

House Transportation, Housing & Local Government

03/20/2024 01:30 PM

HB24-1158 HOA Foreclosure Sales Requirements

Typed Text of Testimony Submitted

| Name, Position, Representing | Typed Text of Testimony |
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| Rudy Thompson Against themselves | This bill would make the foreclosure process more complicated than it already is and would add additional costs to those homeowners who are responsible and pay the HOA dues in a timely manor. The bill will make it more costly and complicated for the homeowner associations. |
| Jordan Kincaid Against East West Urban Mgt | While I believe that Ricks is trying to help protect homeowners rights, the proposed bill will create new, additional notice requirements for associations to follow beyond the existing notice requirements which are already strict and cost Associations money (in turn causing dues to increase to cover operating costs). Limits the amount of attorney's fees recoverable by an HOA to \$2,500, again causing the same effect. Associations will have to increase legal fee budgets to cover delinquent accounts in turn raising dues and fees for paying members, regardless of actual cost and legal fees incurred. The issue truly is that if the Association can not collect from the party at fault the rest of the unit owners will suffer due to higher assessments. |

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03/20/2024 01:30 PM

HB24-1337 Real Property Owner Unit Association Collections

Typed Text of Testimony Submitted

| Name, Position, Representing | Typed Text of Testimony |
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| Teresa Dyer For The Redress Movement | <p>My name is Teresa Dyer I'm a member of the Redress Movement, and I live in Green Vally Ranch. I'm here in support of HB24-1337. Our HOA fined me for leaving my children's bikes out front for 5 minutes while my child used the restroom. When I contested the fine, they repeatedly denied my request. Fined me for a shed they approved. They Threatened to fine me for the trash cans not being moved even though the trash service had missed us & instructed me to leave them out for the next morning. I was fined for flower pots on my patio after they changed the rules to disallow them. My flower pots have been used annually for years before without issue. I was fined without notification for an item I left on my porch for a neighbor to pick up.</p> <p>The unpaid fines were submitted to their attorney group, and a lien was placed on my home and threatened with foreclosure. I went to court over this issue and ultimately had to lose work, miss school, and spend nearly \$2000 to protect my family's home. Throughout this ordeal, I learned that many families are in homes like mine. They could say they sent notice but never said they mailed it to the homeowner or address of the home they were levying fines against. I missed work and school several times to navigate the worst of their practices.</p> <p>I lost income and savings. I have not financially recovered. It was such a traumatic experience that I still have anxiety regarding the HOA, their changing rules, fines, and lack of communication. I am hyper-aware of vehicles driving by my home and fear losing my home to them. If I lose my home, I fear it will destroy my family—a single-parent home with three kids.</p> <p>My children are aware of my hypervigilance and feel the financial impacts no matter how hard I try to shield them from it. This bill will protect vulnerable populations from the nefarious and predatory practices that many families in homes like mine endured. It will offer</p> |

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| | <p>my family and many neighbors peace of mind. That's why I'm asking you for a yes vote on HB24-1337 today.</p> |
| <p>Michael Handy For The Redress movement</p> | <p>My name is Michael Handy I'm a member of the Redress Movement, and I live in Green Vally Ranch. I'm here in support of HB24-1337. I was fined for things like weeds in the cracks of the driveway, an oil stain, not painting my house when told, an inoperable vehicle in my driveway, and an expired registration on said vehicle. I was fined \$1,000 three times in the same year for not painting my house. Painting a home can be very expensive. The HOA office told me they would remove the fines if I corrected the violations. I corrected the violations, but the fines were not removed. I found out by receiving a notice of foreclosure. When I inquired, I found that the fines had increased to 15,000. Most of which were predatory attorney fees.</p> <p>Facing foreclosure and fines of 15,000 dollars was very impactful on my mental health. I was scared of losing my home over ridiculous violations that had been corrected. I had trouble sleeping and was dealing with extreme stress and anxiety. Also, the financial burden. The money that I have paid them monthly towards the total is causing a financial burden. I could be using that money to pay bills and other living needs. I feel taken advantage of and feel as if I have been robbed of 15,000. Having my back aliens the wall is a very scary situation. Facing foreclosure for a home I have had since 2008 is gross. The possibility of having my home stolen and the equity that I have accumulated has caused me tons of feelings of sadness, anger, frustration, and feelings of depression.</p> <p>A situation like this shouldn't impact any Colorado homeowner. That's why we need HB24-1337 to help combat an organization from being able to do what this HOA has done would be very helpful to me and others in the community. I urge you to support a yes vote today.</p> |
| <p>Chris Crigler Against themselves</p> | <p>I live in a 6 unit HOA. When one person does not pay their dues, the other 5 have to cover the bill.</p> |

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| | <p>We had a situation where one of the 6 of us, 82 year old woman, had a decision to make. Sell her unit and not pay capital gains tax, or keep her unit and live there till the end.</p> <p>She kept us from raising dues to cover expenses so we lived off of reserves. Now our reserve study says we need \$200k and have 18k in the bank.</p> <p>She has stopped paying dues, has \$300,00 in equity, and can't decide to sell and live with her daughter or stay.</p> <p>Meanwhile we pay her bills, and we need to foreclose on her.</p> <p>She will not be out on the street. She has money and options. Bankruptcy and Foreclosure is how we as a society move on from bad financial decisions.</p> <p>This bill keeps everyone from moving on.</p> |
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March 2024

To: House Transportation, Housing and Local Government Committee

Re: SB24- 134-Home Based Businesses

Dear Committee Members:

The American Association of University Women (AAUW) is one of the oldest women's organizations in the country, empowering women since 1881. The mission of AAUW is to advance equity for women and girls through research, education and advocacy. More than 700 community leaders are members of AAUW branches throughout Colorado.

AAUW has led the fight for economic empowerment for women, and we have made progress over the years. Yet women continue to face barriers in both pay and opportunity. SB 134 offers new pathways for women to succeed, making ownership of a home-based business allowable in HOA-controlled communities. Women are now leading in business start-ups and starting at home is often the way women can be successful. As long as the business obeys all municipal ordinances and laws, there is no reason to keep women from starting and running home-based businesses.

For these reasons, AAUW of Colorado strongly supports Senate Bill 134 requests your YES vote in committee and throughout the process of becoming law.

Respectfully submitted,

A handwritten signature in blue ink that reads "Su Ryden".

Su Ryden
AAUW Colorado Public Policy Co-Director

16699 E. Kentucky Ave.
Aurora, CO 80017
303.898.5797
suryden25@gmail.com

American Association of University Women--AAUW is a top-rated 501(c)3 charitable organization whose mission is to advance gender equity for women and girls through research, education, and advocacy.



March 12, 2024

The Honorable Representative Meg Froelich
Chair, Transportation, Housing & Local Government
Colorado General Assembly
200 E. Colfax

Denver, CO 80203

**Written Testimony to the Transportation, Housing & Local Government Committee In
Support of HB24-1337 – Real Property Owner Unit Association Collections**

Dear Chair Froelich:

On behalf of Prosperity Now, I am writing in **SUPPORT** of **House Bill 1337 Real Property Owner Unit Association Collections**, which would limit a homeowner's reimbursement of collection costs and attorney fees to 50% and prohibit an HOA from foreclosing on a lien until it has tried to serve an owner with a civil action within 180 days or obtained a personal judgement in a civil action. This bill would prohibit the purchaser of a home in foreclosure from selling for 180 days, with the former owner having first priority of buying the home again. In recent years, there have been a growing number of states working to address homeownership and residential retention amid changes in the economic landscape, particularly relative to affordable housing; and this bill would continue the trajectory of progressive efforts towards eliminating incurred debt and unnecessary foreclosures relative to housing.

At Prosperity Now, we are working to transform current systems, practices, and policies in service of an economy that works for everyone. We aim to build an economy that is just, fair, and free from structural racism that allows every person, family, and community to have the power to build sustainable wealth and prosperity. Prosperity Now supports policies that create wealth-building opportunities and provide greater economic opportunity for children born into low-income households. Through research, policy, advocacy and the strength of our nationwide networks, our efforts support access to the financing, financial capability services and housing options that families need to successfully become homeowners.

Currently in Colorado, many planned communities are managed by a homeowner's association (HOA), with over half of Colorado residents living in a community being overseen by an HOA. In Colorado, an HOA has the power to regulate common areas, collect charges to maintain and operate the common areas, and levy reasonable fines. Our expertise and research on HOA entities of housing have found that historically, any type of debt collection has been disproportionate across racial demographics. In 2022, Black and Latinx residents of Colorado neighborhoods have vocalized that they were uninformed of accrued fees and continued to build up violations over time. Although household debt is considered debt that builds wealth, there are many households with unsecured debt, with larger percentages being Black and Latinx households. Additionally, fines and fees, a form of unsecured debt, left unpaid can lead to further instability including wage garnishment, damage to credit, tax refund intercepts, and difficulty finding housing alternatives.

The racial wealth gap plays a pivotal role as low to median income households of color are targeted for foreclosures. The racial wealth divide is perpetuated across generations, with the historical advantages accrued by White households transferred and compounded through financial support and seed capital passed onto the next generation. Young adults whose households have limited to no wealth—disproportionately Black, Latinx, and Indigenous—start their adult lives without significant intergenerational wealth transfers through homeownership, putting them behind their wealthier White peers in building wealth over their lifetimes. Providing assistance through small changes in debt collection and foreclosure regulation that aid in retaining families in stability will create more financial security and can help to level the playing field, which continues with secure and equitable home ownership association proceedings.

Currently, Colorado has already taken incremental steps by recommending protections to homeowners with this bill amid Colorado's ongoing housing crisis. This bill would move the needle forward in the operation of Colorado communities but also the retention of residents in the state.

For these reasons, Prosperity Now is pleased to **SUPPORT** and urge an **AYE** vote on **HB24 1337**.

Sincerely,

Lauren Bealore
Associate Director of State & Local Policy
Prosperity Now
lbealore@prosperitynow.org

cc: Transportation, Housing & Local Government Committee
Members