for your consideration of this important bill.

Respectfully,
Kate van Houten, Volunteer Lobbyist, Housing
League of Women Voters of Colorado
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