



## **SUPPORT HB 20-1141 : Fees Charged To Tenants By Landlords**

**Sponsors: Rep. Caraveo, Rep. Gonzales-Gutierrez, and Sen. Gonzales**

**What is the Problem?** One in four Colorado renters spend more than 50 percent of their income on housing. This financial burden is exacerbated by a variety of residential fees, including rental late fees. As a result, many renters who are struggling to pay for these fees find themselves in a cycle of debt, and in the worst case, faced with eviction and the threat of losing their home.

The current laws governing landlord tenant fees are lacking in several ways:

- There is currently no limit on late fees. Some tenants have been charged over 50 percent of monthly rent in late fees alone, making it impossible to catch up on their debt.
- Tenants do not have sufficient remedies to hold landlords accountable when predatory fees are charged without a reasonable justification, or when fees are added on outside of the lease.
- Many leases provide a time frame before fees are charged, but since this is discretionary, it is not uniform across the state and some tenants owe fees the first minute that rent is late.
- Tenants can currently be evicted for nonpayment of late fees alone.

**What is the solution?** This bill gives the following protections to Colorado tenants and mobile home residents:

- Late fees must be disclosed in a lease agreement.
- Limits late fees to a certain percentage or dollar amount.
- For subsidized housing tenants, requires that the late fee calculation be based on the share of the rent paid by the tenant and only allows the imposition of late fees if the tenant pays their portion late.
- Allows a reasonable time frame after the rent is due before a late fee can be charged.
- Prohibits interest from being charged a late fee.
- Limits late fee assessments to one per late payment.
- Prevents landlords from evicting tenants based on nonpayment of late fees but allows landlords to recover late fees from a security deposit.
- This **would not** prevent landlords from charging fees outright; it would simply place reasonable limitations on them so that late fees do not serve as a profit center.

**Please support HB20-1141 to protect renters from excessive and costly fees!**

## **Endorsements**

All Families Deserve a Chance Coalition  
B-Konnected  
Black & Pink Denver / Co No More Prisons  
Colorado Children's Campaign  
Colorado Coalition for the Homeless  
Colorado Cross Disability Coalition  
Colorado Immigrant Rights Coalition  
Denver Artists for Rent control  
Denver Branch of Party for Socialism and Liberation  
Denver City Council, District 9 Candi CdeBaca  
Denver Democratic Socialists of America  
East Colfax Community Collective  
GES Coalition  
Good Business Colorado  
League of Women Voters Colorado  
Metro Caring  
Senior Lobby  
United for a New Economy  
Westwood Unidos