



Colorado Legislative Council Staff Fiscal Note
NO FISCAL IMPACT

Drafting Number: LLS 10-0600

Date: January 18, 2010

Prime Sponsor(s): Rep. Massey

Bill Status: House Judiciary

Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING AMENDMENTS TO THE "COLORADO FORECLOSURE PROTECTION ACT".

Summary of Legislation

The Colorado Foreclosure Protection Act requires equity purchasers to follow specific requirements when taking an equity interest in a residential home that is in default. HB10-1133 repeals subpart 3 of the act, and the corresponding definition of an equity purchaser.

The bill takes effect August 11, 2010, if the General Assembly adjourns on May 12, 2010, as scheduled, and no referendum petition is filed.

Assessment

HB10-1133 will not affect state or local revenue or expenditures, and is therefore assessed as having no fiscal impact.

With certain exceptions, an equity purchaser is defined as a person who, in the course of the person's business, vocation, or occupation, acquires title to a residence in foreclosure. Under current law, an equity purchaser must insert a rescission period into a contract and provide specific disclosures about a homeowner's rights to share in any equity that results from the sale of the home. The bill eliminates these requirements. As such, the enforcement provisions available to the attorney general and district attorneys when enforcing the act, are also removed.

Departments Contacted

Law