

HB23-1120 Eviction Protections For Residential Tenants

Tuesday, February 14 2023 1:30 p.m. Room 0112 Judiciary

Testimony: Oppose

Good afternoon, Mr. Chair and fellow committee members,

My name is Adam Burg I am the vice president of Government Affairs for the Denver Metro Chamber of Commerce.

I'm here today to express our organizations' opposition to HB23-1120.

This bill joins a slate of other legislation aimed at renters, and while we understand the intent of the legislation – the reality is mandatory mediation, increased risk, and new rental provisions are of particular concern to landlords and developers and will slow investment in more housing in Colorado. As an example, applications for new apartment development declined by a shocking 88% in the three months following the passage of a new affordable housing ordinance in Denver.

Mediation is a unique, often lengthy process – and generally not intended for eviction proceedings. Mediation also only succeeds if there is a genuine attempt to settle on both sides. If a party has been compelled to mediate against its will, it is quite likely to fail to participate fully in the process, thereby wasting both its own and its opponent's time and costs.

In addition, while mediation is often thought to decrease trial rates, reduce costs to courts and litigants, and speed up case disposition, empirical evidence demonstrating that mediation accomplishes these goals is elusive - as seen in a study of the Mediated Settlement Conference Program started in 1992 in North Carolina's superior courts.

While this bill may be intended to slow the eviction process for specified individuals, the reality is that it will further slow the growth of much needed housing supply in Metro Denver.

If mediation fails, then it has merely added an extra layer of cost to the dispute. The only revenue source for any rental housing providers are their customers, the renters, and ultimately when you make it more expensive to do business it just means higher rent for all of us.

We encourage the committee to vote no on this legislation.