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Colorado Association of REALTORS® Opposes Proposition HH

ENGLEWOOD, CO – While the Colorado Association of REALTORS® (CAR) recognizes the need and is ready to fully support thoughtful, well-vetted property tax relief for all Coloradans, CAR is opposed to Proposition HH.

“In essence, we lifted the hood on the ballot to help us understand the short- and long-term effects of Prop HH on our state’s residents,” said REALTOR® Will Flowers. “What seems like a simple ballot question on the surface, particularly in its initial description, becomes drastically more complicated and raises countless concerns as you dig into the 12-pages of detail in the Colorado Blue Book that should be considered. We analyzed potential outcomes to help us come to a decision in alignment with our mission and vision to create paths to homeownership.”

There are more than 800,000 renting households, or approximately 2 million Coloradans (according to U.S. Census data), that won’t receive any property tax relief, but will likely lose their TABOR refunds. A recent Colorado Health Foundation poll found that 85% of renters aspire to own a home. Unfortunately, 47% of those who aspire to own a home believe it’s unlikely they’ll be able to purchase a home in Colorado. Less money in renters’ pockets from TABOR refunds is less money to put towards homeownership or to make ends’ meet.

“Coloradans expect and deserve better than Proposition HH. This measure forces homeowners and seniors to jump through more hoops to access Proposition HH tax benefits and creates confusion with new classes of residential property. Property tax relief should be clean and straightforward, not with strings attached,” said CAR CEO Tyrone Adams. “As a result, the measure makes it harder for people to access their tax benefits and navigate the housing market, opening the door to unintended consequences.”

As an example, Coloradans who occupy their residential property would be required to complete an application to be filed with their county assessor to be considered for a market value reduction of at least \$40,000 beginning in 2025.

Some of the other key issues influencing the decision to oppose Prop HH include, but are not limited to:

- While Prop HH would provide minimal property tax *relief*, it still results in an increase in property taxes. Simply a smaller increase than current law.
- These changes to local property taxes and TABOR would last at least 10 years however, Proposition HH allows the state legislature to continue changes in perpetuity without further voter approval.
- Proposition HH would allow the state to retain money that would otherwise be refunded to taxpayers through at least 2032. Property tax relief should not come at the expense of TABOR refunds.
- Seniors should be able to claim their new homestead exemption right away instead of having to live somewhere for 10 years before becoming eligible. Proposition HH is unnecessary to make this change, the state legislature can simply pass legislation to this effect without tying it to a complicated process.
- Prop HH creates confusion with new classes of residential property and legislation is being considered to increase the assessment rate for Short Term Rentals to a much higher rate.

“At the end of the day, we are a professional real estate trade association representing nearly 29,000 REALTORS® and tens of thousands of Coloradans making their buying and selling decisions. Therefore, our lens in reviewing Prop HH is its impact on real estate,” said CAR President Natalie Davis. “The legislature has the power to enact changes proposed in Proposition HH without voter approval, including the portability of the senior homestead exemption, which it could enact in the 2024 session. In addition, the legislature should call a special session to address property tax relief, calling upon our elected officials to come together to fix this issue, but not through a complicated ballot measure with multiple layers.”

CAR’s comprehensive process included hearing directly from campaigns supporting, opposing, and educating on Prop HH, reviewing the Blue Book content and analysis from the non-partisan legislative staff, as well as extensive discussion and debate among members. After this extensive process, the Colorado Association of REALTORS® concluded that Proposition HH is simply not the answer.

The Colorado Association of REALTORS® is the state's largest real estate trade association representing nearly 29,000 members statewide. The association supports private property rights, equal housing opportunities and is the "Voice of Real Estate" in Colorado. For more information, visit <http://www.coloradorealtors.com>.