



2019 Legislative Wrap-up: CCLP's Family Economic Security Program

Struggling families across Colorado realized significant gains through the Colorado Legislature this year. CCLP's Family Economic Security team focused much of its attention on proposals intended to ease common problems that tenants in Colorado encounter. Our proposal to use a portion of unclaimed property funds for housing will result in the largest state investment in building and preserving affordable housing in state history. Efforts to give people with criminal records a chance to compete in the job market and housing market made a significant leap forward this year.

Under legislation developed by CCLP, the burden of debt repayment through wage garnishment will not be so crushing as to cause one to not be able to meet basic needs. We successfully pushed for long-term renewal of a child care tax credit for workers earning less than \$25,000 a year. Those pursuing an employment goal, who live below the poverty line, might be able to get help from their caseworker when a small dollar financial emergency threatens to derail their efforts.

We are clear that even when CCLP led on a bill, we did not succeed alone. The Tenants' Rights Roundtable, Skills2Compete Coalition, Ban-the-Box (Chance to Compete) Coalition, EITC/Child Related Tax Credits Coalition, the All Families Deserve a Chance Coalition, Speaker Becker's affordable housing stakeholder group provided the breadth and depth of support that helped get these bills across the finish line. Strong legislative sponsors also made a significant difference.

Here's a brief recap of CCLP's family economic security work during the 2019 legislative session:

Good News

Affordable Housing: House Bill 1322 will increase the supply of affordable housing by investing \$30 million a year for three years into the Housing Development Grant Fund without using taxpayer dollars. That fund provides grants and loans for a range of needs, including acquisition, renovation and construction of affordable housing, down-payment assistance, mobile home repair and rental assistance for a range of populations. CCLP's Claire Levy worked hard on the legislation over several years, balancing the dire need for money to leverage the construction and preservation of affordable housing, calculating the revenue flow into and out of the unclaimed property fund and the need to maintain healthy reserves, all while avoiding unintended consequences due to TABOR.

Eviction Legal Defense: SB 180 will establish a \$750,000 legal defense fund to help Coloradans facing eviction. This historic legislation will help prevent homelessness before it occurs.

Time to cure: HB 1118 will give families the chance to avoid eviction or find other housing by extending the eviction notification period for nonpayment of rent and other lease violations from three to 10 days. Lease violations that threaten the health and safety of other resident do not require this extended notice. An exception was carved out for owners of five or fewer single family units, but only if their lease contains a notice that the tenant has only five day notice to cure lease violations. A special thank you is owed to our partners at Colorado Coalition for the Homeless for their tireless work as co-leader of this legislation.

Manufactured housing: HB 1309 will revise Colorado's Mobile Home Park Act and make progress towards leveling the playing field for Coloradans residing on rented lots. The bill extends the amount of time a manufactured housing owner has to move (including their house itself) from three days to up to 60 days. It doubles the amount of time to pay overdue rent before an eviction from five days to 10 days. It also adds administrative remedies to enforce violations of the Mobile Home Park Act for the 100,000 Coloradans who live in the approximately 938 mobile home parks.

Ban the Box: HB 1025 will provide people with an opportunity to pursue a job without having to disclose a criminal history on an initial application. The basic premise of **HB 1025** — that everyone should have the opportunity to compete for a job despite their past mistakes — seems to be taking root in Colorado and nationwide. After all, giving people a chance to work is one of the surest ways to build financial security for them and their families and to reduce the probability those with criminal records will reoffend.

Aside from banning the box on employment applications, we were able to amend 9to5's **HB 1106** Rental Application Fee cap to include restrictions on consideration of most old criminal records. In today's economy, those with a criminal record often have more difficulty finding housing than employment. We also supported **Senate Bill 170**, which bans the box on public college and university applications in most cases.

CCLP played a role in developing and supporting **HB 1275**, which expands the types of non-violent offenses one can have sealed through the courts.

Employment Support Job Retention Services Program: HB 1107 appropriates \$250,000 a year to establish a three-year pilot program to provide funds to community-based organizations and public agencies case managers who work with people trying to get into the workforce or improve their skills to get a better-paying job. This bill will help a minimum of 500 low-income workers with small-dollar emergencies that prevent them from continuing or starting work. This bill was developed through Skills2Compete Colorado Coalition (staffed by CCLP) and was based on extensive statewide interviews with directors and staff of employment-oriented community organization and workforce centers on what they most needed to help those who have barriers to employment get a foothold in the job market that can lead to a career.

Wage Garnishment: HB 1189 will reform the state's wage-garnishment laws for writs of garnishments issued on or after Oct. 1, 2020. It requires notices to be in plain English and given to debtors at least two weeks in advance of the garnishment. The bill also will reduce the amount of income subject to garnishment from 25 percent to 20 percent or the amount of weekly pay above 40 times the minimum wage, whichever is less. Health insurance payments are also excluded from calculation of available income. Furthermore, HB 1189 creates a general hardship exemption that allows garnishment to be further reduced – or eliminated altogether – in certain circumstances. Wage garnishment reform has

been attempted many times before to no avail, due to the lobbying strength of creditors. This law does not excuse debtors from debts owed, but allows the repayment to be structured over time so that the individual is still able to work, afford their health insurance premiums and keep a roof over their head.

Colorado Child Care Tax Credit: In 2014, CCLP championed a successful bill that created a tax credit for workers earning less than \$25,000 a year who pay child care expenses but don't qualify for the federal Child and Dependent Care Tax Credit. Since the passage of the bill, and its renewal in 2017, 6,000 families per year have claimed the credit to help defray child care costs, providing up to \$500 per year for parents of one child, or up to \$1,000 for parents of two or more children. While we had hoped to make the credit permanent, **HB 1013** at least extended it for eight more years.

Census Outreach: HB 1239 creates a \$6 million grant program within the Colorado Department of Local Affairs, which will be awarded to local governments and nonprofit organizations throughout the state to increase outreach efforts for the U.S. Census. Given the reduced federal outreach effort, the conversion to an online census form and concern about the potential question on citizenship, trusted local community organizations are the most effective agents to encourage people to complete the census.

Challenges and Opportunities

* **During the session, we hoped to automate the sealing of eligible records, rather than require each person to go through an individual hearing before a judge and have each decided case by case.** Over the last two years, CCLP has been working toward this goal. More than 1.8 million Coloradans are listed in the state criminal record database. Tens of thousands are probably eligible to have their old records sealed under existing law. Many are not aware of the process or can't afford an attorney or court costs. Technology issues and data quality kept us from moving forward this year, even while there was bipartisan political support for removing barriers to record sealing for those with old criminal records. We plan to continue working toward a more efficient and equitable approach to record sealing.

* **While we were active in the drafting of the Mobile Home Park Act Oversight bill, and the 2018 bill to eliminate state sales tax on new manufactured housing, there is much more to do to address the needs of those who live in mobile home parks.** Mobile home park residents are generally more vulnerable than other tenants, even if they own their own home, because they generally do not own the land under it. And despite the name, manufactured housing is not mobile.

* **Nothing is as critical to a family's economic security as work.** We need to do more than preserve and improve critical safety net programs and work supports. Through the Skills2Compete Colorado Coalition, we'll work to ensure that all Coloradans can take advantage of the many economic opportunities in our state. - e.g. workplace learning, worker benefits and employer supported training for employees at all levels of employment, increased access to adult education, and expanded access to support services like child care and affordable transportation, and family-friendly workplace policies.

* **Advocacy on minimum wage should include reducing the number of workers excluded from the minimum wage.** The trend of classifying more workers as independent contractors – without benefits and many worker protections -- can worsen our two-tiered employment system. We'll also target policies that effectively discourage people from working.

* **Child support from noncustodial parents can and should play an important role in a family's economic stability.** As child-support collection moves from an enforcement approach to a services

approach, CCLP is considering policies that encourage consistent payments vs. discouraging payments and/or overwhelming debt.

* **We are taking a three-generation approach to family economic stability.** Older adults are often the economic backbone upon which others depend, while some seniors need help from their families or their government. CCLP will be exploring policies that that support intergenerational living and financial support.