



Legislative
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FINAL FISCAL NOTE

Drafting Number: LLS 20-0662	Date: August 17, 2020
Prime Sponsors: Rep. Herod; Jackson Sen. Fields	Bill Status: Signed into Law
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Bill Topic: PROHIBIT HOUSING DISCRIMINATION SOURCE OF INCOME

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill makes discrimination in housing based on a person's source of income an unfair housing practice. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2020-21, the bill requires an appropriation of \$9,641 to the Department of Regulatory Agencies.

Fiscal Note Status: The fiscal note reflects the enacted bill.

**Table 1
State Fiscal Impacts Under HB 20-1332**

	FY 2020-21	FY 2021-22
Revenue	-	-
Expenditures		
General Fund	\$9,641	\$23,141
Centrally Appropriated	\$1,833	\$5,934
Total	\$11,474	\$29,075
Total FTE	0.1 FTE	0.4 FTE
Transfers	-	-
TABOR Refund	-	-

Summary of Legislation

This bill prohibits discrimination in housing based on a person's source of income and makes such discrimination an unfair housing practice. The source of income must be lawful and verifiable including income from any lawful profession or occupation and from any government or private assistance, grant, or loan program. A landlord cannot refuse to rent or lease housing, refuse to show housing, refuse to transmit an offer to rent or lease, advertise that the rental or lease is limited based on source of income, or deny that housing is available in order to discriminate against someone based on their source of income. If the initial payment is not made in a timely manner, the landlord may exercise any right or pursue any remedy available under law.

Landlords with three or fewer units of housing for lease or rent are exempt from the bill's requirements. Landlords who own five or fewer single family rental homes and no more than five total rental units including any single family homes, are not required to accept federal housing choice vouchers for a single family home.

Background

The Colorado Civil Rights Division (CCRD) enforces the Colorado Anti-Discrimination Act which includes unfair housing practices. Aggrieved individuals who believe they have been discriminated against based on their protected class status have one year from the last date of discriminatory harm to file a complaint with the CCRD and two years to file a court action.

State Expenditures

This bill will increase General Fund expenditures for the CCRD in the Department of Regulatory Agencies by \$11,474 and 0.1 FTE in FY 2020-21 and \$29,075 and 0.4 FTE in FY 2021-22. It may also increase workload in the Judicial Department. These costs are shown in Table 2 and explained below.

Table 2
Expenditures Under HB 20-1332

	FY 2020-21	FY 2021-22
Department of Regulatory Agencies		
Personal Services	\$9,641	\$23,141
Centrally Appropriated Costs*	\$1,833	\$5,934
Total Cost	\$11,474	\$29,075
Total FTE	0.1 FTE	0.4 FTE

* Centrally appropriated costs are not included in the bill's appropriation.

Colorado Civil Rights Division. Based on experience with similar prohibitions in other states, the fiscal note assumes that the equivalent of 10 percent of the total number of housing complaints (159) filed with the CCRD will be related to housing discrimination based on source of income, which comes to 16 complaints per year. Because the bill is effective January 1, 2021, only 8 complaints are expected in FY 2020-21. The CCRD will add 0.3 FTE of a compliance

investigator and 0.1 FTE of a legal assistant to draft and investigate new source of income housing discrimination complaints. Staffing for FY 2020-21 is prorated based on the effective date and General Fund payday shift.

Judicial Department. Trial courts may see an increase in workload for appeals of CCRD decisions and civil actions. This increase is expected to be minimal and accomplished within existing appropriations.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$1,833 in FY 2020-21 and \$5,934 in FY 2021-22.

Effective Date

The bill was signed into law by the Governor on July 14, 2020, and takes effect January 1, 2021, assuming no referendum petition is filed.

State Appropriations

For FY 2020-21, the bill requires a General Fund appropriation of \$9,641 to the Department of Regulatory Agencies and 0.1 FTE.

State and Local Government Contacts

Local Affairs Regulatory Agencies