

How Does Prop HH Impact Renters?

Renters are the Biggest Losers.

These joint filers will lose an estimated \$5,119 in TABOR refunds over the next decade.

Renters will not see benefits from any of the TABOR refunds being redirected to slow the pace of property tax increases. Thus, renters will bear much of the cost for the \$9 billion in new spending Prop HH requires.

If Proposition HH passes, TABOR refunds will be reduced as the state would retain more tax dollars. Among this projected retained spending is an allocation of up to \$20 million per year to be transferred to the Housing Development Grant Fund. The 2nd Draft of the Blue Book analysis indicates that if HH passes, the fund will receive \$8 million in FY25, \$18 million in FY26, and an amount near its cap of \$20 million for the remaining years.

These funds are stated to be used for rental assistance, likely to be administered by the Emergency Rental Assistance Program (ERAP) which was responsible for distributing COVID rental relief money. ERAP states that the maximum benefit for a single qualifying applicant is \$15,000, however most applicants likely receive far less. With 768,000 or 33% of all Colorado households being renters, Proposition HH's rental assistance allocation will likely be quite limited in scope.



“ Prop HH is one of the most complex measures to ever appear on the ballot. Voters are being asked to give up future TABOR refunds to pay for slowing the growth in their property taxes. As others have pointed out, and our report now quantifies, the typical household could give up \$5,119 in TABOR refunds over the next decade, surpassing what they might save on their property taxes. And renters, who represent 1/3 of all households, are the biggest losers. Renters would simply face TABOR refund reductions without any direct property tax relief.”

— **Chris Brown**, Common Sense Institute Vice President of Policy & Research