

[HB1134 – Report Tenant Rent Payment Information Credit Agencies](#)

Monday, May 24, 2021

Senate State, Veterans, & Military Affairs Committee

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Thank you, Madame Chair and members of the committee, for the opportunity to provide this written testimony today. My name is Kelly Brough and I am the President and CEO of the Denver Metro Chamber of Commerce. I submit this testimony on behalf of the Chamber, our 3,000 members and their 400,000 employees, to express our support of House Bill 1134.

In 2019 we launched Prosper Colorado with the goal of making Colorado the best place to live and work, no matter your race, ethnicity or gender. We know that while our economy is among the strongest in the country, we have serious disparities. So this work is focused on understanding what's driving the disparities we see and identifying and breaking down the barriers to opportunity.

Housing and credit are two places we see disparities and barriers. Fewer than ½ of Black Coloradans and 54% of Hispanics or Latinx Coloradans own their homes, compared with nearly ¾ of white Coloradans. Nationally, lenders deny mortgages for Black applicants at a rate 80% higher than that of white applicants. People and communities of color have been disproportionately targeted for high-cost, predatory loans. These intrinsically risky financial products predictably lead to higher delinquency and default rates than non-predatory loans. Consequently, Black and Latinx Americans are more likely than their white counterparts to have damaged credit. And, according to the New York Federal Reserve, as many as 60 million Americans have a hard time qualifying for credit cards and other loans, making it more difficult for them to recover from financial setbacks. Previous studies analyzing access to credit have focused on the roughly 26.5 million adults in the United States who cannot qualify for conventional loans because they do not have credit reports or credit scores.

Being challenged to build credit has sweeping impacts on a person. It impacts their buying power and their ability access loans to do things like buy a house or start a business – two key strategies for building wealth in this country.

The pilot program in HB 1134 is a creative approach that aims to help Coloradans build credit and in doing so, ultimately build wealth. It can help them attain car ownership, making it easier to access work, school and health care. It can make it easier to buy a house, increasing stability for the entire family. It can aid in a critical step on the path to owning a business – securing a small business loan. Success in this regard can help alleviate the barriers that credit presents for so many Colorado families in so many ways.

We support the intent of this bill and believe it can set Colorado apart in a positive way.

Please join us in supporting HB 1134.