



Employer-assisted housing has become more popular recently in order to help employers stay competitive with the benefits they are able to offer. Having an array of benefits is one of the things that can help attract and retain employees, which is increasingly important for businesses in a competitive market for skilled labor.

However, the market for employee benefits should be able to reach efficiency on its own without government intervention. There is no evidence that there is a market failure currently preventing employers from offering efficient benefits to their employees.

In fact, this bill may encourage the creation of a market failure in the market for employee benefits. By subsidizing employer benefits in some areas, this bill gives some employers an advantage. For example, if an employer in a city wanted to offer housing as a benefit, the employer in the rural area would be able to offer the same benefit but have a lesser cost due to this bill. This creates a market failure in the market for benefits instead of remediating one.

Further on this point, if rural employers have difficulty with retention and hiring, then they should solve this problem by offering higher salaries to their employees. Offering higher pay is the best way to incentivize employees to take or keep a job because they are able to choose how to spend the money themselves. Instead of having benefits tied to their housing, rural employers should offer higher salaries to attract and keep their employees.

The Colorado legislature should write and pass bills to redistribute to needy residents. This bill certainly does not redistribute to the neediest Colorado citizens. The benefit of the credit will mostly accrue to the wealthy while the benefit of the donated



