

**COLORADO COALITION OF APPRAISERS**  
**Legislation Report**  
**April 20, 2012**

**BILL [HB12-1029](#)**

**Position: Monitor**

CONCERNING AN ECONOMIC STIMULUS THROUGH A PROPERTY TAX EXEMPTION FOR BUSINESS PERSONAL PROPERTY, AND, IN CONNECTION THEREWITH, ENACTING THE "SAVE COLORADO JOBS ACT".

**Sponsors:** HOLBERT / SCHEFFEL

The bill exempts business personal property that is purchased at any time during the 2013 calendar year from the levy and collection of property tax.

**Status**

03/24/2012 Governor Action - Signed

**BILL [HB12-1036](#)**

**CORA bill with DORA**

**Position: Actively Monitor**

CONCERNING CLARIFICATION OF THE EXEMPTION FROM THE "COLORADO OPEN RECORDS ACT" FOR INVESTIGATIVE FILES.

**Sponsors:** KERR J.

The bill clarifies that the current exemption from the "Colorado Open Records Act" for investigative files applies to those files compiled for any civil, administrative, or criminal law enforcement purpose.

**Status**

03/21/2012 Senate Committee on Judiciary Witness Testimony and/or Committee Discussion Only

**BILL [HB12-1110](#)**

**CAR position is support**

**Position: Strongly Support**

CONCERNING THE REGULATION OF APPRAISAL MANAGEMENT COMPANIES.

**Sponsors:** WILLIAMS A. / CARROLL

In compliance with federal law, Colorado currently requires the licensing of real estate appraisers. In order to promote enhanced consumer protection, recently adopted federal guidelines now require mortgage lenders to use entities known as appraisal management companies, which hire licensed real estate appraisers, to value property for lending purposes. Appraisal management companies are not currently subject to regulation under Colorado law. The bill authorizes the board of real estate appraisers in the division of real estate in the department of regulatory agencies to regulate appraisal management companies. Necessary terminology is defined and the registration of appraisal management companies is required. Section 5 of the bill sets forth the requirements for registration and exemptions for certain types of activities. Section 3 of the bill amends the section creating the board of real estate appraisers by adding a member who is an officer or employee of an appraisal management company and subtracting one public member. Requirements for owners and controlling persons of appraisal management companies are established, including a requirement that certain persons submit information, including fingerprints, for criminal history record checks. The bill sets forth prohibited activities and grounds for disciplinary action against appraisal management companies and owners and controlling persons. Administrative and criminal penalties for violations are established, and the board of real estate appraisers is granted the power to administer the provisions of the bill. The bill requires real estate appraisers to maintain errors and omissions insurance. Appraisal management companies are required to post with the board a surety bond in the amount of \$25,000. Sections 12 through 15 of the bill make conforming amendments to existing statutes to make them consistent with the changes made in the bill.

**Status**

04/09/2012 Introduced In Senate - Assigned to Business, Labor and Technology

**BILL** [HB12-1148](#)

**Position: Monitor**

CONCERNING THE ESTABLISHMENT OF NEIGHBORHOOD REVITALIZATION AREAS BY LOCAL GOVERNMENTS.

**Sponsors:** SONNENBERG

The bill authorizes the governing body of a municipality (governing body) to

designate any area within such municipality as a neighborhood revitalization area if the area satisfies certain requirements and the rehabilitation, conservation, or redevelopment of the area is necessary to protect the health, safety, or welfare of the residents of the municipality. The governing body may also declare a building that is located outside the boundaries of a neighborhood revitalization area to be a dilapidated structure if the structure satisfies certain requirements. Prior to designating an area as a neighborhood revitalization area or a structure as a dilapidated structure, the bill requires the governing body to adopt a plan for the revitalization of the area or designation of a dilapidated structure. The bill includes the required components of the plan. The bill also specifies certain actions the governing body must undertake in order to designate a building as a dilapidated structure. Prior to adopting a plan, the governing body must call and hold a hearing on the proposal. Following the hearing, the governing body may adopt the plan. Following adoption of a plan, the bill requires the governing body to create a neighborhood revitalization fund to finance the redevelopment of designated revitalization areas and dilapidated structures and to provide property tax rebates authorized by the bill. Any incremental increase in property taxes levied by the municipality resulting from improvements by a taxpayer to property in a neighborhood revitalization area or to a dilapidated structure may be credited to the municipality's neighborhood revitalization fund for the purpose of returning all or a part of the property tax increment to the taxpayer in the form of a rebate. Upon approval of an application for a rebate, the municipality is required to credit to the taxpayer all or a part of the property tax increment resulting from the improvements. The bill specifies that no portion of the increment that may be claimed as a rebate by a taxpayer may include any portion of such increment that would otherwise be credited to a school district in the absence of the creation of a neighborhood revitalization area. Nothing in the bill is intended nor shall it be construed to affect the state's share of a school district's total program for any particular budget year as such share may be set in the absence of the creation of a neighborhood revitalization area. The bill authorizes any 2 or more municipalities or a municipality and another local government to enter into an intergovernmental agreement to exercise jointly the powers and duties authorized by the bill. The bill clarifies that its provisions are not intended to be construed to prevent municipalities from enacting and enforcing additional laws and rules on the same subject that are not in conflict with those contained in the bill.

### **Status**

02/20/2012 House Committee on Local Government Postpone Indefinitely

**BILL** [HB12-1156](#)

**Position:** **Monitor**

CONCERNING MEASURES TO IMPROVE THE RELIABILITY OF INFORMATION

PROVIDED IN CONNECTION WITH REAL ESTATE FORECLOSURES.

**Sponsors:** MCCANN / JOHNSTON

Current law allows a "holder of an evidence of debt" (holder), generally, a bank or other financial institution, to foreclose on real property under a deed of trust even if the holder's interest is based on an assignment from the original lender and the assignment or other intermediate documents are not produced, simply by providing a statement from the holder's attorney that the holder's interest in the property is valid. Sections 1 and 3 of the bill remove this provision and otherwise tighten the rules for documentation of the holder's interest that must be filed with the public trustee before a foreclosure sale is authorized. Section 2 amends provisions governing the court order authorizing sale by a public trustee (rule 120 order, referring to C.R.C.P. 120) to place the burden of proof on the holder in all cases to demonstrate that the holder does in fact have a valid assignment or other basis for its assertion that it is entitled to foreclose on the property. Section 2 also explicitly states that the rule 120 order is not a final judgment adjudicating all claims of rights and interests in the property, as a judgment under rule 105 (a "quiet title judgment") would be. Section 4 suspends any eviction proceeding if the rule 120 order has been challenged, until the challenge is resolved.

**Status**

03/13/2012 House Committee on Economic and Business Development Postpone Indefinitely

**BILL** [HB12-1157](#)

**Position:** **Monitor**

CONCERNING THE COURT HEARING ON A PETITION FOR THE ORGANIZATION OF A SPECIAL DISTRICT.

**Sponsors:** VIGIL / GUZMAN

If a service plan for a proposed special district is approved by a board of county commissioners, current law requires any interested party who appeared and objected to the plan to be given notice and have the right to appear at a court hearing on the petition to organize the district. Section 1 of the bill would require the party to also be a taxpayer or eligible elector of the proposed district in order to be given notice and have the right to appear at the hearing. Section 2 requires the notice of court hearing to be sent by certified mail rather than registered mail. Current law allows the court, in the order authorizing the organizational election, to name an eligible elector as the designated election official. Section 3 allows the court, by any order of the court, to name a person experienced in conducting special district elections to serve as the designated election official.

**Status**

02/28/2012 Senate Committee on Local Government Postpone Indefinitely

**BILL** [HB12-1164](#)

**CAR position = oppose**

**Position: Monitor**

CONCERNING A REQUIREMENT FOR DISCLOSURE REGARDING SEVERED MINERAL ESTATES UPON THE CONVEYANCE OF REAL ESTATE.

**Sponsors:** LOOPER

Beginning in 2013, listing contracts, contracts of sale, and sellers' property disclosures for real estate must include a notice regarding whether the mineral estate has been severed from the surface estate and a surface owner's right of first refusal to purchase the mineral estate when the taxes on the mineral estate have not been paid. The seller must provide to the buyer a copy of each instrument that severed the mineral estate, the name and contact information of the owner of the mineral estate, and the name and contact information of any known current lessees of the mineral estate, if that information is available. The seller must also indicate whether mineral exploration or development on the real property is or will be using water that would otherwise be available to the buyer as an incident of ownership of the real property.

**Status**

02/14/2012 House Committee on Judiciary Postpone Indefinitely

**BILL** [HB12-1165](#)

**CAR opposes: The underlying reason is that any potential Buyer concerned about radon is already permitted to test a home to see if it meets their satisfaction. Further, a Buyer is in the best position to ensure that any testing done is accountable and can be independently and accurately verified. NOTE: Democrat sponsor, bill assigned to State Affairs, will likely PI**

**Position: Monitor**

CONCERNING THE DISCLOSURE OF INFORMATION ABOUT RADON HAZARDS IN CONNECTION WITH THE RESALE OF PRIVATE RESIDENTIAL REAL PROPERTY.

**Sponsors:** SCHAFFER S. / JAHN

On and after January 1, 2013, in connection with the resale and subsequent conveyance of private residential real property, the bill requires the seller of the

property to conduct a test of the property for radon hazards prior to sale in accordance with testing procedures approved for such use by the Colorado department of public health and environment. The bill further requires the seller to timely disclose the findings of the test to the potential purchasers of the property and provide documentation to such purchaser evidencing the completion of the test and the test results. Any presence of a radon hazard above the safety level may constitute cause for the mitigation of the hazard. The bill specifies that the cost of any such mitigation is a matter to be privately negotiated between the seller and the potential purchaser of the property. Nothing in the bill is intended nor shall be construed to require any mitigation on the part of the seller of the property. The bill provides a property owner, an authorized agent of a property owner, or a person in possession of real property immunity from liability for any damages resulting from the operation, maintenance, installation, or effectiveness of any mitigation undertaken pursuant to the bill.

**Status**

02/23/2012 House Committee on State, Veterans, & Military Affairs Postpone Indefinitely

**BILL** [HB12-1210](#)

**Position: Monitor**

CONCERNING THE RECOGNITION OF PROFESSIONALS IN GOOD STANDING FROM OTHER STATES TO PRACTICE IN COLORADO.

**Sponsors:** BEEZLEY / JAHN

The bill allows a person with a currently valid license, certificate, or registration in good standing from another state to practice his or her profession in this state for up to one year before the person has to meet the licensing, certification, or registration requirements in Colorado. For the person to be eligible to practice in this state, he or she shall have no other basis for disqualification from practice other than the lack of a license, certificate, or registration and shall apply for a license, certificate, or registration within 30 days after engaging in practice in Colorado.

**Status**

03/15/2012 Senate Committee on Health and Human Services Postpone Indefinitely

**BILL** [HB12-1211](#)

**CAR supports this bill as a reasonable first step.**

**Position: Monitor**

CONCERNING THE REQUIREMENT THAT A TITLE INSURANCE AGENT DOING BUSINESS IN THIS STATE MAINTAIN AN OFFICE WITHIN THIS STATE THAT IS STAFFED BY THE DESIGNATED RESPONSIBLE PRODUCER.

**Sponsors:** JONES / NICHOLSON

The bill requires a title insurance agent doing business in this state to maintain a physical office within this state for its employees, including the designated responsible insurance producer. An attorney who is licensed to practice law in Colorado and who is a licensed title insurance agent is exempt from the requirement.

**Status**

03/21/2012 House Committee on State, Veterans, & Military Affairs Postpone Indefinitely

**BILL** [HB12-1239](#)

**Position: Monitor**

CONCERNING THE AMOUNT OF APPROVAL REQUIRED FOR CERTAIN SPECIAL DISTRICT ACTIONS, AND, IN CONNECTION THEREWITH, ALLOWING PERSONS WHO OWN PROPERTY THAT IS OUTSIDE THE BOUNDARIES OF A SPECIAL DISTRICT BUT WITHIN THE EXISTING OR PROPOSED SERVICE AREA OF THE SPECIAL DISTRICT TO VOTE IN SPECIAL DISTRICT ELECTIONS, ALLOWING A SPECIAL DISTRICT TO EXPAND ITS SERVICE AREA INTO A NEW COUNTY ONLY WITH THE APPROVAL OF THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY, AND INCREASING THE PERCENTAGE OF THE TAXPAYING ELECTORS OF A PROPOSED METROPOLITAN DISTRICT WHO MUST SIGN A PETITION FOR ORGANIZATION OF THE DISTRICT.

**Sponsors:** VAAD

Currently, only a person who owns property within the territory or proposed expanded territory of a special district is eligible to vote in a special district election. Section 1 of the bill allows a person who owns property within the service area or proposed expanded service area of a special district to vote in a special district election. Section 2 modifies the process by which a special district expands its service area by:

- \* Allowing a special district to expand its service area into a new county only with the approval of the board of county commissioners of the county and specifying the process by which a special district may obtain such approval; and
- \* Prohibiting a board of county commissioners from approving a special district's

expanded service plan that includes property of a property owner who has not consented to the inclusion of his or her property in the expanded service area. In lieu of the existing requirement that the lesser of 30% or 200 of the taxpaying electors of a proposed special district sign the petition for organization of the district, section 3 requires a petition for organization of a special district that is a metropolitan district to be signed by the lesser of 90% or 200 of the taxpaying electors of the proposed metropolitan district.

**Status**

03/30/2012 House Considered Senate Amendments - Result was to Laid Over Daily

**BILL [HB12-1251](#)**

**Position: Monitor**

CONCERNING REFORMS TO THE "URBAN AND RURAL ENTERPRISE ZONE ACT".

**Sponsors:** HULLINGHORST / HEATH

The bill:

\* For the income tax years commencing on or after January 1, 2014, limits the amount of an income tax credit that may be claimed in an income tax year for qualified investments in an enterprise zone to the sum of the taxpayer's actual tax liability for the income tax year up to \$5,000, plus 50% of any portion of the tax liability for the income tax year that exceeds \$5,000 up to a maximum of \$500,000.

\* Allows a taxpayer to appeal to the Colorado economic development commission (commission) for permission to claim a credit in excess of the limit specified in the bill.

\* Requires the commission to annually post information regarding claimed investment tax credits on its web site or the Colorado office of economic development's web site.

\* Requires the commission to provide the department of revenue with information related to taxpayers receiving any credits allowed under the "Urban and Rural Enterprise Zone Act".

**Status**

02/29/2012 House Committee on Finance Postpone Indefinitely

**BILL [HB12-1253](#)**

**Position: Monitor**

CONCERNING THE REAL PROPERTY EXPENSE ASSISTANCE GRANTS FOR LOW-

INCOME SENIORS AND DISABLED INDIVIDUALS, AND, IN CONNECTION THEREWITH, MODIFYING GRANT AMOUNTS AND INCREASING MAXIMUM INCOME LIMITS FOR GRANT QUALIFICATION.

**Sponsors:** KEFALAS / JOHNSTON

For grants claimed for 2013, the bill modifies the amounts of the real property tax expense and heat or fuel expenses assistance grants for low-income seniors and disabled individuals and the maximum income limits for grant qualification in a manner that:

- \* Increases grant amounts for individuals who earn more than \$10,040 and married couples who earn more than \$13,932; and
- \* Increases the income limits for grant eligibility from \$12,313 to \$28,000 for individuals and from \$16,205 to \$32,000 for married couples; and
- \* Establishes flat minimum grant amounts for any eligible individual or married couple of the lesser of \$227 or the actual amount of property tax paid for the real property tax expense assistance grant and \$73 for the heat or fuel expenses assistance grant.

**Status**

03/14/2012 House Committee on Finance Postpone Indefinitely

**BILL** [HB12-1287](#)

**Position:** **Monitor**

CONCERNING THE AMOUNT OF THE ACTUAL VALUE OF RESIDENTIAL REAL PROPERTY THAT QUALIFIES FOR THE SENIOR PROPERTY TAX EXEMPTION TO BE EXEMPTED FROM PROPERTY TAXATION FOR ANY PROPERTY TAX YEAR COMMENCING ON OR AFTER JANUARY 1, 2012.

**Sponsors:** PABON

For any property tax year that commences on or after January 1, 2012, the amount of actual value of residential real property that qualifies for the senior property tax exemption of which 50% is exempt is the lowest of:

- \* The actual value of the residential real property;
- \* \$200,000; or
- \* A percentage of the actual value of the residential real property estimated by the state property tax administrator, in consultation with the staff of the legislative council, to cause the total costs to the state of reimbursing local governments for property tax revenues lost due to the exemption to equal 1.02% of the estimated amount of state general fund revenues for the fiscal year in which the state will pay the reimbursement.

**Status**

02/22/2012 House Committee on Finance Postpone Indefinitely

**BILL [HB12-1307](#)**

CONCERNING THE AUTHORITY OF A NONLAWYER TRUSTEE OF A CERTAIN SIZE TRUST TO REPRESENT THE TRUST BEFORE THE BOARD OF ASSESSMENT APPEALS.

**Sponsors:** KERR J.

Current law does not allow a nonlawyer trustee to represent a trust in hearings before the board of assessment appeals. The bill authorizes a nonlawyer trustee to represent a trust in those hearings if the trust consists of total assets of less than \$3 million.

**Status**

03/30/2012 House Considered Senate Amendments - Result was to Laid Over Daily

**BILL [SB12-030](#)**

**Position:** **Monitor**

CONCERNING ADMINISTRATIVE MATTERS RELATED TO A FORECLOSURE SALE.

**Sponsors:** JAHN

Section 1 of the bill requires an electronic payment to an account of a public trustee to be in compliance with conditions placed on the account by the public trustee for such transfer. Section 2 of the bill requires a holder of an evidence of debt (holder) or the attorney for a holder, when commencing a foreclosure, to file a statement identifying the loan servicer of the evidence of debt, if any. Section 3 of the bill requires a public trustee to include in a combined notice the following statement, which shall be in bold: If a sale is continued, the deadline to file a notice of intent to cure by those parties entitled to cure may also be extended. Section 4 of the bill establishes a form for the cure statement, which is a statement of all sums necessary to cure the default that caused the foreclosure, and also modifies procedures related to the cure statement. Section 5 of the bill permits a rule 120 hearing notice, which relates to a court order authorizing a sale of the foreclosed property, to be presented to the occupant of the residential property. Currently, the notice may only be given by posting. Section 6 of the bill adds a line for a confirmation deed fee and a confirmation deed recording fee to the bid form submitted by a holder. Both are fees collected by the officer and would be paid to the officer from the proceeds of the foreclosure sale. Section 7 of the bill modifies foreclosure procedures for a property

that is part of a bankruptcy proceeding. Section 8 of the bill modifies the calculation of excess proceeds from a foreclosure sale and shortens the deadline for an officer to transfer unclaimed excess proceeds to a county treasurer. Section 9 of the bill clarifies that an assignment of a lien must always be attached to the notice of intent to redeem by a lienor. Section 10 of the bill modifies when an officer is required to execute and record a confirmation deed and specifies the conditions under which an assignee must be listed as the grantee on the deed. Section 11 of the bill specifies the procedures for releasing a deed of trust that has been recorded in the wrong county.

**Status**

04/12/2012 Governor Action - Signed

**BILL [SB12-052](#)**

**Position: Monitor**

CONCERNING A PROPERTY TAX EXEMPTION FOR BUSINESS PERSONAL PROPERTY.

**Sponsors:** SCHEFFEL / PRIOLA

Under current law, the amount of the exemption from property tax for business personal property listed on a single personal property schedule is \$5,500 for the current property tax year cycle, \$7,000 for the next property tax year cycle, and an inflation-adjusted amount for each property tax year cycle thereafter. The bill increases the exemption to \$14,000 for the next property tax year cycle, which in turn increases the future inflation-adjusted amount of the exemption. For a period of 10 years, the bill also exempts a portion of the business personal property of a state-assessed public utility through the creation of a valuation cap. The valuation cap is based on the actual value of the public utility's operating property and plant for the 2011 property tax year, or a later property tax year in the case of a new public utility, with an incremental increase each year thereafter during the 10-year period. The value of property above the cap is deemed to be attributable to business personal property, unless the property tax administrator determines otherwise.

**Status**

02/16/2012 Senate Committee on Finance Postpone Indefinitely

**BILL [SB12-070](#)**

**CAR opposes**

**Position: Monitor**

CONCERNING RESIDENTIAL LANDLORDS AND TENANTS, AND, IN CONNECTION THEREWITH, ENACTING THE "UNIFORM RESIDENTIAL LANDLORD AND TENANT ACT".

**Sponsors:** AGUILAR / WILSON

Section 1 of the bill enacts the "Uniform Residential Landlord and Tenant Act" (Act), which includes, among other things, provisions related to:

- \* A statement of purpose and rules of construction;
- \* Exclusions from the application of the Act;
- \* An obligation of good faith;
- \* The effect of an unsigned or undelivered rental agreement;
- \* Prohibited provisions in rental agreements;
- \* A landlord's obligation to make disclosures, deliver possession of a dwelling unit, and maintain a premises;
- \* A tenant's obligation to maintain a dwelling unit, to allow a landlord access to a dwelling unit, and to use and occupy a dwelling unit;
- \* Rules and regulations adopted by a landlord;
- \* A tenant's remedies for a landlord's noncompliance with his or her obligations;
- \* A landlord's remedies for a tenant's noncompliance with his or her obligations;
- \* A prohibition on retaliatory conduct; and
- \* The repeal of existing inconsistent law relating to landlord and tenant relations.

The Act does not include a provision related to security deposits that was approved by the national conference of commissioners on uniform state laws. Section 2 of the bill requires the official comments of the national conference of commissioners on uniform state laws to be published along with the Act as nonstatutory matter.

Sections 3 and 4 of the bill confer authority on a county court and a small claims court, respectively, to grant injunctive relief as permitted under the Act. Section 5 of the bill modifies the current deadlines for giving notice to quit a tenancy in order to be consistent with the deadlines in the Act. Section 6 of the bill modifies the existing security deposit law by:

- \* Eliminating the requirement that a tenant must give notice to a landlord of his intention to file legal proceedings a minimum of 7 days prior to filing said action;
- \* Limiting the total security deposit that a landlord demand or receive security to one month periodic rent; and
- \* Requiring a landlord in all instances to return a security deposit to a tenant within one month after the termination of a lease or surrender and acceptance of the premises, whichever occurs last, by eliminating the ability of the parties to specify in the lease agreement a longer period of time, up to 60 days. The first 2 changes related to the security deposit law are included in the Act approved by the national conference of commissioners on uniform state laws.

**Status**

03/12/2012 Senate Second Reading Laid Over Daily

**BILL [SB12-071](#)**

**Position: Monitor**

CONCERNING A REQUIREMENT TO PURSUE AVAILABLE LOAN MODIFICATION REMEDIES BEFORE FORECLOSING ON RESIDENTIAL REAL PROPERTY.

**Sponsors:** GIRON / DURAN

The bill requires the holder of an evidence of debt (typically a mortgage lender), before initiating or completing the process of foreclosing on residential real property containing 4 or fewer dwelling units, to make and fully document its efforts to:

- \* Contact the borrower directly;
- \* Negotiate in good faith with the borrower in an effort to effectuate a cure for default rather than move directly into the foreclosure process;
- \* Fully assess the eligibility of the borrower, the property, and the loan for any available public or private loan modification programs or other alternatives to foreclosure;
- \* Communicate with, and inform, the borrower about impending deadlines and the consequences of missing them at every major step of the foreclosure process;
- \* Carry the burden of proof in court proceedings regarding the holder's compliance with procedural as well as substantive requirements before obtaining an order authorizing sale of the property under rule 120 in the Colorado rules of civil procedure; and
- \* Abide by the terms of any offer of modification it makes, if the borrower signs and returns documents containing those terms.

**Status**

01/19/2012 Introduced In Senate - Assigned to Judiciary

**BILL [SB12-081](#)**

**CAR position = support. Prohibition of local government sprinkler requirements.**

**Position: Monitor**

CONCERNING A PROHIBITION ON A LOCAL GOVERNMENT REQUIRING THE INSTALLATION OF SPRINKLERS IN A SINGLE-FAMILY DWELLING.

**Sponsors:** GRANTHAM

The bill prohibits a county or municipality from requiring sprinklers to be installed in single-family dwellings.

**Status**

02/16/2012 Senate Committee on Local Government Postpone Indefinitely